

3845. Also, petition of the town of East Hartford, Conn.; to the Committee on the Judiciary.

3846. Also, petition of the city of Oswego, N. Y.; to the Committee on the Judiciary.

3847. Also, petition of the city of Maplewood, Mo.; to the Committee on the Judiciary.

3848. Also, petition of the city of Lorain, Ohio; to the Committee on the Judiciary.

3849. Also, petition of B. C. Beetham and others; to the Committee on the Judiciary.

3850. Also, petition of the city of Rahway, N. J.; to the Committee on the Judiciary.

3851. Also, petition of the city of Cicero, Ill.; to the Committee on the Judiciary.

3852. Also, petition of the city of Terre Haute, Ind.; to the Committee on the Judiciary.

3853. Also, petition of the borough of Somerville, N. J.; to the Committee on the Judiciary.

3854. Also, petition of the Nashville Wholesale Association; to the Committee on Ways and Means.

3855. Also, petition of the city of Lebanon, Tenn.; to the Committee on the Judiciary.

3856. Also, petition of the city of Wilkes-Barre, Pa.; to the Committee on the Judiciary.

3857. Also, petition of the city of Frankfort, Ind.; to the Committee on the Judiciary.

3858. Also, petition of the city of Toledo, Ohio; to the Committee on the Judiciary.

3859. Also, petition of the city of Mitchell, S. Dak.; to the Committee on the Judiciary.

3860. Also, petition of the city of North Chicago, Ill.; to the Committee on the Judiciary.

3861. Also, petition of the city of Northampton, Mass.; to the Committee on the Judiciary.

3862. Also, petition of the city of Kenosha, Wis.; to the Committee on the Judiciary.

3863. Also, petition of the city of South Bend, Ind.; to the Committee on the Judiciary.

3864. Also, petition of the city of Klamath Falls, Oreg.; to the Committee on the Judiciary.

3865. Also, petition of Calumet City, Ill.; to the Committee on the Judiciary.

3866. Also, petition of the Walter J. Hatfield Post, No. 356, American Legion; to the Committee on Ways and Means.

3867. Also, petition of the Colored Men's Progressive Association of Sweetwater County, Wyo.; to the Committee on the Judiciary.

3868. Also, petition of the D. of C. Society of the Sons of the American Revolution; to the Committee on the Judiciary.

3869. Also, petition of the D. of C. Society of the Sons of the American Revolution; to the Committee on the Library.

3870. Also, petition of the Farmers' Holiday Association of New Mexico; to the Committee on Agriculture.

3871. Also, petition of McFarland Post, No. 9, of the American Legion; to the Committee on Ways and Means.

3872. Also, petition of the city of Camden, N. J.; to the Committee on Ways and Means.

3873. Also, petition of the Yuba-Sutter Bar Association; to the Committee on the Judiciary.

3874. Also, petition of the Nine County Democratic League of Southwestern Washington; to the Committee on Agriculture.

3875. Also, petition of the National Association of Tobacco Distributors; to the Committee on Ways and Means.

3876. Also, petition of the Westmoreland County Council of the Veterans of Foreign Wars; to the Committee on Ways and Means.

3877. Also, petition of the Clio Club, Denver, Colo.; to the Committee on Ways and Means.

3878. Also, petition of Group No. 2519 of the Polish National Alliance; to the Committee on the Judiciary.

3879. Also, petition of the Polish National Alliance, Group No. 2654; to the Committee on the Judiciary.

3880. Also, petition of the Group No. 96 of the Polish National Alliance; to the Committee on the Judiciary.

SENATE

THURSDAY, MARCH 14, 1935

(Legislative day of Wednesday, Mar. 13, 1935)

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

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, March 13, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. McGill, one of its clerks, announced that the House had passed a bill (H. R. 6644) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1935, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Coolidge	Keyes	Pope
Ashurst	Copeland	King	Reynolds
Austin	Costigan	La Follette	Robinson
Bachman	Couzens	Lewis	Russell
Bailey	Cutting	Logan	Schall
Bankhead	Dickinson	Loneragan	Schwellenbach
Barbour	Dieterich	Long	Sheppard
Barkley	Duffy	McAdoo	Shipstead
Bilbo	Fletcher	McCarran	Smith
Black	Frazier	McGill	Steiwer
Bone	George	McKellar	Thomas, Okla.
Borah	Gerry	McNary	Thomas, Utah
Brown	Gibson	Maloney	Townsend
Bulkley	Glass	Metcalf	Trammell
Bulow	Gore	Minton	Truman
Burke	Guffey	Moore	Tydings
Byrd	Hale	Murray	Vandenberg
Byrnes	Harrison	Neely	Van Nuys
Capper	Hastings	Norris	Wagner
Carey	Hatch	Nye	Walsh
Clark	Hayden	O'Mahoney	Wheeler
Connally	Johnson	Pittman	White

Mr. LEWIS. I announce that the Senator from Arkansas [Mrs. CARAWAY] and the Senator from Louisiana [Mr. OVERTON] are absent because of illness, and that the Senator from Maryland [Mr. RADCLIFFE], the Senator from Ohio [Mr. DONAHEY], and the Senator from Iowa [Mr. MURPHY] are necessarily detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. DAVIS] is absent because of illness, and that the Senator from South Dakota [Mr. NORBECK] is detained from the Senate on official business. I ask that this announcement stand for the day.

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

REPORT OF DAUGHTERS OF THE AMERICAN REVOLUTION

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Smithsonian Institution, transmitting, pursuant to law, the Thirty-seventh Annual Report of the National Society of the Daughters of the American Revolution for the year ended March 31, 1934, which, with the accompanying report, was referred to the Committee on Printing.

REPORT OF RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman and Secretary of the Reconstruction Finance Corporation, submitting, pursuant to law, a report covering the operations of the Corporation for the fourth quarter of 1934, and from the period of its organization on February 2, 1932, to December 31, 1934, inclusive, which, with the accompanying papers, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on Finance:

House Concurrent Resolution A-11

Memorializing Congress to enact legislation to provide funds to assist in hospitalization and care of the sick

Be it resolved by the house of representatives (the senate concurring):

Whereas the hospitals of this State are unable to meet the demands made upon them for proper care and treatment of the sick, due to the shortage of funds caused by the severe drought and failure of crops during the year 1934, over an area comprising more than three-fourths of this State; and

Whereas this condition will continue to exist for several months or until another crop is produced, and that there is no other available source from which to receive sufficient funds; and

Whereas the Federal relief set-up does not provide for hospitalization or care of the sick: Therefore, be it

Resolved, That we urge upon the Congress of the United States the enactment of all necessary legislation to provide means for relieving this and similar emergencies; be it further

Resolved, That copies hereof be mailed to President Roosevelt, to the Vice President, to the Speaker of the House of Representatives, and to Congressmen WILLIAM LEMKE and U. L. BURDICK, and to Senators LYNN J. FRAZIER and GERALD P. NYE.

WILLIAM M. CROCKETT,
Speaker of the House.

WALTER S. MARTIN,
Chief Clerk of the House.

A. S. MARSHALL,
President pro tempore of the Senate.

F. E. TUNELL,
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Representatives of the State of Michigan, which was referred to the Committee on Finance:

House Resolution 28

A resolution memorializing the Congress of the United States to pass, and the Honorable Franklin D. Roosevelt to approve, an appropriation of sufficient moneys to build a Veterans' Administration hospital in Michigan of 500-bed capacity

Whereas the fourth largest city in the United States is located in Michigan, which State ranks seventh in population, seventh in the number of men sent into service during the World War, and correspondingly high in the number of its men wounded during the World War, and that regardless of these facts there is no Veterans' Administration general hospital in Michigan; and

Whereas the State of Michigan ranks forty-fourth among her sister States in the number of general hospital beds provided for veterans, and the only Veterans' Administration hospital in Michigan is a mental institution located at Battle Creek, Mich.; and

Whereas the closest existing Veterans' Administration facilities providing care for general medical and surgical cases are located in Dayton, Ohio, Hines, Ill., and Milwaukee, Wis., which are 200 to 400 miles from the veteran's home in Michigan, thus necessitating an annual expenditure of \$50,000 to transport Michigan veterans to Government hospitals outside of Michigan, and in many cases precluding the possibility of relatives visiting them or being present in case of severe crisis or death; and

Whereas the records of the Veterans' Administration at Washington show that in the country as a whole, on the average of 70 percent of each State's general hospital cases are hospitalized within that State and that of Michigan's general hospital cases only 11 percent are hospitalized in Michigan; and

Whereas the State of Michigan has been unable to secure its proportionate share of public works resulting in Michigan citizens being deprived of employment on public relief projects, and the construction of a Veterans' Administration hospital in this State would create considerable employment without any direct expense to the State of Michigan for its construction, operation, or maintenance; and

Whereas an act of Congress was passed March 4, 1931, authorizing an expenditure of \$20,877,000 for the construction of Veterans' Administration hospitals, only \$16,877,000 of which has been appropriated and spent, leaving a balance of \$4,000,000 available, which balance or any part of it necessary could be used for the construction of a hospital in Michigan: Now, therefore, be it

Resolved by the House of Representatives of the State of Michigan, That the house respectfully memorializes the Congress of the United States to appropriate, and the Honorable Franklin D. Roosevelt to approve, sufficient moneys to build a Veterans' Administration hospital in Michigan of 500-bed capacity, at a point which will be most accessible to the greatest number of veterans of Michigan; and be it further

Resolved, That suitable copies of these resolutions be transmitted to the Honorable Franklin D. Roosevelt, the President of the Senate, and Speaker of the House of Representatives of Congress, and the Michigan Members in the Senate and House of Congress.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Representatives of the State of Nebraska, which was referred to the Committee on Agriculture and Forestry:

Resolution memorializing the Congress and the President of the United States relative to the bushel-for-bushel seed-loan plan, and to urge overdue benefit payments of wheat and corn-hog contracts for 1934

Whereas there is a serious shortage of seed grains for spring seedings in many parts of the State of Nebraska; and

Whereas, due to repeated crop failures, the farmers of this State are unable to obtain needed seed grains; and

Whereas the time for spring seeding is at hand; and

Whereas the Federal Government has already on hand and in storage millions of bushels of seed grains, which will be of little future value to the farmers of this country unless it is planted very soon: Now, therefore, be it

Resolved by the House of Representatives of the State of Nebraska in fiftieth regular session assembled—

1. That this house does hereby respectfully petition and memorialize the President and the Congress of the United States to the end that immediate action be taken to distribute these grains on hand and in storage for seed purposes to needy farmers in this State and in other States of the United States on the bushel-for-bushel plan, as introduced by Congressman KARL STEFAN and endorsed by His Excellency Gov. R. L. Cochran, or in some other manner, so that distressed and needy farmers may obtain seed grain as soon as may be for the sowing of the 1935 spring crop.

2. That this house further most earnestly petitions and requests that overdue benefit payments of wheat and corn-hog contracts for the year 1934 be made at the earliest possible moment in the State of Nebraska, so as to be of some help to farmers of this State in the seeding and planting of crops for the 1935 growing season.

3. That the chief clerk of this house be directed forthwith to forward a copy of this resolution to the President of the United States, to the Vice President of the United States, to the Speaker of the House of Representatives of the United States, to each of the Senators, to each of the Congressmen representing the State of Nebraska in the Congress of the United States, and to the Secretary of Agriculture, so that they may take such necessary steps to relieve the distress as prayed for in this petition.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Representatives of the State of Nebraska, which was referred to the Committee on the Judiciary:

Resolution memorializing the Congress and the President of the United States to enact a Federal antilynching law

Whereas there is now pending before the Judiciary Committee of the Senate of the United States a Federal antilynching bill for the prevention of lynching and mob violence in the United States of America and its territories;

Whereas there have been over 5,000 lynchings in the United States in the last 50 years, and only 5 convictions;

Whereas there have been 25 lynchings in the year of 1934; and

Whereas it is contrary to the constitutional provision that "no person shall be deprived of life, liberty, or property without due process of law"; and

Whereas lynching is inhuman, barbaric, and uncivilized, and a reflection upon the people of this great Nation: Now, therefore, be it

Resolved by the House of Representatives of the State of Nebraska in fiftieth session assembled—

1. That this house does most earnestly petition and memorialize the Congress and the President of the United States to enact a Federal antilynch law for the prevention of lynching in this Nation.

2. That the chief clerk of this house be instructed and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States, to the Vice President, to each of the Senators and Representatives representing this State in the National Congress, and to the secretary of the Judiciary Committee of the Senate.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Kansas, which was referred to the Committee on the Judiciary:

House Concurrent Resolution 10

A resolution memorializing Congress to pass the Costigan-Wagner antilynching bill

Whereas in many States of this United States there occur lynchings and riots by mobs resulting in the execution of persons without due process of law; and

Whereas in many of the said States the local officers cannot or will not enforce the laws protecting persons from mobs or punishing those involved in such unlawful action: Now, therefore, be it

Resolved by the house of representatives (the senate concurring therein):

SECTION 1. That the Congress of the United States is hereby requested to enact into law the measure commonly known as the "Costigan-Wagner antilynching bill."

Sec. 2. *Be it resolved*, That copies of this resolution be sent to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Kansas Member in Congress.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of North Carolina, which was referred to the Committee on Public Lands and Surveys:

Joint resolution of the General Assembly of North Carolina relating to the relief of the county of Hyde, in the State of North Carolina, by reason of its loss in taxable valuation by the purchase and/or acquirement of certain lands in said county by the Federal Government

Whereas it appearing to the General Assembly of the State of North Carolina that the Federal Government has purchased and/or acquired several thousand acres of land within the boundaries of the county of Hyde, in the State of North Carolina, as a game refuge and sanctuary for migratory water fowl, including what is known as "Lake Mattamuskeet, Bell Island", and other lands; and

Whereas it further appearing that the county of Hyde has lost from its tax books real and personal property valuation by reason of the purchase and/or acquirement of said Lake Mattamuskeet, Bell Island, and other lands, together with other personal property, the total taxable value of several thousand dollars, and that the county of Hyde has lost from its tax books the said real and personal property tax in the amount of several hundred dollars; and

Whereas it further appearing that prior to the purchase and/or acquirement of said lands by the Federal Government, the county of Hyde had issued its several bonds and the bonds of its several townships in the aggregate amount of more than \$600,000, all of which indebtedness of the said county of Hyde was prior to the purchase and/or acquirement of said lands by the Federal Government; and

Whereas it further appearing to the General Assembly of North Carolina that at the time of the purchase and/or acquirement of the lands hereinbefore set out that there was no provision made for the taking care of any part of the indebtedness of the county of Hyde; and

Whereas it further appearing that the county of Hyde by reason of and on account of the loss sustained on the purchase and/or acquirement of Lake Mattamuskeet, Bell Island, and other lands within the county of Hyde has lost a large percent of its taxable valuation, which percentage would amount to several hundred dollars of the bonded indebtedness of Hyde County, and the bonded indebtedness of Hyde County being greatly in excess of \$600,000, which, under present conditions, the said county of Hyde is and will continue to be unable to pay off and retire according to the terms and conditions of said bonds or any renewal thereof: Now, therefore, be it

Resolved by the house of representatives (the senate concurring):

SECTION 1. That the General Assembly of North Carolina hereby respectfully petitions and memorializes the Congress of the United States:

(a) To make an appropriation for the purpose of retiring the pro rata part of the bonded indebtedness of the county of Hyde, in the State of North Carolina, as shown by certified copies of the public records of Hyde County which reflect the pro rata part of said indebtedness or proportion of said indebtedness which would have been assessed against the lands purchased and/or acquired by the Federal Government, known and designated as Lake Mattamuskeet, Bell Island, and other lands in said county.

(b) That said appropriation be made available to the treasurer of the State of North Carolina, under such regulations as the Congress may prescribe, and that the treasurer of the State of North Carolina be instructed to use said appropriation for the sole purpose of retiring the bonds of Hyde County, in the State of North Carolina, in accordance with the pro rata part of said bonded indebtedness, as may be found to be due and chargeable against said lands had the same not been purchased and/or acquired by the Federal Government, and that the treasurer of the State of North Carolina be further instructed to turn over to the county commissioners of the county of Hyde, in the State of North Carolina, the bonds when so purchased and canceled.

Sec. 2. That certified copies of this resolution be sent by the secretary of state to the Congress of the United States and to the Senators of the State of North Carolina and to the several Congressmen of the State of North Carolina, and a further certified copy be sent to the Department of Biological Survey at Washington, D. C.

Sec. 3. That this resolution shall be in force from and after its ratification.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Tennessee, favoring the enactment of legislation such as proposed in the bill (S. 2897) to regulate interstate commerce by granting the consent of Congress to taxation by the several States of certain interstate sales (73d Cong.), which was referred to the Committee on Finance.

(See joint resolution printed in full when presented today by Mr. McKELLAR, p. 3590.)

The VICE PRESIDENT also laid before the Senate the petition of the Atlantic City (N. J.) Chamber of Commerce, praying for the adoption of measures to promptly restore the average values of property to the average level of the years 1921 to 1929 (the 1926 level), and to maintain the stable purchasing power of the dollar at that level, so as to avoid further inflation or deflation, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted at a meeting of the Merchants and Tailors Society of New York City, N. Y., favoring the appointment of a commission to investigate and study the banking situation before any legislation is enacted by Congress looking to the establishment of a central banking system, which was referred to the Committee on Banking and Currency.

He also laid before the Senate petitions of several citizens of the States of Louisiana, Pennsylvania, and South Carolina, praying for the enactment of old-age-pension legislation, which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Five Point Branch of the Unemployed Councils, of Denver, Colo., favoring the enactment of House bill 2827, known as the "Workers' Unemployment Old Age and Social Insurance Act", which were referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Typothetae of Western Pennsylvania, Inc., Pittsburgh, Pa., protesting against the enactment of legislation establishing a 30-hour work week, which was referred to the Committee on the Judiciary.

He also laid before the Senate petitions of sundry citizens of the States of Connecticut, Delaware, Missouri, Washington, and Wisconsin, and the Territory of Hawaii, praying for an investigation of charges filed by the Women's Committee of Louisiana relative to the qualifications of the Senators from Louisiana (Mr. LONG and Mr. OVERTON), which were referred to the Committee on Privileges and Elections.

He also laid before the Senate resolutions adopted by the Roseville Village Commission of the Village of Roseville, Mich.; the Council of the City of Monessen, Pa.; and the Common Councils of the Cities of Lorain, Ohio, Gillespie, and Peru, Ill., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. WALSH presented the memorial of the chairman of the resolutions committee and members of the executive committee of the Stoneham (Mass.) Committee for Peace Action, remonstrating against the making of increased appropriations for the Army and Navy, which was referred to the Committee on Appropriations.

He also presented the memorial of members of the staff of the New England Deaconess Hospital, Boston, Mass., remonstrating against the adoption of the social-insurance features of the so-called "Wagner bill", being the bill (S. 1130) to alleviate the hazards of old age, unemployment, illness, and dependency, to establish a Social Insurance Board in the Department of Labor, to raise revenue, and for other purposes, which was referred to the Committee on Education and Labor.

He also presented resolutions of Branch No. 82, Polish Workmen's Aid Fund, of Lawrence, and the Quincy Central Labor Union, of Quincy and vicinity, in the State of Massachusetts, endorsing the so-called "Wagner bill", providing for majority rule in collective bargaining, the outlawry of company-promoted unions, etc., which were referred to the Committee on Education and Labor.

He also presented the memorial of George D. Braden and several other citizens of Southborough, Mass., remonstrating against the enactment of legislation providing for the immediate payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Common Council of Brockton, Mass., favoring the enactment of legislation permitting the payment of workmen's compensation for persons suffering injury or death while working on

E. R. A. projects, which was referred to the Committee on Finance.

He also presented petitions of sundry citizens of the State of Massachusetts, praying for the adoption of the so-called "Townsend old-age-pension plan", which were referred to the Committee on Finance.

He also presented memorials of sundry citizens of Springfield, Fall River, Swansea, and South Swansea, all in the State of Massachusetts, remonstrating against enactment of the so-called "Wheeler-Rayburn bill", providing for the control and elimination of public-utility holding companies operating or marketing securities in interstate and foreign commerce, etc., which were referred to the Committee on Interstate Commerce.

He also presented a resolution of Local Union No. 2220, United Textile Workers of America, of Jefferson, Mass., favoring the enactment of the so-called "Black 30-hour work week bill", which was referred to the Committee on the Judiciary.

He also presented petitions of several citizens of Mansfield, Mass., and Owosso, Mich., praying for the enactment of the bill (H. R. 2857) to amend an act entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes", approved March 3, 1927, which were referred to the Committee on Pensions.

He also presented memorials of several citizens of Worcester, Mass., remonstrating against the publication of personal income-tax returns, which were ordered to lie on the table.

Mr. McKELLAR presented the following joint resolution of the Legislature of the State of Tennessee, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Resolution 3

Whereas the development of the natural resources of the Tennessee Valley by the construction of a series of dams in the Tennessee River and its tributaries is one of the most important measures advocated by President Franklin D. Roosevelt as part of his program of national recovery and permanent improvement of social and economic conditions in our Nation; and

Whereas the Tennessee Valley Authority, the agency by and through which this program is being carried out, has, according to statements given to the public press, included in its schedule or list of dams to be eventually constructed as part of such program a dam known as "Whites Creek Dam" in the Tennessee River near Rockwood, Tenn.; a dam in the Tennessee River near Chattanooga known as the "Chickamauga Dam"; and a dam on the Hiwassee River near Charleston, Tenn., known as the "Hiwassee Dam"; and

Whereas the President of the United States in a recent message to Congress has declared it to be the policy of the Federal Government to abandon the so-called "direct relief or unemployment dole" and in lieu thereof to give the unemployed of the Nation work relief or jobs on constructive public-works projects of permanent usefulness and value; and

Whereas in the three counties nearest to the Whites Creek Dam site there is the most wide-spread and acute unemployment and distress of any like area in the State of Tennessee, about 50 percent of the 50,000 population of that area being dependent upon public charity on account of the suspension of mining and manufacturing enterprises; and there being a great deal of distress and a large number of unemployed in the counties adjacent to the Chickamauga and Hiwassee Dam sites; and

Whereas the said dams would serve the fourfold purpose of navigation, flood control, hydroelectric power, and unemployment relief projects, and their immediate construction would operate to carry into effect the announced policy of President Roosevelt regarding the substitution of work relief for direct relief in a section of the State where ordinary work-relief projects cannot adequately absorb the existing unemployment; and

Whereas the building of said three dams would open the Tennessee River to navigation from the junction of the Clinch and Tennessee Rivers to the Ohio River, and as a result would make possible the resumption of the iron and coal industries in the Rockwood area and elsewhere in the East Tennessee Valley and bring about permanent reemployment of thousands of men in private industry who are now dependent on Government relief: Therefore be it

Resolved by the Senate of the State of Tennessee (the house of representatives concurring), That we respectfully urge and petition the President of the United States and the Directors of the Tennessee Valley Authority to give early and favorable consideration to plans for commencing actual construction work on the Whites Creek, Chickamauga, and Hiwassee Dams during the year 1935, rather than leaving said dams to some unascertained future date, and that we further respectfully urge and petition all members of the Tennessee delegation to Congress to work and vote for the enactment of any and all legislation and the passage of all

appropriations necessary to insure the starting of work on said dams during the current calendar year; and be it further

Resolved, That copies of these resolutions be forwarded to the President of the United States, to the Chairman of the Tennessee Valley Authority, and to all members of the Tennessee delegation in Congress.

Adopted January 11, 1935.

W. P. MOSS,
Speaker of the Senate.

WALTER M. HAYNES,
Speaker of the House of Representatives.

Approved January 11, 1935.

HILL MCALISTER, *Governor.*

Mr. McKELLAR also presented the following joint resolution of the Legislature of the State of Tennessee, which was referred to the Committee on Finance:

Senate Joint Resolution 25

Whereas necessity for property-tax relief is imperative in Tennessee as well as in other States throughout the Union; and

Whereas 26 States in an effort to afford property-tax relief and to provide revenue for essential functions of government have enacted laws imposing taxes based upon or measured by sales of tangible personal property purchased and delivered in such States; and

Whereas no less than 65 percent of the population of the United States now resides in States with such laws; and

Whereas by virtue of judicial interpretation of the Federal Constitution the States may not levy without the consent of Congress taxes based upon or measured by sales moving in interstate commerce; and

Whereas as a result of such an interpretation there is a discrimination in favor of interstate sales as against intrastate sales; and

Whereas such discrimination if permitted to continue will tend to divert business from normal channels in Tennessee and elsewhere throughout the Union, thus subjecting local merchants to unfair competition; and

Whereas it is of vital importance to the welfare of the people of the United States that all things be done to promote the stability of local business in order that the financial structure of Tennessee and other States throughout the Union may be preserved; and

Whereas it rests within the power of Congress to permit the States to levy nondiscriminatory taxes upon sales in interstate commerce; and

Whereas the Honorable PAT HARRISON, Senator from Mississippi, introduced a measure at the second session of the Seventy-third Congress designed to afford the States relief in this matter, and reading as follows:

"S. 2897

"An act to regulate interstate commerce by granting the consent of Congress to taxation by the several States of certain interstate sales

"Be it enacted, etc., That all taxes or excises levied by any State upon sales of tangible personal property, or measured by sales of tangible personal property, may be levied upon, or measured by, sales of like property in interstate commerce, by the State into which the property is moved for use or consumption therein, in the same manner and to the same extent that said taxes or excises are levied upon or measured by sales of like property not in interstate commerce, and no such property shall be exempt from such taxation by reason of being introduced into any State or Territory in original packages, or containers, or otherwise: *Provided,* That no State shall discriminate against sales of tangible personal property in interstate commerce, nor shall any State discriminate against the sale of products of any other State: *Provided further,* That no State shall levy any tax or excise upon, or measured by, the sales in interstate commerce of tangible personal property transported for the purpose of resale by the consignee: *Provided further,* That no political subdivision of any State shall levy a tax or excise upon, or measured by, sales of tangible personal property in interstate commerce. For the purpose of this act a sale of tangible personal property transported, or to be transported, in interstate commerce shall be considered as made within the State into which such property is to be transported for use or consumption therein, whenever such sale is made, solicited, or negotiated in whole or in part within that State.

"SEC. 2. Receivers, liquidators, referees, and other officers of any court of the United States are required to pay all taxes and licenses levied by any State or subdivision thereof the same as corporations, partnerships, concerns, persons, or association of persons are required to pay the same." And

Whereas said measure was passed by the Senate on March 15, 1934, but was not voted upon by the House of Representatives and hence did not become law; and

Whereas need for such legislation is imperative in order to correct grave injustice in Tennessee and in all other States throughout the Union where taxes are based upon or measured by sales of tangible personal property: Now, therefore, be it

Resolved by the Senate of the State of Tennessee (the house of representatives concurring), That the Congress of the United States be, and it is hereby memorialized, to give relief to the State of Tennessee and all other States imposing taxes based upon or measured by sales of tangible personal property by immediately

providing for the regulation of interstate commerce through granting consent to taxation by the several States of certain interstate sales as provided by the measure (S. 2897) introduced by Senator HARRISON during the second session of the Seventy-third Congress; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, to each of the Members from Tennessee of the Senate and the House of Representatives of the United States, and to the Honorable PAT HARRISON, United States Senator from Mississippi, author of the measure which would afford the States relief in this important matter.

Adopted: February 20, 1935.

W. P. MOSS,
Speaker of the Senate.
WALTER M. HAYNES,
Speaker of the House of Representatives.

Approved February 21, 1935.

HILL MCALLISTER, *Governor.*

GENERAL PULASKI'S MEMORIAL DAY

Mr. ROBINSON. Mr. President, I present for printing in the RECORD a memorial adopted by the General Assembly of the State of Arkansas asking the Congress to pass and the President to approve, if passed, the General Pulaski Memorial Day joint resolution, now pending in the Congress. Let me add that the joint resolution passed this body some days ago.

The VICE PRESIDENT. The memorial will be printed in the RECORD and lie on the table.

The memorial is as follows:

Resolution memorializing the Congress of the United States to pass and the President of the United States to approve, if passed, the General Pulaski Memorial Day resolution now pending in Congress

Whereas a resolution providing for the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

Whereas the States of Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maryland, Kansas, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Nevada, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, and other States of the Union through legislative enactment designated October 11 of each year as General Pulaski's Memorial Day; and

Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observance and commemorating the heroic death of this great American hero of the Revolutionary War; and

Whereas the Congress of the United States of America has by legislative enactment designated October 11, 1921; October 11, 1931; October 11, 1932; and October 11, 1934, as General Pulaski's Memorial Day in the United States of America: Now, therefore, be it

Resolved by the Senate and House of Representatives of the General Assembly of the State of Arkansas assembled:

SECTION 1. That we hereby memorialize and petition the Congress of the United States to pass and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress.

SEC. 2. That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, and to Hon. Ignatius E. Werwinski, United States Commissioner of Deeds of Indiana, South Bend, Ind., by the secretary of the senate.

PREVAILING WAGES ON PUBLIC WORKS

Mr. CUTTING presented a resolution adopted by Las Vegas Typographical Union, No. 933, of Las Vegas, Nev., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas one of the most vital questions of the day and one which is of paramount importance to the workmen and organized labor throughout the entire Nation has been discussed by Las Vegas Typographical Union, No. 933, in meeting; and

Whereas we, as an organization, are heartily in accord with the McCarran amendment to the public-works relief bill providing for the maintenance of the prevailing rate of pay on public works, and feel that failure to establish the prevailing rate of pay for Government projects will, in a short time, force other established rates down to a level in competition with those established by the Government, thus creating a situation wherein wages will be lowered to such an extent that in the face of rapidly rising commodity

prices it will be impossible for the average workman to maintain a standard of living which would permit of aught but the barest necessities of life; and

Whereas we deeply appreciate the efforts made on our behalf by Hon. PATRICK MCCARRAN, the father of said amendment: Be it

Resolved, That the Las Vegas Typographical Union, No. 933, go on record as heartily endorsing and commending the progressive and humanitarian attitude of Senator PATRICK MCCARRAN in ably supporting the efforts of organized labor in its fight to procure a living wage scale for members of the organized crafts and brother workmen; and be it further

Resolved, That a copy of this resolution be spread upon the minutes of this union, a copy sent to Hon. PATRICK MCCARRAN, and a copy given to the Las Vegas Review-Journal for publication in an early issue.

LAS VEGAS TYPOGRAPHICAL UNION, No. 933,
By WILLIAM C. WHITEHEAD, *President.*
CHARLES D. KEELER, *Secretary-Treasurer.*

REPORTS OF COMMITTEE ON CLAIMS

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 951) for the relief of Mrs. Guy A. McConoha, reported it with an amendment and submitted a report (No. 322) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 2218) for the relief of Elsie Segar, reported it with amendments and submitted a report (No. 323) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 276. A bill for the relief of Harry Layman (Rept. No. 324); and

S. 728. A bill for the relief of Elton Firth (Rept. No. 325).

Mr. BURKE, from the Committee on Claims, to which was referred the bill (S. 1872) for the relief of Guy Clatterbuck, reported it with an amendment and submitted a report (No. 326) thereon.

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

S. 814. A bill for the relief of John Mulhern (Rept. No. 327); and

S. 1566. A bill for the relief of Carl C. Christensen (Rept. No. 328).

Mr. BLACK, from the Committee on Claims, to which was referred the bill (S. 156) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the city of Perth Amboy, N. J., reported it without amendment and submitted a report (No. 329) thereon.

He also, from the same committee, to which was referred the bill (S. 208) for the relief of the Consolidated Ashcroft Hancock Co., Inc., Bridgeport, Conn., reported it with an amendment and submitted a report (No. 330) thereon.

He also, from the same committee, to which was referred the bill (S. 553) to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War, reported it with amendments and submitted a report (No. 331) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. LONERGAN:

A bill (S. 2246) granting a pension to Rose D. Carleton; to the Committee on Pensions.

By Mr. HATCH:

A bill (S. 2247) directing the conveyance of certain lands to the regents of the University of New Mexico; to the Committee on Public Lands and Surveys.

By Mr. VAN NUYS and Mr. MINTON:

A bill (S. 2248) for the relief of James W. Emison; to the Committee on Military Affairs.

By Mr. VAN NUYS:

A bill (S. 2249) granting an increase of pension to Fannie M. McQuade (with accompanying papers); to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 2250) granting a pension to Maude Brindle; and
A bill (S. 2251) granting a pension to Samuel E. Jarvis;
to the Committee on Pensions.

By Mr. HARRISON:

A bill (S. 2252) for the relief of Henry Hilbun; to the
Committee on Military Affairs.

By Mr. TYDINGS:

A bill (S. 2253) to make better provision for the govern-
ment of the military and naval forces of the United States
by the suppression of attempts to incite the members thereof
to disobedience; to the Committee on Naval Affairs.

By Mr. CLARK:

A bill (S. 2254) granting a pension to Martha J. Ward
(with accompanying papers); to the Committee on Pensions.

By Mr. NEELY (by request):

A bill (S. 2255) providing for the labeling, marking, and
tagging of all boots and shoes; to the Committee on Inter-
state Commerce.

By Mr. WHITE:

A bill (S. 2256) granting an increase of pension to Dora
B. Bridges; to the Committee on Pensions.

By Mr. TRAMMELL:

A bill (S. 2257) to amend the act entitled "An act to pro-
vide additional pay for personnel of the United States Navy
assigned to duty on submarines and to diving duty", to in-
clude officers assigned to duty at submarine training tanks
and diving units, and for other purposes; and

A bill (S. 2258) to amend in certain particulars the act
approved February 28, 1925, entitled "An act to provide for
the creation, organization, administration, and maintenance
of a Naval Reserve and a Marine Corps Reserve", as
amended, and for other purposes; to the Committee on
Naval Affairs.

By Mr. BACHMAN:

A joint resolution (S. J. Res. 84) for the relief of Hal G.
Saunders; to the Committee on Military Affairs.

AMENDMENT OF THE DIVORCE LAW OF THE DISTRICT

Mr. COPELAND. Mr. President, I am introducing a bill,
by request of the two bar associations of the District of Co-
lumbia—the regular bar association and the women's bar
association. I ask for the appropriate reference of the bill,
and that the letter which comes from the bar associations
be printed in the RECORD.

The VICE PRESIDENT. Without objection, the letter
will be printed in the RECORD, and the bill will be received
and appropriately referred.

The bill (S. 2259) to amend sections 966 and 971 of chap-
ter 22 of the act of Congress entitled "An act to establish a
Code of Law for the District of Columbia", approved March
3, 1901, as amended, and for other purposes, was read twice
by its title and referred to the Committee on the District of
Columbia.

The letter presented by Mr. COPELAND is as follows:

BAR ASSOCIATION OF THE DISTRICT OF COLUMBIA,
Washington, D. C., March 14, 1935.

Hon. ROYAL S. COPELAND,
United States Senator, the Capitol,
Washington, D. C.

MY DEAR SENATOR: Herewith we hand you a proposed bill to
amend the divorce law of the District of Columbia. The principal
feature of the proposed bill is the liberalization of the law so as
to permit the granting of an absolute divorce for cruelty, deser-
tion, drunkenness, and conviction of a felony involving moral tur-
pitude. This bill is sponsored by the Bar Association of the Dis-
trict of Columbia, of which the undersigned, George C. Gertman,
is secretary and chairman of the committee having the matter in
charge, and the Women's Bar Association of the District of Co-
lumbia, of which the undersigned, Martha R. Gold, is chairman
of the legislative committee.

This matter has been given very careful and earnest considera-
tion, and it is respectfully requested that the bill be introduced
in the Senate and referred to the Judiciary Committee, where we
will appear and explain the features of the proposed bill.

Thanking you in advance for any courtesy extended in this
matter, we are,

Very respectfully,

G. C. GERTMAN.
MARTHA R. GOLD.

HOUSE BILL REFERRED

H. R. 6644. An act making appropriations to supply de-
ficiencies in certain appropriations for the fiscal year end-
ing June 30, 1935, and prior fiscal years, to provide supple-
mental appropriations for the fiscal year ending June 30,
1935, and for other purposes, was read twice by its title and
referred to the Committee on Appropriations.

WORK-RELIEF PROGRAM—AMENDMENT

Mr. BYRD submitted an amendment intended to be pro-
posed by him to the joint resolution (H. J. Res. 117) making
appropriations for relief purposes, which was ordered to lie
on the table and to be printed, as follows:

On page 2, line 7, to strike out "\$4,000,000,000" and insert in lieu
thereof "\$1,000,000,000."

NATIONAL PARKS

Mr. WAGNER, Mr. ASHURST, Mr. NORBECK, and Mr. NYE
jointly submitted the following resolution (S. Res. 102), which
was referred to the Committee on Public Lands and Surveys:

Resolved, That the Committee on Public Lands and Surveys, or
any subcommittee thereof, be, and it is hereby, authorized and
directed to investigate the advisability of establishing certain
additional national parks, and the proposed changes in, and
boundary revisions of, certain other national parks. For the pur-
pose of carrying out the provisions of this resolution, such com-
mittee or subcommittee is hereby authorized to sit, act, and perform
its duties at such times and places as it deems necessary or proper;
to require by subpoena or otherwise the attendance of witnesses; to
require the production of books, papers, documents, and other
evidence; and to administer such oaths and to take such testimony
and make such expenditures as it deems advisable.

The cost of stenographic service to report such hearings shall not
exceed 25 cents per 100 words. The expenses of such committee or
subcommittee, which shall not exceed the sum of \$7,500, shall be
paid from the contingent fund of the Senate upon vouchers
approved by the chairman.

FRANK M. SOOP, DECEASED—WITHDRAWAL OF PAPERS

Mr. TYDINGS. Mr. President, in the consideration of a
private bill (S. 3107, 73d Cong.) concerning a correction of
the military record of a constituent of mine, it became nec-
essary, in order that the committee might consider his case,
that he submit certain records in his possession. The com-
mittee has disposed of his case, and I understand under the
rules it is now in order and proper, by unanimous consent of
the Senate, to withdraw the records which he voluntarily
submitted to the committee. I therefore ask unanimous
consent that in the case of Frank M. Soop, deceased, per-
mission be granted to return the records to the proper owner.

The VICE PRESIDENT. No adverse report having been
made on the bill?

Mr. TYDINGS. No adverse report having been made.

The VICE PRESIDENT. Without objection, it is so
ordered.

WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint reso-
lution (H. J. Res. 117) making appropriations for relief
purposes.

The VICE PRESIDENT. The question is on the amend-
ment offered by the Senator from Louisiana [Mr. LONG] to
the amendment reported by the committee.

Mr. LONG obtained the floor.

Mr. BORAH. Mr. President—

Mr. LONG. Mr. President, I have only a few minutes this
morning, as the amendment is to be voted on at not later
than 12:30 o'clock, but I will be glad to yield to the Senator
from Idaho.

Mr. BORAH. Mr. President, as I understand the amend-
ment of the Senator from Louisiana to the amendment of
the committee, it proposes to subtract \$300,000,000 from the
appropriation for the Civilian Conservation Corps and to
utilize that amount for the purpose of affording assistance
to students in colleges and universities. It seems to me that
if we are going to subtract at all we ought to subtract from
some other item than that of the C. C. C. According to my
way of looking at the matter, the Civilian Conservation
Corps is giving to the young men of this country a form of
education and a discipline which may be, under the pres-

ent outlook, more beneficial to them in practical affairs of life than a college education. I should not want to see the subtraction taken from the item of \$600,000,000. I would vote for it if it were taken from the \$900,000,000 with reference to grade crossings, soil erosion, and so forth, the money for which purposes will, it is likely, be wasted, in a large measure.

Mr. LONG. Mr. President, I will say to the Senator from Idaho I am glad he has had good experience with the C. C. C. camps; that has not been our experience. I looked over to see from what particular item the amount I have suggested could be taken. It is costing from \$35 to \$50 a month to keep the men in the C. C. C. camps. However, Mr. President, I have concluded to reform the amendment this morning and try to get some money for the colleges. I believe the Senator from Idaho is referring to the \$800,000,000 in line 13. Is not that correct?

Mr. BORAH. I was referring to the \$900,000,000 item which appears on line 18, page 3.

Mr. LONG. That is the item for "public projects of States or political subdivisions thereof."

Mr. BORAH. "For public projects", probably many of which will entail a burden on the people in the way of taxes for upkeep after they are constructed, and will really be of no practical benefit at this time.

Mr. LONG. I think I will "go the Senator from Idaho one better"; and so I am going to modify my amendment as follows:

On line 18 of the joint resolution, strike out the figures "\$900,000,000" and insert the figures "\$800,000,000", and insert thereafter the same language now contained in the amendment, as follows:

For colleges and universities, to be used to advance money to students in need of and desiring financial assistance so that such students may pay the costs and living expenses necessary for pursuing study at such colleges or universities, \$100,000,000.

Mr. COSTIGAN. Mr. President—

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

Mr. LONG. I yield.

Mr. COSTIGAN. My concern over the Senator's amendment is similar to that expressed yesterday by the Senator from Oregon [Mr. STEIWER] and partially voiced this morning by the Senator from Idaho [Mr. BORAH]. I am sorry that I did not have an opportunity to confer about it with the Senator from Louisiana before the session today began. But I am wondering if he might not consider another type of amendment.

I have been advised that approximately 50 percent of the C. C. C. workers have not had a high-school education and, therefore, are not prepared for the sort of educational opportunities to which the Senator from Louisiana refers. I am further advised that there are approximately 20,000,000 young men and women between the ages of 16 and 24, inclusive, who are out of school and that about 30 percent of them are out of work; so that we may say that 6,000,000 or more between those ages are out of work and out of school.

The Nation-wide problems suggested by those figures are distinctly grave. It occurred to me that, without particularizing separately as to amounts following the words "Civilian Conservation Corps", line 17, page 3, such language as this might be inserted "and other youth projects, services, and education."

Thus the ends which I am sure the Senator has in mind might be attained on such broad lines that part of the funds could be utilized even for those under college age.

Mr. LONG. In other words, the Senator would amend which line?

Mr. COSTIGAN. Line 17, page 3, following the words "Civilian Conservation Corps" to insert "and other youth projects, services, and education."

If the Senator could see his way to accept some such amendment as that—and I do not insist on the particular words—I shall be glad to vote for the amendment.

Mr. LONG. I shall be glad to accept that suggestion. I see no objection to it. It is wholly discretionary with the President. Will the Senator from Colorado give me that language again?

Mr. COSTIGAN. It is as follows: "And other youth projects, services, and education."

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

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

Mr. LONG. I yield.

Mr. ADAMS. If I may direct an inquiry to the Senator, why not simply add the proposal as an independent separate provision and not cut down any other item? None of the provisions are appropriations. They are limitations. They merely provide that the President shall not spend more than the sum stated for a particular purpose and not more than that sum for another purpose. If the Senator is interested in having a sum made available, why not put it in as a separate and independent sentence without cutting down some other item?

Mr. LONG. I think that could be done. I have now three suggestions. All I am trying to do is to get money for education. All I want to do is to preserve the votes of the three sources from which the suggestions come. One is from the Senator from Idaho [Mr. BORAH], that it be taken out of the \$800,000,000 item; a second suggestion is from the senior Senator from Colorado [Mr. COSTIGAN]; and the third is from the junior Senator from Colorado [Mr. ADAMS]. Inasmuch as these are mere limitations, I believe the suggestion of the junior Senator from Colorado is probably the best. That being true, all that need be done is to put in the joint resolution an amendment reading as follows:

For colleges and universities, to be used to advance money to students in need of and desiring financial assistance so that such students may pay the costs and living expenses necessary for pursuing study in such colleges or universities, \$300,000,000.

Mr. President, I am willing to limit the amount to \$100,000,000. In other words, it is a limitation that applies to no one but the President in any event. I am willing to limit the amount to \$100,000,000 so as to obtain \$100,000,000 for education. It seems to me that would be the most attractive and least objectionable way of doing it. If there is no objection, I shall withdraw all the amendments I have offered, and I now offer the following amendment:

On page 3, line 17, after the numerals "\$600,000,000" and the semicolon, insert the provision, which I send to the desk.

The VICE PRESIDENT. The Senator from Louisiana withdraws all other amendments submitted by him and offers an amendment to the committee amendment, which will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 3, line 17, after the numerals "\$600,000,000" and the semicolon, it is proposed to insert the following:

For colleges and universities, to be used to advance money to students in need of and desiring financial assistance, so that such students may pay the costs and living expenses necessary for pursuing study at such colleges or universities, \$100,000,000.

Mr. COSTIGAN. Mr. President, does the appropriation cover all educational activities, even below colleges and universities?

Mr. LONG. I should have no objection to the words "or for other educational purposes." That would make my proposed amendment read:

For colleges and universities, to be used to advance money to students in need of and desiring financial assistance, so that such students may pay the costs and living expenses necessary for pursuing study at such colleges or universities, and for other educational purposes, \$100,000,000.

Mr. McNARY. Mr. President, the Senator has proposed several amendments. We have to be exceedingly agile to keep up with him. I do not know where the amendment is proposed to be inserted or whether it affects any of the specifications enumerated.

Mr. LONG. I have accepted the suggestion of the junior Senator from Colorado [Mr. ADAMS] to insert a limitation of \$100,000,000. All of these items are mere limitations. I in-

sert an additional sum of \$100,000,000 to be loaned or which can be loaned to colleges or universities or for other educational purposes.

Mr. McNARY. This is a new item?

Mr. LONG. Yes.

Mr. McNARY. It does not deduct from the amounts in any other specification?

Mr. LONG. No; it does not deduct from any amounts in any other specification.

Mr. McNARY. Would it increase the total amount by \$100,000,000?

Mr. LONG. It would increase the limitation, though the President may never have to spend a dollar of it.

Mr. McNARY. Very well.

Mr. HASTINGS. Mr. President, there is some confusion as to whether the Senator's amendment would increase the total appropriation.

Mr. LONG. It would increase the amount which might be used by the President to the extent of only \$100,000,000. In other words, the President does not have to spend a dollar of the \$4,880,000,000. The joint resolution allows him, if he wished to expend it all, to do so, and if the amendment were adopted he could use \$4,980,000,000.

Mr. GLASS. Oh, no, Mr. President; it does not increase the total appropriation a dime. It just adds another classification.

Mr. LONG. That is still better. I thank the Senator from Virginia.

Mr. BYRNES. Mr. President, the situation is that under the committee amendment found on page 3, it is first provided in line 5—

That except as to such part of the appropriation made herein as the President may deem necessary for continuing relief as is authorized under the Emergency Relief Act of 1933, as amended, this appropriation shall be available for—

certain classifications. Therefore, under the Federal Emergency Relief Act of 1933, the President is now advancing funds to aid students, and approximately 100,000 students have been aided in this manner.

It is proposed to continue this aid. Under the provision contained in the five lines which I have read the whole \$4,000,000,000 may be spent by the President, if he sees fit, for that purpose, because it is authorized by the Federal Relief Act of 1933. Of course, there is no such intention. We proceeded to classify, and we classified the purposes in order that Congress might be advised as to the best judgment of the administration as to how the money would be used. We find among those classifications, itemizing the purposes for which the money is expected to be used, the classification "professional and clerical persons." It is the statement of the officials of the Federal Relief Administration that under this classification they would continue to aid students in the manner in which they have been aided during the past year. There is a specific classification of \$300,000,000 which includes student aid.

I may say further that in the RECORD 2 days ago there was published a letter from the office of the Comptroller General, which letter refers to the activities upon which these funds would be expended under the various classifications. The office of the Comptroller General held that under the classification "professional and clerical persons", as it is contained in this section, money could be spent for student aid, so there will be available \$300,000,000 under that classification.

Mr. LONG, Mr. HASTINGS, and Mr. HAYDEN addressed the Chair.

The VICE PRESIDENT. Does the Senator from South Carolina yield; and if so, to whom?

Mr. BYRNES. I yield first to the Senator from Louisiana.

Mr. LONG. According to that we do not need any classifications at all. Why have "soil erosion" as a classification? The argument of the Senator may just as well apply to the striking out of all the other enumerations.

Mr. GLASS. I have contended for 3 or 4 days that we do not need any classifications.

Mr. BYRNES. I repeat that the provision is simply an effort to comply with the request that has been made time and again on the floor to establish classifications in order to show the best judgment of the administrative officials at this time as to how the money to be appropriated will be spent. That has been stated by the Senator from Virginia 4 or 5 times during the debate.

Mr. GLASS. Mr. President, not only is what the Senator from South Carolina said true, but I again, to make it an even dozen times, call attention to the fact that under the head of "miscellaneous projects" there are provided \$350,000,000 which might be applied to this particular purpose. Under the proviso at the bottom of page 3 the President is authorized to transfer 20 percent of the total amount appropriated to any one of these projects. He could, if he should please to do so, expend \$1,100,000,000 for educational purposes. As the Senator from South Carolina has said, and as I have several times remarked, these classifications are mere limitations, and were put into the joint resolution in response to the insistent demand that there should be some sort of definite break-down of the \$4,000,000,000 appropriation. Those who drafted that provision of the joint resolution insisted to the committee that it represented as nearly as possible a definite allocation of the funds as could be made.

Mr. BORAH. Mr. President—

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

Mr. BORAH. As a matter of fact, the President could expend the entire \$4,800,000,000 for educational purposes or any other purpose if he desired to do so?

Mr. GLASS. Yes; he could.

Mr. HASTINGS. Mr. President, I should like to inquire what objection there is, then, to letting the pending amendment go into the joint resolution. If it does not add anything to it or take anything from it, why should we not put it in?

Mr. GLASS. The objection is that when one change is made in a measure a dozen other Senators want other changes made in it, and 2 days of the Senate's time has been wasted in discussing this abominable suggestive allocation of this fund when we know that the President can do what he pleases with the fund.

Mr. JOHNSON. Mr. President, it is quite true that as a matter of legal construction what has been said by the Senator from South Carolina [Mr. BYRNES] and the Senator from Virginia [Mr. GLASS] is absolutely correct. It is quite true that possibly the designations which have been made in this particular joint resolution as to how the money should be spent constitute no declaration at all that will be mandatory upon anybody. It is equally true, however, that the Senate, if it desires, may indicate the purposes for which it believes this money should be expended; and I think it is equally true that if the Senate thus designates what it believes the money should be expended for, the executive department of the Government doubtless would follow, generally speaking, the suggestions made by the Senate.

I understand this particular suggestion to be that \$100,000,000 may be expended in behalf of education. I cannot see the slightest objection on earth to the amendment, and for that reason I am ready to vote for it. When it is argued to me that it need not be inserted in the joint resolution, or that it ought not to be inserted in the joint resolution, and that every insertion that has been made by the Senate in the joint resolution is of no consequence at all and ought to be disregarded, I say that is not entirely accurate, because the Senate's suggestions may be a guiding post, and, at any rate, we have the right of suggestion and expression in a \$4,000,000,000 measure; and I am ready to express myself upon any specific item that may be presented by any particular amendment.

Mr. GLASS. Mr. President, I do not think anybody could contend that the right of expression has not been freely utilized in the discussion of this measure.

Mr. BYRNES. Mr. President, I desire to add that there are between 70 and 80 different projects for which these

funds will be spent; and if we intend to enumerate and itemize each and every one, we shall simply have 70 or 80 different classifications. That is not necessary when the classification set forth here is broad enough to include the others; and the Senator from California agrees with the interpretation of the section as it has been made by the Senator from Virginia and by myself.

Mr. JOHNSON. Mr. President, will the Senator yield?
Mr. BYRNES. I yield.

Mr. JOHNSON. If the Senator is correct—and I do not question that he is—why, then, designate any particular project or any particular mode of expenditure?

Mr. BYRNES. Because, as has been said time and again, it was the desire of the committee to comply with what I called a request and what the Senator from Virginia designated as a demand by Senators that we express in the joint resolution our best judgment as to how the money should be spent.

The VICE PRESIDENT. The Chair is compelled to call attention to the fact that the hour has arrived when, under the unanimous-consent agreement, the Senate is to vote on the pending question.

The question is on the amendment offered by the Senator from Louisiana [Mr. LONG] to the amendment of the committee, as amended.

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

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

Mr. LOGAN (when his name was called). On this question I have a pair with the senior Senator from Pennsylvania [Mr. DAVIS], who is absent. I transfer that pair to the junior Senator from Maryland [Mr. RADCLIFFE] and will vote. I vote "nay."

The roll call was concluded.

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mrs. CARAWAY] and the Senator from Louisiana [Mr. OVERTON], occasioned by illness.

I also announce the absence of the Senator from Wisconsin [Mr. DUFFY], the Senator from Iowa [Mr. MURPHY], the Senator from Ohio [Mr. DONAHEY], and the Senator from Montana [Mr. WHEELER] on departmental business.

The result was announced—yeas 27, nays 58, as follows:

YEAS—27

Adams	Copeland	Johnson	Schall
Austin	Costigan	Long	Steinwer
Barbour	Cutting	McCarran	Thomas, Okla.
Borah	Dickinson	McNary	Townsend
Bulow	Frazier	Murray	Vandenberg
Capper	Gibson	Neely	White
Carey	Hastings	Nye	

NAYS—58

Ashurst	Coolidge	La Follette	Reynolds
Bachman	Couzens	Lewis	Robinson
Bailey	Dieterich	Logan	Russell
Bankhead	Fletcher	Loneragan	Schwellenbach
Barkley	George	McAdoo	Sheppard
Blibo	Gerry	McGill	Smith
Black	Glass	McKellar	Thomas, Utah
Bone	Gore	Maloney	Trammell
Brown	Guffey	Metcalf	Truman
Bulkley	Hale	Minton	Tydings
Burke	Harrison	Moore	Van Nuys
Byrd	Hatch	Norris	Wagner
Byrnes	Hayden	O'Mahoney	Walsh
Clark	Keyes	Pittman	
Connally	King	Pope	

NOT VOTING—10

Caraway	Duffy	Overtton	Shipstead
Davis	Murphy	Radcliffe	Wheeler
Donahey	Norbeck		

So Mr. LONG's amendment to the amendment of the committee, as amended, was rejected.

Mr. METCALF. Mr. President, I send to the desk an amendment, which I ask to have read.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to insert the following at the proper place in the joint resolution:

Provided, That in the employment of all officials and employees paid from funds appropriated by this joint resolution preference shall be given, where they are qualified, to ex-service men.

Mr. METCALF. Mr. President, this amendment has been included in many of the bills we have passed, and I hope it will become a part of the pending joint resolution.

Mr. GLASS. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. GLASS. Is the proposed amendment subject to a point of order?

The VICE PRESIDENT. It is at the present time.

Mr. GLASS. Then, I make the point of order.

The VICE PRESIDENT. The amendment is not in order at present under the order of the Senate that committee amendments shall be considered prior to the consideration of any other amendment. The Senator from Rhode Island will have the right to offer his amendment when the consideration of committee amendments shall have been completed.

Mr. GLASS. A further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. GLASS. We are operating under a unanimous-consent agreement of the Senate that all committee amendments shall be acted on first, are we not?

The VICE PRESIDENT. The Senator is correct.

Mr. GLASS. Does that mean that there can be no amendment to a committee amendment?

The VICE PRESIDENT. It does not.

Mr. GLASS. I make the inquiry for the reason that I have been asked repeatedly this morning when it will be in order, if at all, to offer an amendment to the joint resolution, for example, reducing the total amount of \$4,000,000,000, as indicated in line 7 on page 2.

The VICE PRESIDENT. Such an amendment would be in order after the consideration of committee amendments had been completed. The provision to which the Senator refers being an original provision in the bill, an amendment could not be offered to it until after the committee amendments had been disposed of.

The question is on agreeing to the committee amendment as amended.

Mr. STEINWER. Mr. President, I desire to address a few remarks to the pending committee amendment to the joint resolution.

Mr. GLASS. Mr. President, will the Senator yield to me while I make a request for unanimous consent?

Mr. STEINWER. I am very glad to yield.

Mr. GLASS. In order to quiet the fears and apprehensions of Senators as to how the money proposed to be appropriated may be expended, I ask permission to have inserted in the RECORD an official statement of the number of projects, with their estimated cost, from all of the States, with the single exception of Pennsylvania, which has not yet furnished its list. I want to have this statement inserted in the RECORD as a part of my remarks. I may state that the projects number 59,658, and the total estimated cost of them is \$8,589,510,578. So there will be no paucity of projects, but there may be of money.

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

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

States	Number of projects	Estimated cost
Alabama	2,981	\$168,459,830
Arizona	46	53,805,537
Arkansas	1,468	241,928,362
California	970	130,064,410
Colorado	351	32,710,350
Connecticut	477	44,301,033
Delaware	65	14,550,763
Florida	1,833	115,034,410
Georgia	725	32,251,518
Idaho	824	76,112,546
Illinois	149	14,340,200
Indiana	316	47,664,337
Iowa	1,267	35,925,165
Kansas	1,619	158,401,414
Kentucky	2,021	267,847,114
Louisiana	217	147,011,950
Maine	108	42,079,100
Maryland	892	131,095,250
Massachusetts	425	94,293,101

States	Number of projects	Estimated cost
Michigan	4,565	\$646,438,052
Minnesota	705	43,528,638
Mississippi	3,330	260,262,973
Missouri	469	26,197,301
Montana	1,139	170,863,823
Nebraska	474	31,974,920
Nevada	166	8,595,481
New Hampshire	463	43,001,212
New Jersey	1,754	1,408,722,364
New Mexico	611	51,917,132
New York	742	1,267,645,177
North Carolina	675	66,204,613
North Dakota	1,090	14,635,862
Ohio	3,870	540,854,794
Oklahoma	1,692	184,418,071
Oregon	2,102	460,237,888
Rhode Island	369	79,581,938
South Carolina	163	11,695,841
South Dakota	597	29,357,038
Tennessee	4,813	357,055,671
Texas	3,025	247,899,093
Utah	1,547	74,950,540
Vermont	532	42,317,445
Virginia	1,586	106,641,501
Washington	2,820	261,440,168
West Virginia	653	69,616,850
Wisconsin	2,624	176,574,815
Wyoming	328	41,080,751
Total	59,658	8,589,510,578

Mr. STEIWER. Mr. President, I first offer an amendment to the pending amendment, which I ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment to the amendment.

The CHIEF CLERK. In the committee amendment it is proposed to strike out the proviso commencing in line 21 on page 3 and to insert in lieu thereof the following:

Provided further, That the President may, in his discretion, in order to effectuate the purpose of this joint resolution, increase the allocation for any one or more of the classes or projects specified in this section by an amount not to exceed 20 per centum of the amount allocated for such classes of projects; and to provide such increase the President may reduce the allocations hereinabove set forth in an amount not to exceed 20 per centum of the amounts provided for any such classes.

Mr. STEIWER. Mr. President, I am one of those who find reason to support the committee amendment appearing upon page 3 of the joint resolution. I voted for it in the committee. I commend it to Senators, upon the ground that it provides certain broad limitations to the general scope of the joint resolution, and to the powers proposed to be conferred upon the President in the designation of projects and the allocations of money appropriated.

There has developed in the debate a considerable difference of opinion as to the meaning of the joint resolution, and apparently a difference of opinion as to the effect of the amendment now pending. The Chairman of the Committee on Appropriations has repeatedly said that under the joint resolution the President could expend the money in almost any way he might desire to expend it, and that the effect of the committee amendment to which I now address myself would be merely to create certain maximum limitations beyond which the President might not go with respect to the several classes of projects enumerated.

On the other hand, the senior Senator from Vermont [Mr. AUSTIN], who at one time seemed to be very much at variance with the purpose of the joint resolution, stated to the Senate that he regarded the committee amendments as of the utmost importance. As I understood him, he said in effect that they changed the character of the joint resolution from a grant of money to a person to an appropriation to a use or uses. I obtained from his remarks the impression that that which he had regarded as foreboding and almost monstrous on account of its lack of limitation, had been transformed by the committee amendments until it had become wholly lovely, a thing to be embraced and commended.

Mr. GLASS. Mr. President, will the Senator yield to me?

Mr. STEIWER. I yield.

Mr. GLASS. The Senator did not give all of my statement. I said that there might be added to any one of these limitations, by the provision now being discussed and

proposed to be amended by the Senator, \$800,000,000, or 20 percent of the entire \$4,000,000,000 fund.

Mr. STEIWER. The Senator's statement is accurate, Mr. President. I did not intend to misstate the position of the chairman of the committee. Indeed, he has upon different occasions made several statements, and I think upon some occasions did make reference to the proviso to which he now alludes, and, of course, in that he is correct.

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

Mr. STEIWER. I yield to the Senator from South Carolina.

Mr. BYRNES. The Senator from Oregon voted for the adoption of this amendment in the committee, did he not?

Mr. STEIWER. I did; and I shall vote for it here, whether or not the Senate, in its judgment, accepts the amendment which I have sent to the desk and now offer for the consideration of the Senate. Under any view which may be taken of the amendment, I think it is altogether better that it be agreed to, and that the resolution, upon its final enactment, may contain the committee amendment found upon page 3.

Mr. President, I do not desire to detain the Senate at length, but for a few minutes I want to point out what I believe to be the significant features of this amendment and to define, if I may, just what the amendment amounts to in terms of restraint or limitation upon the spending agency. In the first place, I want to announce my agreement with the chairman of the committee when he says that the amounts stated with respect to the various classes are merely maximum limitations, subject as he has just now pointed out, to the proviso at the end of the amendment, which permits an increase of these limitations.

The language of the amendment is in effect that the moneys appropriated shall be available for certain classes or categories of expenditures and that they—I now quote:

Shall not, except as hereinafter provided, exceed the respective amounts stated.

That, Mr. President, is only the beginning of the effect of the amendment. There are at least three other factors to be considered in connection with it.

In the first place, it ought to be recognized that a separate amendment appearing on page 4 of the joint resolution very effectively destroys the normal effect which would be given to the language of the amendment upon page 3. Upon page 4 it is provided that the—

Funds made available by this joint resolution may be used, in the discretion of the President, for the purpose of making loans to finance, in whole or in part, the purchase of farms lands—

And so forth.

There is no limitation in the amount in the amendment to be found upon page 4, and it would appear to me that because there is no limitation the President may very well, if in his discretion he should determine to do so, expend the entire amount of the appropriation under the authority conferred upon him by the separate amendment found upon page 4, and, inasmuch as the amounts named with respect to the several categories on page 3 are merely maximum limitations and are in no sense mandatory, that there is no requirement upon the President to expend anything under these various classes of projects, he could, of course, expend the whole amount in furtherance of the purposes which are suggested in the amendment upon page 4. That makes one of the factors which very substantially changes the effect of the amendment on page 3 if the amendment upon page 4 is agreed to.

Another factor of the utmost importance is the exception at the beginning of the amendment upon page 3. It is there provided, and I now quote:

That except as to such part of the appropriation made herein as the President may deem necessary for continuing relief as authorized under the Federal Emergency Relief Act of 1933, as amended, this appropriation shall be available—

And so forth.

It will be seen that the President may, so far as the question of power is concerned, divert the whole appropriation provided under this joint resolution to the purposes of the

Federal Emergency Relief Act of 1933. I do not suppose that he will do so. I am speaking now merely of the power which is conferred by this committee amendment, and say merely that he may do so if he desires.

Moreover, if that act, the act of 1933, is to be extended, as was suggested here a day or two ago by the Chairman of the Committee on Appropriations, it might very well continue for the time of the effective period of the pending resolution. So it would appear that, concurrent with the power of the President to expend money for the various categories of projects named in this resolution, there would be the power to expend money, and all of it, in the President's discretion, under the terms and conditions of the Federal Relief Act of 1933.

Those are two of the important factors which govern the effect of this committee amendment.

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

Mr. STEIWER. I yield.

Mr. HASTINGS. If I understand the Senator correctly, the effect of his amendment would be to limit the President in the transfer of money to the Federal relief agency, to be expended under the Federal Emergency Relief Act of 1933, to 20 percent of the total hereby appropriated, and likewise would limit him to 20 percent under the last paragraph of section 1.

Mr. STEIWER. That is not exactly my purpose. My purpose is not to deal in any way with the exception at the beginning of the committee amendment, the one commencing upon line 5 of page 3. My purpose is to deal only with the categories of projects and the question of diverting money from one to the other under the proviso at the end of the amendment.

Mr. HASTINGS. But is not the effect of the Senator's amendment to deal with it?

Mr. STEIWER. I do not think so. I shall be glad if the Senator will point out to me wherein that would be true. I do not think so. The language is that the President may increase the allocation for any one or more of the classes of projects, and that language was suggested by the legislative counsel with the idea of catching those enumerated classes of projects and not with the idea of reaching the excepted powers which are provided at the beginning of the amendment.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

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

Mr. VANDENBERG. In line with the discussion he has just pursued, would his amendment in any degree affect the authority of the President to use such portion of this total sum as may be found necessary for direct relief, as differentiated from work relief?

Mr. STEIWER. It does not take away from the President the power to divert money for direct relief. It would appear to me that the discretionary power of the President to use money for direct relief is a primary power in this joint resolution, and unless there is specific reference to it, that nothing in this amendment or in any other would subtract from any part of that power. To answer the Senator's question categorically, I think it would not take away from the President the power to divert money for direct relief.

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

Mr. STEIWER. I yield to the Senator from Virginia.

Mr. GLASS. Of course, that is technically true if we are going to take the bill textually, but I have been somewhat puzzled by this situation: If the Senate is willing to trust nearly \$5,000,000,000 to the President of the United States to be expended in his discretion and under his direction, why can we not believe the President when he says he is going to use most of it for work relief; and he has so stated, and I have so stated, not only on the floor of the Senate but I have stated it over and over again in the Appropriations Committee.

Mr. STEIWER. I remember that the Senator did so; but, if the Senator's question implies an argument, it would be an argument against the committee amendment on page 3 in its entirety, and there would be no necessity of setting

forth any classes of projects or any categories of expenditures at all. However, the committee, upon reflection, did not take that view of the matter, but has agreed to the committee amendment which the Senator from Virginia and I are both supporting at this time.

Mr. GLASS. And the result of not taking that view of the matter has been to waste about 3 days of the Senate's time.

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

Mr. STEIWER. I yield.

Mr. VANDENBERG. I want to be very sure of the net result. I think it can be demonstrated that when the President finally confronts his problem as a whole it will be absolutely impossible to spend the various large sums upon work relief, because the necessity for direct relief, the primary necessity for direct relief, will be so great; and I want to be very sure that the language which the Senator from Oregon is now suggesting does not invade the authority primarily to take care of the direct-relief situation, which, after all, is the starting point of our situation.

Mr. AUSTIN. Mr. President—

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Oregon yield to the Senator from Vermont?

Mr. STEIWER. I yield.

Mr. AUSTIN. I ask the Senator whether the first exception to which he has addressed himself is not in fact a specification which improves the joint resolution and transforms it from an unlimited grant to a person into a conditional grant for specific uses? I call attention to that exception—

That except as to such part of the appropriation made herein as the President may deem necessary for continuing relief as authorized under the Federal Emergency Relief Act of 1933—

When one turns to that act of 1933, does he not find therein a perfect specification to specific uses, so that the grant, if it were entirely taken up under that first exception, would have to be expended for the uses mentioned in the act of 1933? That is my question.

Mr. STEIWER. Of course, it would have to be expended under the terms of the act of 1933 to the extent that the President in his discretion determined to expend it in that way.

Mr. AUSTIN. Very well. If he made the determination that direct relief was necessary, as mentioned by the Senator from Michigan, he would find in section 4 of the act of 1933 a specific allotment of funds for that purpose, would he not?

Mr. STEIWER. And in other sections.

Mr. AUSTIN. And in other sections of that act?

Mr. STEIWER. Yes; he would.

Mr. AUSTIN. Therefore, this amendment is not subject to the criticism that the first exception in the amendment totally destroys the specification of the second exception in the amendment, is it?

Mr. STEIWER. No; I think it is not subject to the criticism which the Senator just made; but I also believe that the exception with which we are dealing does not transform this act from something which is entirely vague to something which is entirely definite.

Mr. AUSTIN. I shall be very glad to hear the Senator's remarks on that point.

Mr. STEIWER. We had just as well know what we are doing by the enactment of the pending legislation, and we had just as well, in plain terms, find out what it is that is authorized by it.

The exception to which the Senator from Vermont has referred, and concerning which a question was asked by the Senator from Michigan, is, of course, of the utmost importance, because the extent to which it will be employed in the expenditure of the appropriation rests entirely in the discretion of the President. The language is:

Except as to such part of the appropriation made herein as the President may deem necessary—

And so forth.

Mr. President, if the President finds, as is suggested by the Senator from Michigan, that there is a great difficulty in providing projects for work relief, and that there is a telling and immediate necessity for direct relief, he may, of course, use the whole appropriation under the terms of the Federal Emergency Relief Act of 1933. The only possible limitation upon his power in that regard is that the act by its terms expires on May 12 of this year; but if it is to be extended, as we were told by the chairman of the committee, then its life, as extended, would run concurrently with the effective period of the pending joint resolution, and the power of the President to divert this money to direct relief would continue throughout the life of the joint resolution.

Mr. GLASS and Mr. VANDENBERG addressed the Chair. The PRESIDING OFFICER. Does the Senator from Oregon yield; and if so, to whom?

Mr. STEIWER. I yield first to the Senator from Virginia.

Mr. GLASS. The Senator is now discussing an impossibility. Does he think, in view of the fact that I have inserted in the RECORD a list of 59,000 projects in the various States, involving an expenditure of eight and a half billion dollars, that the President will experience any difficulty in the world in finding projects upon which to expend the money?

Mr. STEIWER. He will experience no difficulty in having projects submitted; I agree thoroughly with the Senator from Virginia on that score; he will be literally submerged; he will be overwhelmed with projects. The planning commission has already accumulated a vast array of projects, and among them are some meritorious projects. However, projects require engineering services. Many of these projects are not immediately ready for construction. Some of them will have to be let to contract. The operation of letting to contract takes time. The time necessary for professional investigation, for doing the engineering work or the architectural work, as the case may be, and in providing arrangements for contracts, and other incidentals, even though the President is overwhelmed with projects, is going to take a very considerable time. I find little reason for the belief that in 30 days or 60 days or 90 days the three and a half million unemployed will be placed upon work relief. It occurs to me that, for many months to come, a large portion of the three and a half million will be cared for by direct relief.

Mr. VANDENBERG. Mr. President—

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

Mr. VANDENBERG. The situation discussed by the Senator from Virginia [Mr. GLASS] is not the situation which disturbs me. I quite agree that there is no lack of projects; on the contrary, the projects have vastly multiplied beyond any possibility of meeting them. My fear is that, even under the most optimistic prospectus of the most zealous advocates of the joint resolution, it can be demonstrated that three or four hundred thousand people in my State of Michigan, for example, will be outside and beyond any assistance under the work-relief program. My concern is that, regardless of the work-relief program, and even though it operates to a maximum of benefit, the President will ultimately find himself inevitably faced with the need of using perhaps half the sum for direct relief; and what I want to be perfectly sure of is, if that situation shall develop, that there will be no limitation upon the President with respect to that sort of subdivision of the fund.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Idaho?

Mr. STEIWER. I yield.

Mr. BORAH. Mr. President, I think the outlook as indicated by the Senator from Michigan probably forecasts the situation which will really confront us, but does not the pending joint resolution give the President ample power to use this fund, and all of it, if necessary, to take care of the people who need relief? If he cannot find projects—and I do not think he can right away—nevertheless he will have the power under the joint resolution to utilize the money to

relieve the people who are out of employment. Is not that true with reference to the joint resolution?

Mr. STEIWER. I agree with the Senator thoroughly. It seems to me that there is no limitation upon the authority of the President to use any part of the appropriation for direct relief.

Mr. BORAH. Mr. President, the one feature with regard to this measure which induces me to think favorably of it—speaking now of its final disposition—is the fact that I am convinced that we are not going to liquidate unemployment within any reasonable time. In my judgment, we are going to have next year an unemployment situation as serious as that which now confronts us. Therefore, we are really appropriating this money to take care of the people who have no work, and who will not be able to find work, and we are simply voting, in a large measure, to feed these people for another year. That is what we are doing. Let me say, before I conclude, that we must make provision—there is no alternative—for the people must be taken care of; and I would not have any hesitancy at all in voting for any adequate sum of money to enable the President to feed the hungry; and that is really what we are doing. If it were not for the relief matter, I certainly would look differently upon the bill.

Mr. GLASS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Virginia?

Mr. STEIWER. I yield.

Mr. GLASS. It has been estimated by the administration that \$880,000,000 will be required for direct relief. The other primary purpose of the bill is to take people off the direct relief roll and to restore, if possible, their self-respect and their morale by putting them on work relief, and for that purpose \$4,000,000,000 is proposed to be authorized.

Now I wish to call to the attention of the Senator from Oregon that the preliminaries are not in the chaotic state that one might infer from his remarks. When Secretary Ickes appeared before the committee having in charge the pending measure, he said:

We have pending now, in Public Works, non-Federal projects totaling about \$2,000,000,000. Since February 28 we have not received any new projects, because we saw that we were shortly to run out of funds, and it did not seem fair to the municipalities to encourage them to submit projects when we could not do anything about it.

Senator ADAMS. What is the status of those projects?

Secretary ICKES. They are pending.

Senator ADAMS. Have they been investigated or are they under process of investigation?

Secretary ICKES. These have come through our State engineers. They have been investigated so far the State engineer is concerned. Many of them have also been investigated by our organization here.

So it seems to me there will be experienced no difficulty whatsoever in expending this money.

Mr. BORAH. Mr. President, will the Senator from Oregon permit me another interruption? Then I will not interrupt him again.

Mr. STEIWER. I yield.

Mr. BORAH. The President has expressed his desire to take men off the relief roll and to put them to work; I presume everybody is in sympathy with that idea, and I have no doubt that the President of the United States will undertake to do that if it is possible to do it; but when we consider, Mr. President, that we now have from eighteen to twenty million people on the relief roll, and from ten to eleven million people unemployed, I am convinced that \$800,000,000 will not take care of these people during the time in which it will be necessary to take care of them, before we can possibly put any considerable number of them to work.

Therefore, the part of the joint resolution which appeals most to me is that part which gives discretion to the President to continue to take care of and to feed the people who are going to continue to be unemployed.

Mr. GLASS. It does give him that authority.

Mr. BORAH. Exactly; and that is what appeals to me.

Mr. VANDENBERG. Mr. President, may I ask the Senator from Oregon a further question?

Mr. STEIWER. I yield to the Senator.

Mr. VANDENBERG. If I understood him correctly, the Senator from Oregon depends upon the subsequent reenactment of the 1933 law for the authority which he asserts the President would have to make this diversion for direct relief. Is that correct?

Mr. STEIWER. Not entirely. That law is in effect at this time, and the President, of course, could act under it when the pending joint resolution shall have been enacted.

Mr. VANDENBERG. When does that law expire?

Mr. STEIWER. By express limitation, it expires on May 12, I think.

Mr. JOHNSON. Mr. President, if the Senator from Oregon will pardon me, the law under which Mr. Hopkins is administering relief will expire on the 12th day of May.

Mr. STEIWER. That is correct.

Mr. JOHNSON. The P. W. A. law will expire sometime in June. The exact date escapes me for the moment.

Mr. STEIWER. It expires on the 16th of June, being a part of the N. I. R. A.

Mr. VANDENBERG. Will the Senator tell me, then, is it his view that, after those expiration dates, the authority of the President to use this money for direct relief will cease except as those particular statutes shall be extended?

Mr. STEIWER. His authority to use it after May 12 would cease under the terms of that act in the event that law is not reenacted. The Senator must remember that in the first part of the section, at the beginning of the joint resolution, it is provided that "in order to provide relief and work relief" this money is appropriated. I think the argument might very well be made that the President would have the authority to use the money for direct relief in any event; but the act to which we are referring is an act both for relief and for work relief. He could not, therefore, after May 12, continue work relief under the act of 1933, unless that act is extended.

Mr. VANDENBERG. In the judgment of the Senator, is the expenditure of money for direct relief under the joint resolution contingent in any degree upon the ultimate reenactment of other laws?

Mr. STEIWER. Not for direct relief but it is contingent upon the reenactment of the Emergency Relief Act of 1933 in order to enable the President to use the appropriation for the other purposes including work relief, unless the work is on projects enumerated in these categories. The principal effect of the failure to reenact the Emergency Relief Act of 1933 would be to leave the President with no spending powers except under the authority of the pending joint resolution. He would then be empowered to extend direct relief and to provide work relief under the provisions of the committee amendment on page 3 of the resolution, but not under the provisions, of course, of an act or a law which had lapsed.

It makes very considerable difference because under the Emergency Relief Act of 1933 there were no limiting provisions restricting the President to certain amounts of expenditures for certain classes of projects. That was an act which permitted grants to States for relief and work relief without any limitation at all as to the character or class or location of the projects which were to be undertaken.

Mr. COPELAND. Mr. President—

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

Mr. STEIWER. I yield.

Mr. COPELAND. The Senator is expressing much the same thought I mentioned to the Committee on Appropriations, that there should be a limitation of 20 percent on each individual item in the joint resolution.

Mr. STEIWER. That is correct.

Mr. COPELAND. Does the Senator interpret the language on page 3, about the cut of 20 percent, as applicable also to the \$880,000,000 for direct relief?

Mr. STEIWER. Does the Senator mean the proviso commencing in line 21?

Mr. COPELAND. Yes.

Mr. STEIWER. Unless my amendment shall be adopted the proviso applies to the entire appropriation.

Mr. COPELAND. I may say that as the Senator knows and as the Senate knows, my great concern is with the unemployed in the cities. When I made my plea the other day, a Senator, I believe the Senator from South Carolina [Mr. BYRNES], called my attention to the fact that the \$300,000,000 for professional and clerical workers might be used for the relief of some of the city unemployed.

It is interesting in this connection to observe the comment in last evening's New York Sun. It is very brief, or I should not presume to interrupt the Senator to read it:

Although the administration's work-relief bill, now before the Senate, embraces an appropriation of \$300,000,000 to provide employment for professional men and women who are destitute, the President was unable today to suggest any type of public project that might offer suitable occupation to such persons.

Laughingly he declared that he knew what he would like to do with some doctors and lawyers.

"Put them to work on the rock pile?" suggested a helpful correspondent.

Chuckling heartily, the President nodded in apparent assent. Becoming serious, the President admitted frankly that he could not think at the moment of any project that might be undertaken under the new public-works bill that would provide suitable employment for professional persons, and he characterized the question as a tough one.

There can be no question, and it is the whole objection that I have to the measure, that there is no provision in the joint resolution for the class of unemployed, so numerous in my city, that I mentioned the other day—milliners, dress-makers, manicurists, nurses, clerks, as well as doctors, lawyers, and engineers. There is no provision in the joint resolution which will help them.

Despite the fact that \$300,000,000 are proposed to be provided, the President, according to the statement which I have read from the New York Sun, concedes that it is a "tough question" as to what should be done about it. That \$300,000,000, under the terms of the joint resolution as now written, might be taken away in its entirety to build elevated structures or do some other work in my city or some other city.

I am in full sympathy with the Senator's idea that if we have to have such a break-down as is proposed, and if we must appropriate what to my mind is an outrageous sum, there should certainly be some limitation upon the amount which should be or could be taken from any specific project, particularly the one to which I have referred in the aid of professional and clerical workers.

There ought to be some limitation as to the amount which could be taken from a given project because it is a "tough question" as to what may be done with these workers. There must be found some way to furnish employment or to afford relief to this great group of workers who cannot engage in building roads or elevated structures or grade separation, who are not suited by training or by physique to do that sort of thing. In many instances—I think perhaps the majority—they are women who certainly will not be benefited by the joint resolution as it is now written.

Mr. BYRNES. Mr. President, will the Senator from Oregon pardon me for an interruption at this point?

Mr. STEIWER. In just a moment. First, let me reply to the Senator from New York.

In the language of the amendment it is that—

To provide such increase the President may reduce the allocations hereinabove set forth in an amount not to exceed 20 percent of the amounts provided for any such classes.

Whether that is the best method of correction or whether that is the correct percentage, I do not know, and I do not want to be too dogmatic. It is the one that occurred to me. It does provide some degree of protection against doing away entirely with any of the categories and leaves an assurance that there shall be a substantial sum of money which may be devoted to the purpose in which the Senator from New York is so greatly interested.

Mr. COPELAND. I am in full agreement with the Senator from Oregon because, as he knows, I offered an identical amendment in the committee. It seemed to me then that the amount of money provided in this break-down, except

in this one item, has no possible value to the relief of unemployment in the great centers like New York City.

Mr. BYRNES. Mr. President, will the Senator now yield to me?

Mr. STEIWER. If the Senator from New York has concluded, I yield to the Senator from South Carolina.

Mr. COPELAND. I have concluded.

Mr. BYRNES. I simply want to call to the attention of the Senator from New York the fact that yesterday, while he was not in the Chamber, the Senator from Wisconsin [Mr. LA FOLLETTE] placed in the RECORD a statement showing the number of professional and clerical workers employed on relief projects in the city of New York and the State of New York, and showing also the manner in which they are employed. I think the Senator would be very much interested in that statement, which appears in the RECORD of this morning, at page 3541, and shows exactly the number of nurses and others who are engaged in public-health work. It also gives the Senate the assurance that if this section should be approved the number could be extended to a considerable extent. I know the Senator will be glad to read the statement.

Mr. COPELAND. Mr. President, if the Senator will permit me, I do not need to read any figures. All I need do is to go to New York, and there in my own office interview scores of persons of the type mentioned. There is no possible work for them at the present time; and, so far as I am concerned, I cannot see how this \$300,000,000, if it were to be used, would help the country. That sum alone would not be more than enough to take care of this class of persons in my city alone during the period covered by the joint resolution.

So, regardless of statistics, the human element enters into the equation; and I wish to see the Senate, if it will, enact some sort of legislation which will make provision for those human beings who need help and who must be helped, besides the building of projects in remote sections of the country which will not help the industrial centers.

If the Senator from Oregon will bear with me for just a moment further, I have no objection to the various activities proposed here. I should be glad to have some of this money, indeed, a large part of it, spent in my State; but far more important than these permanent structures is the relief of human suffering and the restoration of morale.

I desire to say again that the very Government to which we subscribe and in which we believe is threatened by the situation as it exists today. If I thought the expenditure of this vast sum would give the relief for which we hope, I should be glad to vote it, although it does strain the Treasury; but there is not in the joint resolution, as I see it, relief for such communities as my own.

Mr. STEIWER. Does not the Senator see the necessity for direct relief for the people about whom he is so concerned?

Mr. COPELAND. I can see no hope for them except by direct relief. The Senator from Oregon is seeking to preserve the possibility of that direct relief by what he is proposing, and I shall vote for his amendment because it helps a little; but even then it does not do what we hope for, although it is a step in that direction.

Mr. STEIWER. Mr. President, first let me say that I am not a very earnest defender of this joint resolution in its present form, as the Senator knows; but, whatever may be its faults, it does provide adequate money for direct relief, as was suggested by the Senator from Idaho; and I think every Member of this body wants it to provide adequately for direct relief.

Now, let me summarize what I believe to be the proper understanding of this section as affected by the pending committee amendment.

In the first place, it leaves in the President an unrestricted right to expend, within his full discretion, as much as he may desire from the entire fund for direct relief.

Second. It gives to the President discretionary power, during the life of the Federal Emergency Relief Act of 1933, and during its continued life, if it is continued, to expend the full amount of this appropriation for the purposes enumerated in that act.

After those two purposes shall have been exhausted, if there is money left, it may be expended for the several categories set out in the committee amendment.

In answer to the proposition that the amended joint resolution contains no limitation upon the right of the President to expend, and realizing that those limitations are nebulous and uncertain, I nevertheless insist that the joint resolution does provide some limitation. The President may deal in terms of direct relief; he may spend money under the Federal Emergency Relief Act of 1933; or he may expend money for any of the several categories named in the committee amendment found upon page 3. In addition to that, he may expend under the separate provision contained in the amendment upon page 4. But after the President has exhausted the possibilities of these several powers, he will then come to the end of the powers conferred upon him by the joint resolution; and although the boundary may be out beyond the horizon, and may be difficult to define and hard to understand, nevertheless it is true that there is some sort of a boundary, and there is some support for the viewpoint of the Senator from Vermont [Mr. AUSTIN] that the joint resolution is no longer a grant of money to a person to be used entirely in the discretion of that person. The argument which I presented on an earlier day that the President could in his discretion nationalize the railroads or the electrical utilities under the powers of the pending resolution is no longer tenable. Power so to do is not included in the broad authority delegated under the terms of the committee amendments.

Mr. President, I make no quarrel with the exterior boundaries of powers which the amended resolution confers upon the President. If it is sound policy to resort to work relief, and to tap the Treasury of the United States for this enormous sum of money, I suppose it is inevitable that we give to the President powers within a very wide scope in which to expend the money. I do, however, find some reason for criticism of the committee amendment upon page 3 for its distribution of powers within that boundary. That is to say, I find some criticism of the latitude which is allowed in changing money over from one use to another use; and that brings me immediately to the proviso at the bottom of page 3, and to the amendment which I have sent to the desk.

That proviso, as Senators know, is to the effect—

That not to exceed 20 percent of the amount herein appropriated may be used by the President to increase any one or more of the foregoing limitations if he finds it necessary to do so in order to effectuate the purpose of this joint resolution.

The 20-percent latitude allowed to the President under that proviso is in itself a very considerable sum of money. It is, I think, \$941,000,000. In that connection, probably I ought to say at this point that the joint resolution is no longer a joint resolution for \$4,880,000,000. That was the amount it provided at the time it was introduced in the House of Representatives; but, inasmuch as the total sum was made up of an appropriation of \$4,000,000,000, together with certain unexpended balances providing the other \$880,000,000, we find that those balances have been reduced since the joint resolution was introduced in the House of Representatives. They have been reduced by the diversion of money for relief purposes under Executive order of the President. I am advised by Mr. Bell, the Acting Director of the Bureau of the Budget, that up until yesterday the total amount diverted to those uses was \$175,000,000. Today, I think, or possibly tomorrow, it is expected that \$80,000,000 more will be diverted from these unexpended balances. So at this time, instead of providing \$4,880,000,000, the joint resolution provides \$4,705,000,000, and that amount may be reduced, as I have just said, by \$80,000,000 under Presidential order.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER (Mr. BAILEY in the chair). Does the Senator from Oregon yield to the Senator from Virginia?

Mr. STEIWER. I do.

Mr. GLASS. I confess that the chairman of the committee was not given as much information about the joint resolution as he might have been given, and as he, with his sensitive

nature, thought he should have been given; but he was told by the President, and he in turn told the committee, that it was the purpose of the President to pay back the money that had been thus diverted to the agencies from which it was diverted.

Mr. STEIWER. That, I think, is true; but that will not increase the amount of the appropriation. That will reduce the amount of the appropriation to an additional extent, because the appropriation is determined by the amount that is added to the \$4,000,000,000 from the unexpended balances. If they are no longer available, the appropriation then becomes smaller in amount; and if, in addition to that, the Executive finally takes out of the appropriation enough to repay some moneys that have been diverted, it is clear to me that the appropriation ultimately will be still further reduced, but I am not too sure about that.

The information I have received from the Bureau of the Budget is to the effect that \$57,000,000 of the \$175,000,000 diverted was taken out of the item of \$899,675,000, which is referred to in line 23 of page 2 of the joint resolution, and \$118,000,000 of the \$175,000,000 was taken out of the item of \$3,300,000,000 found in line 18 of page 2 of the joint resolution. Senators, of course, will recognize the last amount as the sum provided for the P. W. A. under the act of June 16, 1933.

Mr. HASTINGS. Mr. President—

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

Mr. HASTINGS. If I understand correctly the explanation which the Senator has made of his amendment, it is, first, that the President may transfer the whole sum and administer it under the Federal Emergency Relief Act of 1933, and that the Senator's amendment does not in any way affect that.

Mr. STEIWER. That is true.

Mr. HASTINGS. Secondly, that the President may use it as is provided on page 4, in the last paragraph of section 1, to the effect that—

Funds made available by this joint resolution may be used in the discretion of the President, for the purpose of making loans to finance, in whole or in part, the purchase of farm lands * * *

As I understand, the Senator's amendment would not in any way affect the right of the President, as I have said, first to transfer all the money appropriated by the joint resolution to the Federal Emergency Relief Administration; and, secondly, to use it all in financing the purchase of farms, and so forth; but in case he does not use more than the original \$880,000,000 for each of those purposes he will have \$4,000,000,000 distributed and allocated as is provided on page 3. The purpose of this amendment, assuming that \$4,000,000,000 is to be used for these particular items, is that not more than 20 percent may be taken from any one of them, and not more than 20 percent may be added to any one of them; and in that way the Senator proposes, if you please, to compel the President to spend all of the \$800,000,000 for roads.

Mr. STEIWER. No; but may I interrupt there? The President still is not compelled to expend it. He could leave it unexpended if he desired to do so.

Mr. HASTINGS. But if he shall spend it for public works, certainly it is intended that he shall expend it for the purposes mentioned.

Mr. STEIWER. Yes.

Mr. HASTINGS. Therefore, if he were going to spend it for public works, he would be compelled to spend \$800,000,000 for highways, less 20 percent, if the Senator's amendment should take effect. Is not that true?

Mr. STEIWER. He could expend for highways \$800,000,000 plus 20 percent if he desired to do so, or he could expend \$800,000,000 less 20 percent if he desired to do so, or he need not expend it at all.

Mr. HASTINGS. Would he still be in a position to leave out public highways entirely, and not be compelled to spend anything on them? I thought that under the amendment he would be compelled, if he used \$4,000,000,000 of this money for work relief, to spend the entire \$800,000,000 for that

purpose, with the reduction of the 20 percent. If that be not true, it seems to me the amendment is not as effective as I had hoped it would be.

Mr. STEIWER. I know of no way of compelling any executive department to expend money. Any moneys appropriated for the War or the Navy Department or for any other department may not be expended if the spending agency shall determine not to make the expenditures, and I did not want to undertake the responsibility of providing a mandatory provision that the President should spend money for projects which he might not consider worthy.

Mr. AUSTIN. Mr. President, will the Senator yield to me?

Mr. STEIWER. I yield.

Mr. AUSTIN. I ask the Senator from Oregon whether he has considered that there is a limitation on the amount which may be expended under the amendment on page 4, namely, \$500,000,000, plus approximately 20 percent of the \$500,000,000, if the Senator's amendment should be adopted? Has the Senator considered that there is such a limitation, in view of the language "funds made available by this joint resolution"? That is to say, looking back into the joint resolution, we find that the only funds made available for the category of work mentioned in the amendment on page 4 are "rural rehabilitation and relief in stricken agricultural areas, \$500,000,000", in lines 13 and 14, on page 3 of the joint resolution.

Mr. STEIWER. The history of the amendment found on page 4, to which the Senator now refers, as I recall it, is that it was not offered as a part of the amendment on page 3, but it, or something substantially identical with it, was agreed to in committee when the joint resolution was first in the Committee on Appropriations. It was agreed to separately. It had no relation at all to these categories referred to on page 3, and therefore the reference to money which is available means the money which is provided by appropriations under section 1 of the bill.

Mr. AUSTIN. Mr. President, will the Senator permit another question?

Mr. STEIWER. I yield gladly.

Mr. AUSTIN. When the joint resolution shall be engrossed and the parts stricken out by the amendment shall be entirely deleted, and this paragraph shall be put together with the preceding paragraphs, I ask the Senator whether he does not think that any executive officer, or any judicial body called upon to interpret the act so put together, will find that that use was limited to a maximum amount of money?

Mr. STEIWER. My judgment upon that score is no better than is the judgment of the Senator from Vermont; but inasmuch as the language is ambiguous, and there is no definite reference to what is intended by the phrase "funds made available", it has seemed to me that it would become somebody's duty to look up the history of the joint resolution and find out what the legislative purpose was.

Mr. AUSTIN. Then the Senator would not construe the word "funds" in exactly the same way that he would construe the word "fund"?

Mr. STEIWER. I think it means the entire appropriation provided by the joint resolution.

Mr. AUSTIN. And the word "funds" and the word "fund" would not be given the technical meaning found in jurisprudence?

Mr. STEIWER. I do not think so; but I do not pretend to be an authority to that extent.

Let me hasten along now in order that I may conclude what I am saying. I just concluded the statement that the joint resolution in its reduced form provides \$4,705,000,000. Twenty percent of that amount is \$941,000,000. Let us see what it is we are doing if we agree to the committee amendment without the change which I have proposed.

It means, in effect, that we provide for highways, roads, streets, and grade-crossing elimination, a sum stated at \$800,000,000; but it may be increased by Executive order to the extent of \$941,000,000, or there may be a total of \$1,741,000,000.

The practical effect of that kind of situation is that the President need not expend any money for highways, but he might expend any amount between \$1 and \$1,741,000,000.

The same kind of calculation may be made with respect to the other items of the category. With respect to rural rehabilitation and relief in the stricken agricultural areas the President might, if he saw fit, under the amendment as it is now proposed by the committee, add the \$941,000,000 to the \$500,000,000, and expend a total of \$1,441,000,000.

The same is true of rural electrification. Instead of spending \$100,000,000, the President might, if he desired, spend \$1,041,000,000.

For housing, instead of expending \$450,000,000, he could expend \$1,391,000,000.

For the projects in which the senior Senator from New York [Mr. COPELAND] is so much interested, the projects for professional or clerical persons, the President could expend, instead of \$300,000,000, a total of \$1,241,000,000.

For the Civilian Conservation Corps he could expend a total of \$1,541,000,000.

For public projects of States and political subdivisions he could expend the grand total of \$1,841,000,000.

For forestation, flood-control, and miscellaneous projects he could expend a total of \$1,291,000,000.

Mr. President, I have not enough confidence in the ability to find worthy projects to believe that the President would see fit to make any of these expenditures in the amounts that are here named, but I do suggest to the Senate that if we seek by appropriate language to break down expenditures under the joint resolution, and turn it from a grant to a person, as described by the Senator from Vermont, to an appropriation bill under which the Congress fulfills its mission and performs its function, we will have to make the expenditures within narrower limitations than those I have just read; and that is the purpose, and the entire purpose, of the amendment which I have offered.

I am most certain that the amendment would not affect the power of the President to divert money for the purpose of direct relief. It would not affect his power to use the money under the Emergency Relief Act of 1933. It would have only one effect—that is, to the extent that the President is able to use the money in work relief on projects, instead of giving him a latitude of \$941,000,000 in diverting money from one class of projects to another, it would give him a latitude of 20 percent of the amount which the Congress appropriates for any particular class of project. That is to say, the President could increase any of these maximum limitations by 20 percent of themselves and, in doing so, he could decrease any other of the categories by the amount of 20 percent of itself.

I offer the amendment only in the interest of certainty and for the purpose of defining, within some reasonable terms, that which the spending power is to undertake to do. I offer it merely to get away from the charge that the joint resolution creates almost a boundless power, that it leaves to the Executive almost unrestricted discretion, and in order that the Congress may take its share of the responsibility and, by enactment in terms that are at least reasonably definite, provide a formula as to the spending powers of our Government and require a program to which the Executive may adhere.

Mr. HASTINGS. Mr. President—

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Oregon yield to the Senator from Delaware?

Mr. STEIWER. I yield.

Mr. HASTINGS. Mr. President, I am wondering what would be the situation if the Senator's amendment were adopted and the President, instead of spending \$705,000,000 for relief, should find it necessary to spend a billion seven hundred and five million. Would not that automatically reduce the various amounts allocated to the items specified?

Mr. STEIWER. It would.

Mr. HASTINGS. Does that in any way affect the Senator's amendment?

Mr. STEIWER. No; my amendment would not affect that situation at all. My amendment would not affect the power of the President to provide direct relief at all or to determine how much money should be expended for direct relief. It merely provides that, for the purpose of increasing the appropriations for these several categories of work projects, the President may not decrease another category by more than 20 percent; and if the Senator will read the language of the proposal which I have sent to the desk, he will find that it relates to these classes of projects set forth on page 3, and these classes only, and does not refer to any other part of the joint resolution.

Mr. HASTINGS. In other words, if the total appearing on page 3 were reduced to \$3,000,000,000 instead of being \$4,000,000,000, or by 25 percent, the amendment would be as effective as though the amount were four billion?

Mr. STEIWER. I so intended.

Mr. HASTINGS. I thank the Senator.

Mr. VANDENBERG. Mr. President, in the course of the able discussion of my distinguished friend the Senator from Oregon [Mr. STEIWER], I interrupted him to inquire about the direct-relief factor which would remain in the joint resolution in the event the limitation proposed by him were voted. I wish very briefly to demonstrate by these supplementary observations the thing that is in my mind, because it seems to me that it lays a challenge to the Senate which is by far the most fundamental criticism that can be made in respect to the insufficiency of this empty promise to take care of the victims of the depression. I mean all the victims, and not just a favored portion of them.

Mr. President, there is no doubt in my mind whatever about the availability of sufficient so-called "work projects" upon which to spend \$4,000,000,000. That is in no sense the point I am raising. Of course, there are sufficient so-called "projects" upon which to spend \$4,000,000,000 and many times this giant sum. Indeed one of the vices of this situation is the fact that it is unwittingly deceiving thousands of local American communities into an empty belief that they have a chance to get some kind of a work project and to share in this program, when, in truth, never in this world is it going to be possible in most of the instances involved.

Mr. GLASS. Mr. President, would not the Senator be willing to add that they ought not to get it?

Mr. VANDENBERG. I entirely agree with the Senator from Virginia under existing circumstances. Federal work-relief projects should be of a nature permanently and usefully contributing to the public values. But the point I am stressing—

Mr. GLASS. For example, I may say to the Senator from Michigan that there are projects from my own State the estimated cost of which will be five times the present indebtedness of the State.

Mr. VANDENBERG. Mr. President, that is precisely what I am saying, and I will give the Senate a kindred exhibit from my own State of Michigan. I have in my hand an Associated Press dispatch from Detroit under date of March 10, which announces that 12,000 ambitious Michigan projects already have been listed for this public-works program. In every one of these instances some local group or committee has been given to believe or to hope that there is some sort of a chance that their particular project is going to be the beneficiary of the President's judgment when this potluck appropriation purse is divided up. Twelve thousand projects, totaling a billion and one-half dollars in one State!

Mr. President, if Michigan were to get its pro rata share of this fund on a population basis, that would be 4 percent of the fund. Four percent of \$4,000,000,000 is \$160,000,000. If we were to get our pro rata share of the fund on the basis of the unemployment census, we would get 6 percent of the fund. That would be \$240,000,000. There is not a Chinaman's chance that we will get our pro rata share of the fund under either heading, because we never do, as a matter of cold reality.

Furthermore, the immediate situation is further complicated by the fact that the Public Works Administrator is

requiring of our State legislature that it pass certain State laws before we can qualify for our share of the Federal benediction, and the attorney general of Michigan is asserting that many of the laws he is asking violate the constitution of the State of Michigan.

But even though all these incidental hazards are removed, I repeat, if we could get our full proportionate share of the \$4,000,000,000 it would be, at the outside, \$240,000,000 worth of public works. It would probably be in the neighborhood of \$160,000,000 worth of public works at a maximum. Yet here listed at the moment and held out to the people of my commonwealth as a prospectus upon which they have a right to hopefully lean, is a suggestion that 12,000 Michigan projects, involving the expenditure of one and one-half billion dollars, are just around the corner where prosperity is supposed to have been lurking so many months and years.

That is an unwitting deception. Whether it be a deception or not, it means an ultimate cruel disillusionment on the part of thousands of our citizens and thousands of our communities. Worse, it will mean a bitter disillusionment to hundreds of thousands of our unemployed.

We talk about investigating the propaganda which is bringing protests to us against the holding-company legislation. How about the propaganda under official impulse which is misleading these local communities all over the country to believe that there is some chance for them to participate in the fashion indicated in this grand division of this great prize? The Senator from Colorado [Mr. ADAMS] told us recently that fourteen billions of projects already are listed in Washington, with only four billions of money proposed.

There is no danger of any lack of projects. That is not the point I was stressing when I interrupted the Senator from Oregon. My fear is—and I think it is a demonstrable fear—that even when the \$4,000,000,000 Public Works program has gone into operation under the full and complete promise of its most optimistic advocates, it will leave three or four out of five of the victims of this depression outside the pale of its jurisdiction. What becomes of them?

That is the thing I want to bring to the attention of the Senate, because it seems to me it is an utterly serious challenge. We all agree that we must in the final analysis be responsible for all of our people in respect to this relief problem. There is no particular class to which we are more responsible than to another. Now, I want to show the Senate what would happen in the State of Michigan under the most optimistic prospectus of the most zealous advocate of this bill.

I cannot ask the Senate to consider a problem of this nature in terms of localized State application. But, after all, the sum total is merely the aggregate of the various sectors of the Nation and the clinical exhibit which may come from one individual and perhaps typical State, is significant in respect to the total problem.

What do we find with respect to my own State of Michigan? I am submitting to the Senate information coming in part from the Michigan State Planning Commission, which, in my observation, is one of the most dependable and effective instrumentalities which have been created in this emergency.

Mr. President, follow me for just a moment. If there are 10,000,000 unemployed in the United States—and there probably are nearer 11,000,000, according to the statistics of the American Federation of Labor—if there are 10,000,000 unemployed in the United States, and the unemployment census shows that 6 percent of them are in the State of Michigan, our unemployed total 600,000 persons. The unemployed who are on the relief rolls at the present time total approximately 350,000 persons.

Now exhibit A: The only persons for whom work relief is to be provided under the plan of this joint resolution are persons who are now on direct relief. Therefore, the first classification which we confront in the State of Michigan outside the pale of this relief is the difference between 350,000 and 600,000, or 250,000 unemployed persons. That is exhibit A. These are the unemployed who are still fighting

their battles on their own fast-disappearing resources, and who soon must themselves have help.

Exhibit B: If we receive our 4 percent pro rata share of the employment produced out of this promised program, which in sum total is supposed to put 3,500,000 men to work—if we get our 4-percent share based upon our relative population, we would have an employment of 140,000 of our unemployed who are now on relief. Very well. When you employ 140,000 who are now on relief you have left 210,000 unemployed who are on relief at the present time. So these two classifications represent 210,000 plus 250,000, or 460,000 persons, who fall outside the pale of this legislation. What, I repeat, shall happen to them? How can we pretend that this bill answers our problem when it answers no problem for this great group of innocent victims of the depression?

Mr. STEIWER. Mr. President, will the Senator yield at this point?

Mr. VANDENBERG. Permit me to finish my computation.

Then there is a third classification. The Michigan Planning Commission reports that in 18 percent of the families on relief in Michigan at the present time there is no employable person. So, Mr. President, we thus have these three classifications, which are not included to be served by this joint resolution, even under the most optimistic prospectus of its most zealous advocate—namely, 250,000 persons unemployed who are not on relief, 210,000 unemployed persons who are on relief, and 18 percent of all the relief families in Michigan among whom there are no employable persons whatever.

I now yield to the Senator from Oregon.

Mr. STEIWER. Mr. President, I did not follow the Senator in his calculations. He used the figure "210,000." Do I understand him to say that there are 210,000 persons in Michigan today on direct relief who would remain on direct relief under the assumption which he makes that Michigan would get her share of this fund in accordance with population?

Mr. VANDENBERG. That is correct; and therefore it is the climax in calamity to contemplate the withdrawal of this relief, as planned by this program.

Now, Mr. President, one other element in the calculation must be the so-called "contribution" which is to be made by the indirect employment of persons as the result of this expenditure. But a careful study of the classification and the geography of our unemployed in Michigan reduced to a minimum the possibility of this collateral employment.

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

Mr. VANDENBERG. I yield to the Senator from Virginia.

Mr. GLASS. I do not care to answer the Senator's conclusion, but I am a little anxious to know if he is in favor of increasing the total amount to \$12,000,000,000 in order to take care of situations of that kind.

Mr. VANDENBERG. No, Mr. President; because it would crack the public credit and end all promise of recovery for anybody. I think we are driven to certain irresistible conclusions, whether we like them or not, and I think that my conclusions will substantially agree with those of the Senator from Virginia, if I may be permitted to reach them in just a moment.

Mr. President, in contemplation of the fact that the joint resolution, even when operating as a work-relief measure at the maximum of its efficiency, as prophesied and promised by its advocates, cannot hope to take care of, let us say, conservatively, more than 2 out of 5 of the unemployed in Michigan, I want to know what is going to happen to the other 3 out of 5 in Michigan? Is it contemplated that the other 3 out of 5 shall be returned to direct relief, dependent upon local resources—State resources, city resources? If it is, that is a broken reed to lean upon, because these local resources, in many instances, are exhausted by specific charter or constitutional limitations, or for other reasons. We cannot shake off the 3 out of 5 from participation in the Federal sustaining power which it is proposed to direct

to what is promised as the concluding chapters of this depression. We cannot escape our responsibility to the 3 out of 5. It is precisely the same responsibility as that which we confront in respect to the 2 out of 5. So I come to the conclusion, Mr. President, that we cannot hope to rely primarily upon a work-relief program in order to meet this situation. It is a physical impossibility, in the face of the census of the unemployed which we confront. I do not believe the situation in Michigan greatly differs from the situation in other large States where the bulk of unemployment exists.

It is not a question of whether or not we would like to substitute work relief for direct relief. I think we would all most enthusiastically substitute work relief for direct relief if we could see our way through. But I am asserting that, in the face of facts submitted to me by the Michigan Planning Commission, I cannot escape the conclusion that our primary reliance must be upon direct relief, and that our emphasis must be transferred from work relief to direct relief. The paradox is that direct relief cares for more persons at less expense, and thus stretches our dwindling Federal resources over the largest field of aid.

Mr. KING. Mr. President—

Mr. VANDENBERG. I yield to the Senator from Utah.

Mr. KING. I do not think the Senator intended by his statement—and I do not want to misunderstand him—to mean that there is no obligation resting upon the States or local communities to make contributions for relief in this critical situation?

Mr. VANDENBERG. Oh, no, Mr. President; I meant to indicate nothing of that sort.

Mr. KING. So that the responsibility rests, in part at least, upon the States?

Mr. VANDENBERG. Oh, yes, indeed. My reference was to the unescapable physical fact that the local resources in many instances are exhausted.

Mr. President, if the situation in the State of Michigan is different from the situation in other States, that is our misfortune. But I think we are typical. The senior Senator from New York [Mr. COPELAND] similarly seems to think that there is a particular localized necessity confronting him in the State of New York. I am inclined to think that in all the large and more populous States there is a particular and specific problem involved which is singular to each State. In the face of such circumstances—first, circumstances demonstrating that each State does necessarily have a peculiarly individualistic problem to meet; second, that in many of the States the problem cannot be met by work relief as a primary reliance and that we must continue to maintain direct relief as our primary reliance—it seems to me that the suggestion of the Michigan Planning Commission is absolutely justified, namely that we should take whatever sum we are willing to dedicate out of the Federal Treasury to this problem, allocate it to the States on the basis of the unemployment census, and permit each of the States to dedicate its share of the fund to whatever direct-relief and work-relief program may best fit the problem of the individual State where the problem arises. Thus we shall conquer realities.

If that were done; it would seem to me that the logical thing to do would be to divide the appropriation, which is now a 2-year appropriation, into a 1-year appropriation, so that we can feel our way as we proceed, appropriating half of it for the purpose indicated, direct relief plus work relief, allocate it to the States on the basis of their unemployment census, and administer it by a Federal-State commission in each of the States. I am merely repeating the plan recommended by the Michigan State Planning Commission. This would permit the allocation within the State to be made to fit the particular conditions which may be disclosed within each State. It would permit all persons to be cared for.

Mr. President, in conclusion I want to read, by way of verification, a very interesting letter, which came to me today from the Detroit chapter of the American Association of Social Workers.

Mr. STEIWER. Mr. President, before the Senator does that will he permit an interruption?

Mr. VANDENBERG. Certainly.

Mr. STEIWER. The Senator from Michigan just stated that he did not know whether or not the situation in his State was typical of that in the other States of the Union, and then alluded to the situation in New York. May I call his attention to the fact that it was disclosed in the hearings upon the pending joint resolution that one-third of all the destitute on the relief roll are found in four States, namely, New York, Pennsylvania, Ohio, and Illinois; that one-half of all those on the relief rolls are found in nine States, and that Michigan is numbered among the nine States? So it is quite apparent, from the standpoint of securing projects or not, and from the standpoint of the people realizing their expectation or being disillusioned, as suggested a little while ago by the Senator from Michigan, that Michigan is probably much better off than other States that have less unemployment. In many States of the Union, in the other 39 States that make up the other 50 percent of the relief roll, there is going to be a most tragic disappointment to those people who are looking forward to a great wealth of projects which never can materialize, because the President will be compelled to expend the money in such a way as to achieve his objective, namely, to take 3,000,000 people off the relief rolls and to place them upon work relief; and therefore he will be compelled to put the projects where they will accomplish his object. It seems to me, therefore, that if Michigan is not typical of the other 39 States, it is because, from the standpoint of getting projects, it is better placed than are the other 39 States of the Union.

Mr. VANDENBERG. I thank the Senator for his analysis. As a matter of logic, Michigan always has been entitled to the consideration which he defines; as a matter of practice, we have never been able to get one tithe of any such consideration. Therefore we are unable to proceed in optimistic anticipation.

Mr. STEIWER. It might be better if Michigan were less logical and more practical.

Mr. VANDENBERG. That is the necessity.

Mr. President, I wish to read the letter to which I have referred which comes from a source which anyone would have to respect. It is signed by Mr. Harold Silver, chairman of the Detroit Chapter, American Association of Social Workers. These are the people who are in day-to-day contact with these problems; these are the people who are in the front-line trenches of the battle against the depression; these are the people who know what the problem is at first hand, rather than theoretically from a Washington mahogany desk. Now I read Mr. Silver's letter addressed to me under date of March 11 from Detroit:

We see danger in the plan of the administration to withdraw from Federal participation in relief by providing a works program to take care of the "employables." It is our opinion that the number who will still require relief will be too large for the States and local communities to provide for, even on the meager basis on which relief is at present being given.

That is precisely the conclusion which I undertook to sustain by the mathematics I submitted. Continuing the letter:

It seems to us that the first consideration of real security for the unemployed must be an adequate relief program. Such a program cannot be adequate without Federal participation in it.

We approve heartily of a public-employment program, but we believe that it should be quite separate from the relief program, and that it should offer work to all unemployed, regardless of whether or not they are at present on the relief rolls. Work should be in real jobs, paid for at prevailing rates, and workers should be selected on the basis for fitness of work rather than on the basis of need. Otherwise it is bad relief and bad work.

I want to emphasize that phrase; that is precisely what it is. It is either bad relief or bad work. We want neither. Continuing the letter:

We urge, therefore, that House Joint Resolution 117 be amended so that not less than \$2,830,000,000 shall be made available through the F. E. R. A. or its successor as grants to the various States for general relief and assistance purposes. We would welcome also a large additional appropriation for a public employment program.

Mr. President, in the face of this and other testimony from those who are in first-hand contact with the realities of our relief problem, and the presence of the testimony of Mr. Hopkins at page 105 of the committee hearings, I am greatly distressed by the contemplation of what is before the Senate. The testimony to which I refer is as follows:

Mr. HOPKINS. It is not the intention of the President to do anything but liquidate the Federal Emergency Relief Administration at the earliest possible time.

Senator HALE. And leave no Federal agency to take care of direct relief.

Mr. HOPKINS. That is right.

Mr. President, under any such planning as that there will remain in the State of Michigan, and I venture to assert in many other populous States in this country, a problem which will be a heart-breaking one; and there will be cruel disappointment to those who have been led to believe that this joint resolution is some sort of a ticket to the millenium in their behalf. We will not only break their hearts, but we will create in the States a social, if not a governmental, problem which will be far more serious than any which has as yet been confronted.

Mr. ADAMS. Mr. President—

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

Mr. ADAMS. I wonder if the present situation of the joint resolution is not somewhat different than that which existed when Mr. Hopkins testified it was the intention to liquidate the Federal Emergency Relief Administration. At that time the joint resolution provided that the President could create any new agencies and define their functions and authority and delegate his powers. It occurs to me the testimony of Mr. Hopkins, perhaps, is to be construed in the light of his expectation that there would be created a brand-new agency, which could not be done under the joint resolution as it has been reported to the Senate from the Committee on Appropriations.

Mr. VANDENBERG. The Senator from Colorado may be right. At any rate I cannot escape the conclusion that the joint resolution in its present form pretends to promise \$4,000,000,000 worth of work relief for the country. I cannot escape the contemplation that \$4,000,000,000 worth of work relief will not patch one side of our problem. Therefore I am driven to the conclusion that we must rely fundamentally not upon work relief but upon direct relief, not only because this will reach the larger field but also because this will conserve the public credit and the public resources to a large degree. For that reason I believe the appropriate course would be to split the joint resolution, and take one-half of it, inasmuch as it is a 2-year measure, and let each State, after receiving its allocation of its share of the fund on the basis of its proportion of the unemployment, use its share to meet its own problem in the way that particular problem exists in reality and on the spot.

One other phase I touch briefly in behalf of such an allocation as I propose. Such an equitable distribution would obviate much of the spread heretofore apparent in the treatment accorded different States by the Federal Government in its relief contributions. For the last 21 months the Federal Emergency Relief Administration has been making grants to States. As reported in the CONGRESSIONAL RECORD for February 22, this Federal contribution to local relief widely varied. It went above 95 percent, for example, in Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, New Mexico, South Carolina, and Tennessee, as compared with 65.6 percent in continental United States as a whole. This Federal contribution was between 80 percent and 95 percent in Arizona, Idaho, Kentucky, Montana, Nevada, North Carolina, North Dakota, Oklahoma, Oregon, South Dakota, Virginia, Washington, West Virginia, and Wyoming. It was between 70 percent and 80 percent in Colorado, Michigan, Minnesota, Missouri, Utah, and Wisconsin. It was between 60 percent and 70 percent in District of Columbia, Illinois, Indiana, Kansas, Maryland, Nebraska, Ohio, Pennsylvania, and Texas. It was between 50 percent and 60 percent in California, Iowa, New Hampshire, and New Jersey. It was between 40 percent and 50 percent in New York, Rhode Island,

and Vermont. It was between 30 percent and 40 percent in Connecticut, Delaware, Maine, and Massachusetts. While we must, in a large sense, fit our distribution to whatever needs exist, wherever they exist, there should not be this wide variation in the Federal contribution to the States. Put differently, there should not be this wide variation in the amount of State and local responsibility as compared with the Federal responsibility accepted by the National Government in these local jurisdictions.

Mr. HASTINGS. Mr. President, will the Senator yield to me for a question?

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

Mr. VANDENBERG. I am indeed glad to do so.

Mr. HASTINGS. I am wondering whether there are likely to be other disappointments under the terms of the joint resolution. I assume that those persons, for instance, who are interested in funds for their particular State are led to believe that \$800,000,000 is to be appropriated for highways, roads, streets, and grade-crossing eliminations; that for rural rehabilitation, if they are particularly interested in that subject, they are expecting \$500,000,000; for rural electrification, \$100,000,000; for housing, whatever that may mean, \$450,000,000; and so on. I wonder if they appreciate that there is no assurance of their having any of these things under the terms of the joint resolution?

Mr. VANDENBERG. Of course, there is no assurance, and yet I am certain the net result of the pending proposal is to pretend a certainty which does not exist. It simply keeps the word of promise to the ear and breaks it to the hope. It is a snare and a delusion.

Mr. GLASS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Copeland	King	Pope
Ashurst	Costigan	La Follette	Radcliffe
Austin	Couzens	Lewis	Reynolds
Bachman	Cutting	Logan	Robinson
Bailey	Dickinson	Loneragan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahey	McAdoo	Schwellenbach
Barkley	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiwer
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	Wheeler
Coolidge	Keyes	Pittman	White

The PRESIDING OFFICER (Mr. CLARK in the chair). Ninety-two Senators having answered to their names, a quorum is present. The question is on the amendment of the Senator from Oregon [Mr. STEIWER] to the committee amendment.

Mr. HASTINGS. Mr. President, I desire to offer an amendment to the amendment of the Senator from Oregon.

Mr. GLASS. That would be an amendment in the third degree.

The PRESIDING OFFICER. The Chair sustains the point of order. Does the Senator from Delaware desire to have his amendment stated?

Mr. HASTINGS. How does the Senator from Virginia or the Chair know it is in the third degree until it has been read?

The PRESIDING OFFICER. The amendment will be read for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to insert at the proper place in the amendment of the Senator from Oregon the following:

If the amount for work relief as above provided shall be reduced below the sum of \$4,000,000,000, then each of the above-mentioned items shall be reduced in amount in the same proportion.

The PRESIDING OFFICER. Does the Senator from Virginia make the point of order?

Mr. GLASS. I do. It is an amendment in the third degree.

Mr. HASTINGS. I shall explain it, anyway.

The PRESIDING OFFICER. If the Senator desires to be heard on the point of order, the Chair will hear him.

Mr. HASTINGS. Mr. President, I have given careful consideration to the amendment offered by the Senator from Oregon [Mr. STEIWER] to the amendment of the committee. I think the amendment has real merit, but would have very much greater merit if he would precede the language of his amendment with the language which I have proposed.

The particular objection, as I see it, or one of the many objections to the committee amendment now under consideration is that there is nothing definite in it. As I undertook to point out the other day, there is nothing that compels the President to spend any of the money for work relief on any of these projects. If, however, the Senate should accept the amendment which I have proposed together with that offered by the Senator from Oregon, the President would have to do one of two things: He would have to transfer the whole fund and administer it under the Federal Emergency Relief Act of 1933, which authority the Steiwer amendment would not take away from him, or, if the Steiwer amendment were adopted, he would be compelled to use the money for the various purposes mentioned.

The purpose of my amendment is merely this: If the President should conclude to transfer to the Administration under the Federal Emergency Relief Act \$2,000,000,000 of this \$4,000,000,000, what I desire then to do is to cut down these amounts 50 percent, and let the Steiwer amendment operate on them. Then we should find the President in a position where we would be reasonably certain that he would administer the act in accordance with this provision. He would either do that, or he would turn the money over to the Federal Emergency Relief Administrator, or he would loan it to farmers as provided by the last paragraph of that section, neither of which is affected by the amendment I offer, nor by that offered by the Senator from Oregon.

I repeat, if my amendment should be adopted and the President should spend \$1,000,000,000 of this fund for direct relief, or \$2,000,000,000, or \$3,000,000,000, these amounts would then be cut down by 25 percent, 50 percent, or 75 percent. He would still have the right under the Steiwer amendment to take 20 percent of the amount as it was reduced and add to it to that extent, and take it away from some other amount, which it seems to me ought to be a reasonably satisfactory point of view for the administration.

If the chairman of the committee makes the point of order that this amendment is not in order at this time, I will take the opinion of the Chair with respect to it; but I think the amendment makes the Steiwer amendment a little clearer.

The PRESIDING OFFICER. There is no question in the mind of the Chair that the amendment is an amendment in the third degree. Since the Senator from Virginia has made the point of order, the Chair sustains it.

The question is on the amendment offered by the Senator from Oregon [Mr. STEIWER] to the amendment of the committee, as amended.

Mr. GLASS obtained the floor.

Mr. STEIWER. Mr. President, will the Senator yield to me?

Mr. GLASS. Yes.

Mr. STEIWER. I merely desire to make a suggestion to the Senator from Delaware, in case he should be interested in considering it.

The amendment which the Senator sent to the desk is in the third degree, because it is an amendment to the amendment; but, of course, it would be in order as an amendment to the committee amendment, regardless of the vote which may be had upon the amendment now pending, which I have offered. After my amendment shall have been disposed of, the proposal made by the Senator from Delaware will be in order as an amendment to the committee amendment.

Mr. GLASS. Mr. President, I merely desire to say a word.

Mr. NORRIS. Mr. President, will the Senator from Virginia permit the pending amendment to be stated from the desk before he makes his argument?

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

Mr. GLASS. I have no objection.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 3, it is proposed to strike out the proviso commencing in line 21 of the committee amendment, and to insert in lieu thereof the following:

Provided further, That the President may, in his discretion, in order to effectuate the purpose of this joint resolution, increase the allocation for any one or more of the classes of projects specified in this section by an amount not to exceed 20 percent of the amount allocated for such classes of projects; and to provide such increase, the President may reduce the allocations hereinabove set forth in an amount not to exceed 20 percent of the amounts provided for any such classes.

Mr. GLASS. Mr. President, I will say to the Senator from Nebraska [Mr. NORRIS]—I imagine he does not need to be enlightened, but I will say to him—that the amendment proposed by the Senator from Oregon simply applies the 20-percent increase in any of these classifications to the respective classifications, rather than to the total appropriation of \$4,880,000,000.

In other words, under the joint resolution as reported from the committee, the President is authorized to transfer to any one of these classifications as much as \$880,000,000. Under the amendment, the 20-percent authorization applies to the classifications and not to the total amount; and there is added authority to the President to reduce the respective amounts in the sum of 20 percent.

I merely desire to say to the Senate—I feel that I may with propriety say this—that the amendment reported by the committee to the joint resolution did not originate with the President. It was framed in response to the rather insistent criticism here that there was no break-down of this total amount of \$4,880,000,000; that there was nothing to indicate in the slightest way how the money was to be spent; so this break-down was devised by the proponents of the measure and presented to the President. The President approved it only upon condition that the proviso reported by the committee should be added to these suggestive allocations; and I may say that the Executive was intent and insistent upon that proviso, and was disposed to insist that his whole purpose in having this appropriation and these authorizations made would be very much interfered with if that proviso should not be embodied in the joint resolution.

I hope the amendment of the Senator from Oregon will be voted down.

Mr. STEIWER. Mr. President, I desire to make a brief statement that the Senate may know the position in which some of us on the committee find ourselves.

The chairman of the committee did not disclose to the committee at any time when I was present the statement which he now makes to the Senate. The disclosure which he has now made to the Senate is the first intimation I have had that the proviso at the bottom of page 3 was insisted upon by the President. Up until this time I had not the remotest idea as to its origin.

I do not make that statement in criticism of the chairman of the committee, who was, of course, within his rights in withholding the information from the committee.

Mr. LONG. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Louisiana?

Mr. STEIWER. I do.

Mr. LONG. Is it quite parliamentary for us to take it for granted that that is the President's order, or ought not another word, "desire", to be used? Of course, we know that that is what it is.

Mr. STEIWER. Mr. President, I hope the Senator from Louisiana will not try to encumber me with suggestions of that sort.

Mr. LONG. No; I will not.

Mr. GLASS. No; and I hope the Senator from Louisiana will not undertake to encumber me with getting orders from anybody. It was not an order. It was merely the expression of the view of the Executive.

Mr. STEIWER. I take it, then, Mr. President, that inasmuch as it is not an order, we are all privileged to act in accordance with our judgment.

Mr. GLASS. We would be privileged to do that if it were in the nature of an order—at least, I would.

Mr. STEIWER. I merely desire to suggest—and I have no spirit of partisanship at all in this matter—that it is better legislation to include a reasonable limitation of this kind than to accept this joint resolution upon the theory that the President may increase these maximum limitations by a total sum of \$941,000,000 each.

It seems to me that if there is anything at all in the criticism to which the proponents of the measure yielded, namely, that the joint resolution was too loose and too lacking in the expression of legislative purpose, that criticism may still be made against the joint resolution if we permit so great a latitude as an increase of \$941,000,000 with respect to these various categories. Twenty percent of the amount appropriated for each category is itself a very magnificent sum, and in some cases will provide an increase which will exceed \$150,000,000 or \$160,000,000. It must be remembered that this appropriation is available for expenditure until June 30, 1937; that Congress will be in session during much of the intervening period, and that if these limitations are too severe, there will be every opportunity to relax them. We owe it to ourselves to enact this legislation in a way that has some semblance of ordinary parliamentary and legislative procedure.

Mr. GLASS. Mr. President, the Senator is perfectly aware of the fact that this very proposition was very earnestly discussed in the committee by various members of the committee, and that the committee did not act in ignorance of what it was doing.

Mr. STEIWER. That is true and I do not suggest anything to the contrary. I may have been absent from the committee—I was, I think, for a short time—but I can say most positively that I heard no statement from the Senator from Virginia or from anyone else as to the President's interest in the proviso at the bottom of page 3. Does the Senator from Virginia understand the fact differently from the Senator from Oregon? Did the Senator from Virginia advise the committee of the President's interest in this proviso?

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Virginia?

Mr. STEIWER. I do.

Mr. GLASS. The Senator from Virginia did not find it necessary to advise the committee, because the committee was overwhelmingly for the proviso.

Mr. STEIWER. I take it, Mr. President, that the Senator from Virginia now sees a greater necessity, and therefore has played his trump card by advising this body of the President's insistence on a latitude of \$941,000,000 in each category of projects.

Mr. GLASS. I am not playing any trump card. I am dealing openly and fairly with the Senate, just as I did with the committee, as far as I was informed about these matters.

Mr. STEIWER. There is no doubt about that; and yet the requirement of the President was not disclosed to the committee. Now it is disclosed here at the moment of the vote, and it puts some of us in rather an embarrassing position. Had I known of the President's desire and that the Senator from Virginia had yielded to it, I should not have detained the Senate for the past hour.

I take it that my amendment will be voted down, but I have performed my duty with respect to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. STEIWER] to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

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

The next amendment of the committee was, on page 3, line 25, after the word "resolution" and the period, to strike out the words "The specific powers hereinafter vested in the President shall not be construed as limiting the general powers and discretion vested in him by this section."

Mr. GLASS. Mr. President, this amendment has previously been passed on by the Senate. It was agreed to before the bill was recommitted.

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

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment of the committee was, on page 4, after line 2, to insert the following:

Funds made available by this joint resolution may be used, in the discretion of the President, for the purpose of making loans to finance, in whole or in part, the purchase of farm lands and necessary equipment by farmers, farm tenants, croppers, or farm laborers. Such loans shall be made on such terms as the President shall prescribe and shall be repaid in equal annual installments, or in such other manner as the President may determine.

Mr. RUSSELL. Mr. President, in view of the fact that the Senate has just adopted the amendment allocating certain funds, or dividing them, I am of the opinion that this amendment should be modified to designate the specific funds from which moneys might be taken to finance the purchase of farm lands. I therefore move, on line 3, after the word "resolution", to insert the words "for rural rehabilitation and relief in stricken agricultural areas."

Mr. ROBINSON. Mr. President, I call the Senator's attention to the fact that under the amendment without the modification which he proposes funds from any of the allotments might be used for the purpose indicated by him, and since it is a very essential and necessary purpose, I wonder whether the Senator persists in the desire to limit it.

Mr. RUSSELL. Mr. President, in view of the statement of the Senator from Arkansas, I withdraw the amendment.

Mr. LONG. Mr. President, I do not think that cures the case at all. Again we come right back to the same situation we have had before, whether or not we are going to allocate \$600,000,000 for one purpose and \$800,000,000 for another, and then, when we turn to page 4, find a provision for farm relief, and do not provide any limit at all.

Of course it can well be argued that the President could take 20 percent away from the other projects and put it into this project, and then use the miscellaneous funds and all that, but at the same time there is not a dollar written into the joint resolution so that it appears that there is any money to be given to the farmer at all. There is not a dollar in the joint resolution for him at all.

Of course this is back-handed legislation, as the Senator from Virginia well says; it is just a mere matter of letting the President have power and not have to do anything unless he wants to. He does not have to spend this money for these other projects if he does not want to do so. But at the same time \$800,000,000 is set out as the limit he can spend for soil erosion, \$900,000,000 he can spend for public projects in the States, but when we get to the farmer we do not find any amount of money allocated at all. In other words, the President might well say to them, "Well, this amount is here; I am supposed to spend \$900,000,000 for these industrial projects and for these municipal projects, and I have only \$900,000,000 left from that."

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

Mr. LONG. I yield.

Mr. BORAH. Does not the provision for "rural rehabilitation and relief in stricken agricultural areas, \$500,000,000", cover that?

Mr. GLASS. Oh, yes; not only does that cover it—

The PRESIDING OFFICER. Does the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. GLASS. Not only does that cover it, but there is authority given to the President to transfer nearly a billion dollars; and I will say to the Senator from Louisiana that if we go into specifications, there will be no end to the thing.

Mr. BORAH. And nothing would be accomplished by it, either.

Mr. LONG. Very well.

Mr. HASTINGS. Mr. President, may I inquire of the Senator from Virginia whether he understands that the entire fund may be used under this particular paragraph?

Mr. GLASS. I do not imagine the President would be senseless enough to do anything of that sort.

Mr. HASTINGS. That is not my question.

Mr. GLASS. I think the President could do almost anything with this fund, under the limitations of the amendment we have already adopted on page 3; and the Senator knows as well as I do that those limitations do not amount to a great deal.

Mr. HASTINGS. As I understand, under the joint resolution the President may use all of the funds anywhere he wants to use them, in any State where he wants to use them, in any particular locality where he wants to use them.

Mr. GLASS. Yes.

Mr. HASTINGS. For the benefit of farmers, farm tenants, croppers, or farm laborers.

Mr. GLASS. If it is farm relief or work relief, he may use the amount in any State where he pleases to use it, or in any city where he pleases to use it.

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

Mr. GLASS. I yield.

Mr. LONG. Then, as I understand, under the amendment on page 4, on which we are about to vote, it would be possible to spend the entire amount set forth on page 3. All of it could be spent. In other words, the specification on page 3, whereby somebody may be expecting to get road work or flood-control projects, would not amount to anything if the President wanted to spend the money under the amendment on page 4.

Mr. GLASS. Yes; but he is not going to want to.

Mr. LONG. I do not know. The Senator from Virginia knows more about that than I do.

Mr. ROBINSON. Mr. President, will the Senator from Virginia yield to me?

Mr. GLASS. I yield.

Mr. ROBINSON. The provision is merely directory, like other provisions in the joint resolution, and I do not understand why any Senator who would like to see the purposes of this paragraph executed should wish to limit it. Of course, as a practical question, there is no possibility of expending the entire amount carried in the joint resolution, or even a large part of it, for this particular purpose, but it would not be possible for anyone within my knowledge to specify what amount might be desirable or necessary for "the purchase of farm lands and necessary equipment by farmers, farm tenants, croppers, or farm laborers." It is a very wholesome purpose, it is very essential, and I think there should not be a limitation imposed, in view of the other provisions in the joint resolution.

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

Mr. GLASS. I yield.

Mr. LONG. The point is that we ought to know what we are voting on. There is confusion on confusion.

My friend the senior Senator from Vermont [Mr. AUSTIN] well said the other day that he was under the impression that this gave a specification which would enable him to vote a certain way on the joint resolution. He said that was his belief, and I was somewhat persuaded by the argument of the Senator from Vermont, not having gone into the recesses of the joint resolution. But now we are informed that all my friend from Vermont took a day to reason out is

thrown into the ash can, it does not amount to anything, that the President can turn over to page 4 and can throw it all in this item, and that nothing in the joint resolution, none of the specifications, means a thing on the living earth that assures anyone of receiving any projects or any attention under any item specified in the measure.

If possible, I should like to know what we are voting on. I want farm relief, but I wish we knew what the vote was to be about. My friend the Senator from Vermont will be bound to be confused again by what the Senator from Virginia has said. I know I am. It throws the confusion all back again.

Mr. ROBINSON. The Senator from Vermont will probably be more confused by what the Senator from Louisiana is saying. [Laughter.]

Mr. GLASS. Yes; except that I do not think the Senator from Vermont is confused at all.

Mr. AUSTIN. Mr. President, I do not think he is either. I wanted to inquire whether the Senator from Louisiana was present in the Senate during the debate when the Senator from Vermont asked the Senator from Oregon [Mr. STEIWER], who was addressing the Senate, whether he believed that by the ordinary rules of construction the provisions of the amendment, on page 4, do not refer back to and are not limited by the language on lines 13 and 14, on page 3, which relate to the same subject matter? They are *pari materia*; they are the only things which are *pari materia* with this amendment; and my opinion, which, unfortunately, seems to differ from the opinions of some of those who have spoken on the same subject, is that any executive officer paying out money for the United States would be limited to \$500,000,000, with a possibility of the proviso being used in that connection. Therefore, I have no confusion in my own mind; and should anybody look back into the RECORD to see how Senators voted on these provisions, he would find me consistently claiming that there is a limitation without the adoption of the amendment offered by the Senator from Georgia [Mr. RUSSELL].

Mr. GLASS. Mr. President, the Senate has already adopted the amendment.

Mr. LONG. Oh, no; it has not adopted the amendment.

Mr. GLASS. Oh, yes; it was adopted before the joint resolution was recommitted.

Mr. LONG. Yes; but the point I am trying to get straight is this: The Senator from Arkansas says he could not understand why anyone interested in the rural areas would object to the language of the joint resolution. Perhaps my friend from Vermont [Mr. AUSTIN] may not need a repetition of my remarks, but I will say that the remarks of the Senator from Virginia [Mr. GLASS] and of the Senator from Arkansas [Mr. ROBINSON] very clearly show that there is nothing in the joint resolution which prevents the President from refraining from spending a single cent under one of these items, or from spending it all under this item. In other words, the Senator from Arkansas, who goes the Senator from Virginia one better, says, "Sure, sure; it can all be spent under this item."

That is going to lead to confusion. It is bound to lead to misunderstandings and hard feelings. Over here we have items such as highway construction, flood relief, rivers and harbors, which have been written into the joint resolution; yet none of them means anything. According to the Senator from Virginia—and he is right, and so is the Senator from Arkansas—we are fooling ourselves. We should be better off if we struck out these provisions altogether. They do not mean anything at all; and I dislike to see my colleagues misled in the belief that there are specifications here, when I have been told by the leaders sponsoring this measure that there are no specifications.

Mr. GLASS. There are suggestions here which have been approved by the President.

Mr. LONG. I do not know whether they are suggestions or not. The Senator from Virginia is giving them a better color than he has heretofore given them when he says they are suggestions.

Mr. GLASS. No, Mr. President; I have said all along they are merely suggestions; that is all.

Mr. LONG. The suggestion is that the President cannot spend any more than so much money under this item, and still that he does not need to spend it all under that item, and can put it somewhere else. In other words, to put it in common parlance, I suggest that the situation is something like this: "I cannot spend any more money in this item than I want to, and I cannot want to spend more than \$800,000,000, and I do not have to want to do that, and I can spend it under some other item."

Mr. GLASS. Mr. President, I ask for a vote on the pending committee amendment.

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

The amendment was agreed to.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. McGill, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 5221) to amend the Agricultural Adjustment Act with respect to rice, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 426. An act for the relief of Jacob Santavy;

H. R. 593. An act for the relief of Fred C. Blenkner; and

H. R. 3266. An act authorizing the maintenance and use of a banking house upon the United States Military Reservation at Fort Lewis, Wash.

WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint resolution (H. J. Res. 117) making appropriations for work relief.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment of the Committee on Appropriations was, in section 2, page 4, line 12, after the word "use", to insert "only"; in line 12, after the words "Territories and", to strike out "possessions, including the Philippine Islands" and insert "possessions"; on page 5, line 5, after the word "shall", to strike out "not"; and in line 7, after the word "is", to strike out "less" and insert "more", so as to make the section read:

Sec. 2. The appropriation made herein shall be available for use only in the United States and its Territories and possessions. The provisions of the act of February 15, 1934 (48 Stat. 351), relating to disability or death compensation and benefits shall apply to those persons receiving from the appropriation made herein, for services rendered as employees of the United States, security payments in accordance with schedules established by the President: *Provided*, That so much of the sum herein appropriated as the United States Employees' Compensation Commission, with the approval of the President, estimates and certifies to the Secretary of the Treasury will be necessary for the payment of such compensation and administrative expenses shall be set aside in a special fund to be administered by the Commission for such purposes; and after June 30, 1936, such special fund shall be available for these purposes annually in such amounts as may be specified therefor in the annual appropriation acts. The provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) shall apply to any purchase made or service procured in carrying out the provisions of this joint resolution when the aggregate amount involved is more than \$300.

The amendment was agreed to.

The next amendment was, in section 3, page 6, line 1, after the word "tenure", to strike out "and, without regard to the Classification Act of 1923, as amended", and insert "and"; so as to make the section read:

Sec. 3. In carrying out the provisions of this joint resolution the President may (a) authorize expenditures for contract stenographic reporting services; supplies and equipment; purchase and exchange of law books, books of reference, directories, periodicals, newspapers, and press clippings; travel expenses, including the expense of attendance at meetings when specifically authorized; rental at the seat of government and elsewhere; purchase, operation, and maintenance of motor-propelled passenger-carrying vehicles; printing and binding; and such other expenses as he may determine necessary to the accomplishment of the objectives of this joint resolution; and (b) accept and utilize such voluntary and uncompensated services, appoint, without regard to the provisions of the

civil-service laws, such officers and employees, and utilize such Federal officers and employees, and, with the consent of the State, such State and local officers and employees, as may be necessary, prescribe their authorities, duties, responsibilities, and tenure, and fix the compensation of any officers and employees so appointed.

Mr. COUZENS. Mr. President, I should like to ask the chairman of the committee what was intended when that language was stricken out of the section by the committee.

Mr. GLASS. The committee supposed that with that language in the section the President could fix any salary he pleased without reference to the Classification Act. The committee did not desire him to do that.

Mr. COUZENS. So I understand that the elimination of those words means that the President is to follow the Classification Act of 1923.

Mr. GLASS. We think so.

Mr. COUZENS. That is the Senator's interpretation?

Mr. GLASS. Yes.

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

The amendment was agreed to.

The next amendment was, on page 6, to strike out section 4, beginning at line 5, to and including line 12 on page 7, and to insert in lieu thereof a new section, as follows:

Sec. 4. In carrying out the provisions of this joint resolution the President is authorized (within the limits of the appropriation made in sec. 1) to acquire, by purchase or by the power of eminent domain, any real property or any interest therein, and improve, develop, grant, sell, lease (with or without the privilege of purchasing), or otherwise dispose of any such property or interest therein.

Mr. GLASS rose.

Mr. LONG. Mr. President—

The PRESIDING OFFICER. The Chair recognizes the Senator from Virginia [Mr. GLASS], the Chairman of the Committee on Appropriations, who is in charge of the joint resolution and is claiming the floor.

Mr. LONG. A point of order. I had risen and asked for recognition.

The PRESIDING OFFICER. The Chair will state to the Senator from Louisiana that the Senator from Virginia was on his feet; and being the Chairman of the Committee on Appropriations, and in charge of the joint resolution now before the Senate, he is entitled to recognition by the Chair. It has been the practice for many years that the Senator in charge of the bill under consideration should be recognized when he asked for recognition.

Mr. LONG. Very well, Mr. President. I do not want a vote taken, however, before I have an opportunity to be heard.

The PRESIDING OFFICER. The Senator from Virginia has the floor.

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

Mr. GLASS. I yield to the Senator, if he desires to make an inquiry.

Mr. LONG. No; I want the floor in my own right.

Mr. GLASS. I ask the Chair to put the question on the amendment. The Senate has already adopted this amendment.

Mr. LONG. Mr. President, I ask for the floor in my own right. A vote is just what I was trying to prevent.

The reason why I am bringing up this point now is that we are dangerously close to the next page of the joint resolution, where the McCarran amendment comes in. I am informed that there is no pair desired now except by the junior Senator from Arkansas [Mrs. CARAWAY]. I am informed that arrangements have been made by which a pair will be secured for my colleague from Louisiana [Mr. OVERTON], and I wish to thank the Members of the Senate and the pair clerks for having accommodated my colleague in that way. Naturally I worked very hard to secure the pair. My first concern was that a pair should be arranged for my colleague from my own State. I thank the Senate and I thank the pair clerks for the assistance which enabled us to arrange a pair for my colleague in accordance with the rules of the Senate, which have been in effect here ever since I have read anything about the United States Senate.

Mr. President, this leaves only the lady Senator from the State of Arkansas without a pair. Today I took it upon myself to make inquiry of the secretary of the junior Senator from Arkansas, and I was assured that it was not reasonable to ask her to come here to vote today. Her secretary told me, however, that she desires to be paired. I had hoped, prior to this time—because I know many Members of the Senate have been concerned in seeing a pair arranged—that she might be paired with some Member of this body who is not at this time temporarily so unfortunate as to be absent and not able to vote on this amendment.

I want it understood, Mr. President, that I should like to see the decision on the McCarran amendment expedited. I do not believe many votes are going to be changed by the arguments pro or con on the McCarran amendment. I think we all have our minds pretty well made up. The amendment may be voted in or it may not be voted in. It was only a question of one vote which decided the matter the last time, however; and, if we assume that the votes are now as they were then, this right of labor will be lost because of the temporary disability of the little lady Senator from the State of Arkansas.

Mr. President, on yesterday I said that I wanted every Senator to be registered on this important question, and that if by any chance there was some Senator present then who would not be present when the vote should be taken on the McCarran amendment, and who wanted to be paired as being against the amendment, I should be glad to volunteer to pair with such a Senator, if through disability he should not be here at the time of the vote. I know that the Members of the Senate would not desire to have any less courtesy shown to the lady Senator from the State of Arkansas. I do not believe that those who have the joint resolution in charge for a moment desire a result that will not truly reflect the vote of the entire Membership of the Senate. I do not believe that any Senator here would desire that the important questions involved should be decided through the absence of some Senator who could not be here for the roll call.

Others beside myself have been undertaking to arrange this pair, and I hope it has been arranged. I hope it may be arranged, because I should like to see the controversial feature of this amendment decided with as little delay as possible. I should like to see the entire amendment disposed of at the very earliest possible moment—if possible, this afternoon—and we could expedite the matter if the common courtesy which has heretofore prevailed should be accorded to the junior Senator from Arkansas.

I regret to see that this particular amendment has taken the turn it has, but it is a little bit out of the customary parliamentary status. I do not recall that at any time since I have been in this body there ever was an occasion when Senators were unable to find pairs when they necessarily must be absent. I do not recall such a case. I remember that when I first came here the Senator from Rhode Island who is no longer here, Mr. Hebert—"ay-bare", he would be called in the southern part of my State—always accommodated me whenever I was absent, and I accommodated him when he was absent. I knew that he and I, as a general rule, opposed one another on nearly all measures; and I am sure the junior Senator from Arkansas has accommodated more Senators with pairs than has anyone else in this body. I may be mistaken about that, but I believe that the lady Senator from Arkansas in the matter of allowing her vote to be paired with that of other Senators, so that they might absent themselves in order to go home and attend to business or visit the departments has been more accommodating than perhaps any other Member of the Senate. Her willingness to protect other Senators who might not be able to be here has been of great benefit. Day after day she has announced pair after pair in order that some other Senator might not be inconvenienced and his position not made known on a roll call.

Gentlemen of the Senate, I do not think it is the proper thing for us to proceed here to consider the so-called "McCarran amendment" today without this protection having

been accorded to the junior Senator from the State of Arkansas. Her vote is the same as that of any other vote of the body, and I want to say that I am a little bit astonished at this situation.

Mr. ASHURST. Mr. President—

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Arizona?

Mr. LONG. I yield to the Senator from Arizona.

Mr. ASHURST. I have no desire to take the Senator off the floor, and I seek not a controversy with him, but I should say something at this juncture. I do not want to trespass too long on the Senator's time, and, if it is not agreeable to him, I will not proceed at this moment.

Mr. LONG. It is perfectly agreeable to me.

Mr. ASHURST. I believe that the senior Senator from Arkansas [Mr. ROBINSON] would reply to the criticism or suggestion of the Senator from Louisiana except for the peculiar state of circumstances. The esteemed junior Senator from Arkansas [Mrs. CARAWAY], who thus far is not paired, is, of course, as we all know, the worthy colleague of the distinguished leader on this side, the senior Senator from Arkansas. I may justly say that the Senate and the country know with what charm, with what grace, and with what gentlemanly courtesy the senior Senator from Arkansas has always treated his colleague. This is his habit as to all his colleagues, but he recognizes a particular noblesse oblige upon him toward his colleague from Arkansas. So the senior Senator from Arkansas [Mr. ROBINSON] would, above all in this Senate, seek to assist in securing a pair for his colleague; and if he refused to assist, he would, for the first time, be violating that gentle courtesy which so characterizes him, particularly with reference to his lady colleague.

The Senator from Louisiana has the right to insist that there shall be no vote until the junior Senator from Arkansas shall have been paired, but the Senator from Louisiana has no right legally, parliamentarily, or otherwise, to insist that any Senator shall pair.

Mr. President, pairs are, in parliamentary bodies, *contra bonos parlamentis*; in other words, a pair is contrary to good parliamentary law. Our rules do not mention pairs. Pairs are a matter of negotiation and arrangement. Pairs are objected to by many constituents. Pairs are looked upon by many of our constituents as a subtle way of avoiding responsibility.

While I have no criticism of any Senator who pairs with another, yet during my entire service here I never was paired but once; that was for half an hour; and I was very uncomfortable during that time. I prefer to vote just as I please upon any question without regard to some other Senator's being absent or present.

I admit the right of the Senator from Louisiana to delay the proceedings by parliamentary strategy, of which he is a master; but he is not on sound, tenable ground, he is not on what we would call in legal parlance on technical moral grounds when he insists that some Senator, whom he does not name, should pair with some Senator who is absent.

There is no way, let me say to the Senator from Louisiana, by which he can force a Senator to pair. It is contrary to the morals of parliamentary proceedings to pair at all. Then, why should he complain that Senators do not see fit to pair, and claim that they must be made to pair, as if they had done some injury to the Senator or to the working man, or some injury to the Senate, and had performed some act of discourtesy to the Senator from Louisiana because, forsooth, they refuse to do that which it is their right to refuse to do?

Yesterday the impression went forth from the speech of the Senator from Louisiana to the effect that Senators had done something wrong and that the Senate had been discourteous to the able Senator from Louisiana because it had refused to assist him in securing a pair.

This is not intended to be a lecture to the Senator from Louisiana, because if I had any attitude of censoriousness, I would not choose the Senator from Louisiana as the recipient of the lecture; but, in my judgment, something ought to be said, so that the country may know that if a Senator cannot secure a pair the Senate is not to blame and

no individual Senator is to blame. I thank the Senator for permitting me to trespass upon his time.

Mr. LONG. I thank the Senator from Arizona, and I should be glad to be lectured by him for as many hours as he might be willing to inconvenience himself, because what he says is always relished very much by me; and he is one of the genuine, true friends I have always appreciated in this body. The Senator is probably on safe ground as regards himself; in other words, the Senator has been one of those who have seldom asked any other Senator to give him a pair; he has always remained here at his desk. He has not been nearly so much of a patronage solicitor as others of us have been; that is, until I found out there was not any use of my soliciting patronage, I was on the list. The Senator from Arizona has attended very scrupulously to the parliamentary functions, but he is a little bit wrong in his allusion to the effect that pairs are *contra bonum parliamenti*, I believe he said.

Mr. ASHURST. Not "*bonum*", but "*bonos*."

Mr. LONG. *Contra bonos parliamenti*.

Mr. ROBINSON. I suggest that the Senator use English; he may be familiar with that.

Mr. LONG. I was trying to get the language of the Senator from Arizona for fear that I would not use the English that would properly translate the term. "*Contra bonos*" means against something that is good and therefore is bad—bad parliamentary practice, of course. I am trying to put it in language so that the other Members of the Senate, as well as the Senator from Arizona, will understand it. [Laughter.]

It may be bad practice, but, if so, we have all been schooled in a very ill class, because following that practice has been one thing here that I was led to believe would constitute the proper kind of Senator. One of the first things I was asked when I came to this body by the gentleman whom we have made the Secretary of the Senate, Mr. Halsey, was, "Will you give a pair to Senator So-and-So?" One day he came to me, when I was just outside the Chamber, and said, "May I rely upon you for a pair for one of the gentlemen on the Republican side?" I said, "Oh, any time, Mr. Halsey, you need my name for a pair, go right ahead and use it, because sometimes I will be away, and I want other Senators to protect me when I am not here." So at all times when I was away my vote was counted in the Senate just as though I had been here, and I profited by it. I have been paired with various Members of the body, but most often, as I have said, with the former Senator from Rhode Island, Mr. Hebert, who is no longer here.

We have all followed this practice for years and years. For instance, my friend from Pennsylvania, Mr. Reed, who is no longer in this body, was permanently paired with the senior Senator from Arkansas [Mr. ROBINSON]. Quite frequently Mr. Reed would go to his home in Pittsburgh, but always did my good friend, the senior Senator from Arkansas, protect him by announcing that he had a pair with the senior Senator from Pennsylvania, Mr. Reed, and so Mr. Reed was given a vote whether he was here or not. Year in and year out that went on here. Quite frequently did I hear the then senior Senator from Pennsylvania, Mr. Reed, rise in his seat when the senior Senator from Arkansas was absent, and say, "I have a pair with the senior Senator from Arkansas", and thereupon the vote of the Senator from Arkansas would be counted just as though he were here. That practice went on and on and on. It has been the practice we have followed, and it has been the precedent we have been taught to follow as being a good one, as being good senatorial politics, good conduct for a Senator, good sportsmanship, and a proper method of legislation. It has been followed here, to my knowledge, long before I came here and ever since I have been here.

I am not undertaking to censure any particular Member of this body. On the contrary, I want to assure my friend from Arizona that I have no intention of picking out any particular Senator and hurling at him any direct insinuation that he should be the particular person selected for a pair. Only naturally I appeal to the leadership in charge

of the pending measure, the leadership on both sides of the Chamber; only naturally do I do that, Mr. President, that in the rather embarrassing position in which we find ourselves I may do what I consider to be a fair and rightful thing by a Member of the body who has always made available her vote for a pair, so that no discourtesy may be shown to a colleague. This is an unusual case, I may say to my friend from Arizona.

Mr. ASHURST. Will the Senator yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Arizona?

Mr. LONG. I yield.

Mr. ASHURST. What I wish to emphasize is that there is here in the Senate a higher rule than even the rules printed in our manual, and that is the rule of courtesy; and no discourtesy is to be implied in any way because a Senator declines to arrange a pair. No evidence of any discourtesy can be drawn from the refusal of a Senator to pair, because there is no rule of parliamentary law, there is no rule of noblesse oblige, there is no rule of courtesy, there is no rule whatever that requires a Senator to pair.

The Senator from Louisiana said a moment ago that he did not want any discourtesy to be shown an absent Senator. I assert, that under the most strained construction of language, not even an inference of discourtesy is to be drawn from the fact that a Senator declines to pair.

Mr. LONG. I do not undertake to say that any particular Senator is discourteous. I do not undertake to do that; but under the rules which have prevailed in this body I say to the Members of the Senate that the lady Senator from Arkansas, the choice of her people, by reason of temporary accident or disability, is not allowed to cast her vote here as she ordinarily would if present. I am talking about the rule and the practice. Ordinarily, ninety-nine and one-half times out of one hundred, nine hundred and ninety-nine times out of one thousand, this matter would long since have been disposed of. The vote would have been protected the same as other votes are protected when Senators are not present in this body.

Let us be frank with one another. I do not know how the vote stands today. I only know what it was the last time. If the vote today is the same as it was, and I know of no reason why anyone should have changed, then it is a vote that is even without the vote of the junior Senator from Arkansas. We already have one vote that is not qualified. The Senator-elect from West Virginia [Mr. Holt] cannot qualify. Therefore the opposition has that vote. We give you one vote advantage. I do not know how he would vote, but I know the man. I know his record back home. I believe if he were here he would cast that vote with us, so we lose that vote. Now it is proposed that we shall lose another vote. We have the vote here, therefore, 47 to 47.

Mr. BARKLEY. Mr. President—

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

Mr. LONG. I yield.

Mr. BARKLEY. Waiving any question of courtesy or lack of courtesy on the part of any Senator toward any other Senator present or absent, is it not the first duty, the first obligation, of every Senator in this Chamber to represent his people, to vote for his people on the floor if he is present and able to vote? If he is present and able to vote and feels that his obligation to his people is greater than to any absent Senator with whom he declines to enter into a pair, is that to be construed as a discourtesy toward that Senator? Is that to be construed as a lack of proper consideration for a colleague? Is that to be construed—

Mr. LONG. How many questions is the Senator going to ask me?

Mr. BARKLEY. The Senator can answer all of them as one. Is that to be construed as neglect of duty on the part of a Senator who is here and able to perform that duty, because he is not willing to nullify his representation of his people by entering into a pair with some Senator who is absent?

Mr. LONG. All I know is that the Senator from Kentucky was absent the last time we voted on this very amendment and was protected by a pair. That is just what happened the last time.

Mr. BARKLEY. The Senator and I will not agree as to the last part of his statement. I was absent and had a pair, but, according to my interpretation or understanding, my vote was not protected. However, I am not going to enter into that question with the Senator from Louisiana. According to the newspapers, he was largely responsible for the fact that my vote was not protected.

Mr. LONG. On the contrary, I was helping to protect the Senator. The facts are that the Senator was paired with the Senator from Iowa [Mr. DICKINSON], who transferred that pair to another absent Senator who would vote as the Senator from Kentucky would have voted, as has been done here under the custom for many years.

Mr. BARKLEY. Inasmuch as the Senator has mentioned that matter, if there is any controversy between anyone and myself as to the way in which my pair was handled on the former vote, that controversy is not between the Senator from Louisiana and myself.

Mr. LONG. I thank the Senator.

Mr. BARKLEY. If any controversy arises or any comment is to be made upon it, I shall give to the Senate my version of it so that it can be its own judge as to whether my vote was protected.

Mr. McCARRAN. Mr. President—

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

Mr. LONG. Certainly.

Mr. McCARRAN. I understand the matter now pending—and I ask for the guidance of the Chairman of the Appropriations Committee—is section 4.

Mr. GLASS. Yes; section 4, on page 7.

Mr. McCARRAN. Then, it seems to me quite plain what the situation is. I do not think we need throw any cloud over ourselves. It seems to me quite plain that section 6 of the joint resolution as reported back from the committee is the controversial matter. Am I correct?

Mr. GLASS. Yes. I have been trying to dispose of the noncontroversial matters before we came to that controversial question.

Mr. McCARRAN. I should be entirely content to go to a vote right now if the entire vote were represented and if there should be a liberality as to pairs. I think those who are detained from the floor of the Senate may, if they wish, ask for pairs. I do not propose to hold up the Senate because there may be those who tomorrow might support the other side or support this particular amendment. If we are going to wait forever we will never get to a vote here. I am entirely content to go to a vote in the Senate at any time so long as there is complete fairness with those who desire pairs.

I never have asked for an advantage, and I do not ask for one now. I do not want any advantage taken against me, and I do not believe anyone on the other side of this question is requiring or requesting an advantage. I have been dealt with fairly all the way along, so far as I know, by the Chairman of the Appropriations Committee, by the leader on this side of the Chamber, and by the other side of the Chamber as well. I am entirely content if they want to set an hour or a time, either today or tomorrow, to vote on the substitute which I shall offer for section 6 of the joint resolution, to agree that that shall be the hour at which we shall vote. If I cannot get my votes here, well and good, but if I can get them here, I shall work with every ounce of energy in my body to have them here, even though they may come on stretchers. That is my position, and I want it understood. I shall not stand behind anything that will delay legitimate and honest consideration of the joint resolution. In order that my position may be clearly understood, I make that statement.

I do not want to go against the theories which are being advanced by the Senator from Louisiana. I understand exactly what he wants. That is exactly what I want. I

want every Senator who desires a pair to be paired if a pair is available. I want every Senator to come on the floor and vote according to his conscience. That is all I have ever asked, and that is all I shall ask. If the question is brought to a vote today, I am not afraid of the amendment. Bring it to a vote tomorrow, and I am not afraid of the amendment. Fix an hour, if that is the desire, but let us give our whole attention to the matters we are discussing today and then let us devote our time to section 6.

Mr. BARKLEY. Mr. President—

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

Mr. LONG. Certainly.

Mr. BARKLEY. There is nothing new in the situation which makes it impossible for absent Senators to secure a pair. That situation arises every day and every week and at every session of Congress. This is the first time since I have been in the Senate when any Member made a mass appeal to all the Members of the Senate, any one of whom could be persuaded to enter into a pair with some other Senator.

I can understand why the junior Senator from Louisiana [Mr. OVERTON], who has, unfortunately and to our great regret, been absent during the whole session, should want a pair on a measure of this kind. It is my understanding that during his absence he has been paired and is paired, as has been announced over and over again during his absence on account of illness. I can understand why the distinguished and charming lady Senator from Arkansas [Mrs. CARAWAY] should want a pair.

But if there are Members of this body—and I include myself as one of them—who regard their duty to their State as greater than they regard their duty to any Senator, and are unwilling to enter into a pair with any other Senator who is absent, then I insist that they are not guilty and I am not guilty of any discourtesy, and I am not denying to any State representation here, because no State will criticize any Senator, man or woman, because he or she cannot vote because of absence on account of illness. Therefore it is not to be charged up to the Senate that because we do have some regard for our duty here, and are unwilling to nullify our votes by entering into pairs, we are subject to the criticism of being discourteous or lacking in consideration to any absent Member of this body.

What I desire to ask the Senator is whether he thinks, because of the absence of any Member of the Senate on either side of the amendment he will offer, that a vote on the matter ought to be indefinitely delayed? Either side ought to be willing to take chances on it when we reach a vote, regardless of absentees and of pairs.

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

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

Mr. McCARRAN. I think this is a national problem. I think every Senator is under his oath. I think every other Senator in his action is just as conscientious as am I. I am wedded to this amendment. I am going through with it because I believe it is right. Other Senators may be against me, but I believe they think they are right when they vote against me. I am never going to say that a Senator votes against me simply because he desires to defeat me.

Mr. BARKLEY. Mr. President—

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

Mr. LONG. I do.

Mr. BARKLEY. I desire to say that I entirely reciprocate the very generous attitude of the Senator toward me which he has just expressed. I not only have never expressed but I have never even thought that in any action the Senator from Nevada has taken, on this or any other question, he was acting in any other way than in a most sincere desire to advance that in which he believed.

Mr. McCARRAN. Now, I desire to make a suggestion, if I may, with the permission of the Senator from Louisiana.

The PRESIDING OFFICER. Does the Senator from Louisiana further yield?

Mr. LONG. I yield to the Senator, if I may. I do not want to lose the floor.

Mr. McCARRAN. I am addressing myself, if I may, largely to the leader of the majority and to the leader of the minority as well, because on both sides of the aisle there are votes in favor of and against my amendment. I am wondering if an hour may not be fixed at which we shall take a vote, either today or tomorrow. Not every Member can be here all the time. The hand of God is placed upon us all now and then. What are we going to do? Perhaps a Senator does not desire to pair, even though he may be sick; or perhaps there are Senators on the floor who do not desire to pair, as I would not desire to pair many a time, as long as I could be here.

I do not care for a pair when I can be here. I would rather cast my own vote when I am here. All I ask is just fair play, just a "break", just an opportunity. If the time be fixed tomorrow at 5 o'clock or 4 o'clock, let us vote and have the matter over. Let the voice of the Senate speak as the voice of the Nation.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Virginia?

Mr. LONG. I yield to the Senator from Virginia.

Mr. GLASS. If the Senator will yield, I will prefer a unanimous-consent request.

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

Mr. LONG. Mr. President, I should like to have a chance to talk with my colleague from Nevada a little on that subject. Pardon me just a moment. Let us think this thing over. There is not any use of whipping the devil around the stump. I know what the Senator from Virginia is going to offer. I know he is going to offer to set a time certain for a vote.

Mr. GLASS. Yes.

Mr. LONG. Just a moment. Let us tell the facts about this matter.

We know that the sick bed where the little lady from Arkansas lies contains the deciding vote on the amendment. Let us not be traded out of this thing. The vote that will decide the McCarran amendment is on a bed in a hospital right now. That is where it is.

Mr. McCARRAN. Mr. President—

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

Mr. LONG. Just one moment. When the afternoon comes and we find out that we can bring this little lady in here on a stretcher, if that can be done, I shall be ready to vote tomorrow. If it cannot be done, I do not want to vote tomorrow any more than you would want to give her a pair and vote today. I am not going to have you put any gumdrops in my mouth. We might just as well say what the facts are. The facts are that we know that win, lose, or draw is to be decided by the vote that is in a bed in a hospital. That is the fact of the matter. That is all there is to it. I do not want to be traded out of it.

I have only one vote interest in the McCarran amendment, but I have a double interest in the fact of the junior Senator from Arkansas having her vote cast. I have my general interest in the rights of the workingman. I believe as I do, and I give to my opponents the credit for good motives and for voting their own convictions the same as I am voting mine; but I do not want us to come here tomorrow at 5 o'clock, if we cannot get the junior Senator from Arkansas here, and lose because of the absence of that one vote.

Extraordinary strategy is being used against us. I am not saying that it is discourtesy. I do not say that. I will not have anybody put that expression in my mouth; but extraordinary strategy is being used against us in declining pairs. That is the sole question that is involved. I do not say that any Senator ought to yield a pair. I am not making any appeal on that ground.

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

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

Mr. McCARRAN. Out of all this picture I desire to express one view. Perhaps after that I shall be through for the time being.

I desire to pay the secretary of the majority, Mr. Biffle, the compliment of saying that during the past 2 days he has worked with me consistently to bring about pairs. I do not wish to have any reflection made on a man who has worked with me right straight along. I will never win by that road.

Mr. ROBINSON. Mr. President, if the Senator from Louisiana has concluded, I should like to take the floor for a few minutes.

Mr. LONG. I have not concluded, but I will yield to the Senator.

Mr. ROBINSON. No; I do not care to ask the Senator to yield.

Mr. LONG. Then I yield the floor in order that the Senator from Arkansas may have it.

Mr. GLASS. Mr. President, I desire to prefer a unanimous-consent request involving two suggestions.

First, I desire to suggest that the Senate give unanimous consent to pass by temporarily section 6 of the joint resolution in order that we may complete the other sections, which are noncontroversial, and which have been passed on by the Senate.

Then I desire to ask further that it be unanimously agreed that tomorrow, say at 1 o'clock p. m., if that be agreeable, we shall proceed with the consideration of section 6 of the joint resolution and vote on it.

Mr. ROBINSON. And all amendments that may be offered thereto.

The PRESIDING OFFICER. The Senator from Virginia asks unanimous consent that section 6 of the pending joint resolution be passed by temporarily; that the Senate proceed to the consideration of the other sections of the joint resolution; and that at the conclusion of the consideration of the other portions of the joint resolution, and not later than 1 o'clock p. m. tomorrow, the Senate proceed to the consideration of section 6 and all amendments thereto.

Mr. McCARRAN. Mr. President, I trust the Senator from Virginia will yield to me.

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

Mr. GLASS. I yield.

Mr. McCARRAN. I think perchance in the interim other amendments may be offered that may entail some considerable time. I take it that the substitute I shall offer for section 6 as it came from the committee will take some time for consideration. I do not wish to cut off any Senator from a legitimate, fair discussion of the amendment that bears my name. It is only a question of fairness. I have never found the Senator from Virginia to be other than fair, and I believe now his disposition is consonant with the spirit of fairness; but I am not so experienced in these matters as is the Senator from Virginia, the Chairman of the Appropriations Committee.

I am entirely content that at some hour the discussion of this amendment may commence, and that it may end at some time, because this measure, or some measure that will grow out of it, whatever it may be—whether it be a limitation of half of the amount, or the entire amount—must eventually go forward. I do not believe the Senate should be tied up. I desire to go forward. I would rather lose in this all-important matter to me and to those who stand behind me than to have it said that we are tying up the Senate of the United States, and I am not going to support any such movement.

Mr. BONE. Mr. President—

Mr. GLASS. Mr. President, responding to what the distinguished Senator from Nevada has said, it was because he had signified his willingness to vote at any hour tomorrow that I ventured to make the unanimous-consent request.

So far as parliamentary strategy is concerned, or any other sort of strategy, the only strategy the chairman of the committee has had in mind was to get through with the joint resolution. I have not engaged in any parliamentary strategy, and I should not know how if I were to start at it. I should bungle the whole thing. All I desire to do is to get through with the joint resolution, so that I may direct my attention to matters of quite as much im-

portance if not more importance than those involved in this joint resolution. I do not wish to cut off any Senator. If any Senator wishes to make a reasonable discussion of the so-called "McCarran amendment", I am perfectly willing to sit here and hear what he has to say.

If 1 o'clock tomorrow is too early an hour, what hour would the Senator suggest?

Mr. McCARRAN. Mr. President, this is rather thinking out loud, if I may so express myself. I wonder if, say, tomorrow at a given hour we might commence the consideration of section 6, and close its consideration at a given hour. I should be willing to go on into the night. It does not make any difference to me.

Mr. GLASS. I am perfectly willing to go on tonight if the Senate wishes to vote tonight.

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

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

Mr. GLASS. I do.

Mr. BONE. I did not understand the Senator from Virginia to suggest any hour tomorrow at which a vote might be taken. Might not that with propriety be included in the request the Senator makes? I do not think an hour was fixed.

Mr. McCARRAN. That is correct.

Mr. BONE. One o'clock was suggested as the hour for beginning the argument; but may we not have a vote on the McCarran amendment by 5 o'clock or thereabouts?

Mr. GLASS. I suggest that we begin the consideration of section 6 upon the convening of the Senate tomorrow—and devote how many hours to the discussion?

Mr. McCARRAN. I respectfully suggest—and I wonder if this may meet with approval—that not later than 5 o'clock tomorrow the vote be taken on the so-called "McCarran amendment."

Mr. McNARY. Mr. President, I do not wish to cut short any of the debate on this question by agreeing that any certain time shall be set for a vote, but I would not object to a limitation on debate. That is a fair way to meet an issue of this kind. From time to time we have experienced this situation, that a time would be set for a final vote, with only a few hours intervening, and some one Senator might occupy most of the time. In order to be fair to all who might wish to be heard, I should have to object to any such request as that now pending.

The PRESIDING OFFICER. The Senator from Oregon objects to the request of the Senator from Virginia.

Mr. ROBINSON. Mr. President, I think this is the first occasion when it has been suggested or insisted that it was the function of the Senate to enter into the arranging of pairs, or that it was an action subject to the control of the Senate. From time immemorial the making of pairs has been regarded as a purely personal arrangement.

Contrary to, and in contradiction of, the statement of the Senator from Louisiana [Mr. Long] there have been numerous occasions when Senators who were absent have found themselves unable to arrange pairs.

No Senator has the right to insist upon a pair for himself or for another, even though that other happens to take the same view of the subject in controversy which he takes.

There has been a custom prevailing in the Senate for many years under which Senators have entered into pairs, and, in my judgment, if the Senator from Louisiana had been content to permit the author of the McCarran amendment to manage it, if he had not pursued the extraordinary course of coming into the Senate 2 days in advance and announcing that unless certain pairs could be arranged no vote would be permitted as long as he could conduct a filibuster, this issue never would have arisen.

The Senator from Nevada has demonstrated a very proper spirit in the matter. He has recognized the fact in his statement just made that no one has the right to demand that a Senator who does not wish to pair, who is not willing that someone who is not present may nullify his vote, shall enter into a pair. The Senator from Nevada recognizes the right which all other Senators possess, of determining for them-

selves, and not at the dictation of the Senator from Louisiana or any other Senator, when and whether a pair shall be arranged.

I repeat, if the Senator from Louisiana had done what any other Senator would have done—that is, if he had left the Senator from Nevada to manage his own amendment—there probably would not have been any difficulty about pairs.

I am saying now with emphasis that it is not in the power and it is not in the right of any one of us to insist that before the others shall act there must be a response to his demand that someone who is absent shall be paired.

I anticipate that if such an agreement as has been suggested by the Senator from Nevada and the Senator from Virginia should be entered into, there would be experienced no difficulty whatever.

To my good friend the Senator from Oregon I should like to suggest that it would be a very provident and wise thing if a time could be fixed for a vote on the amendment relating to wages and on all amendments which may be offered thereto. It would serve the convenience of many Senators.

If the subject had not been pretty fully debated on a previous occasion, there would be force in the suggestion that we should proceed to limit debate and not attempt to fix a definite time for the vote. But this issue relates to a controversy which has been sharp and decisive, and every Senator wishes to vote. That is the reason why difficulty has been experienced in making pairs. It may make it difficult hereafter before the vote to arrange pairs for Senators who may find it necessary to be absent.

I wonder whether the Senator from Oregon, in view of the request of the author of the amendment, would not be willing to agree on a time for a vote on the committee amendment, section 6, and all amendments which may be offered to it.

Mr. McCARRAN and Mr. McNARY rose.

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

Mr. ROBINSON. I yield first to the Senator from Nevada.

Mr. McCARRAN. I address myself to both the leader of the majority and the leader of the minority. I wonder whether it would be agreeable to all that we vote this afternoon at 5 o'clock. So far as I am concerned it seems to me that I can limit any expression I may have to make within that time.

Mr. GLASS. Yes; that would be fine.

Mr. ROBINSON. It would suit me exactly, if the Senator from Oregon would agree to it.

The PRESIDING OFFICER. Does any Senator prefer a request?

Mr. ROBINSON. The Senator from Nevada has suggested that we proceed to vote on section 6 and on all amendments which may be offered thereto at not later than 5 o'clock this evening.

The PRESIDING OFFICER. If the Chair understands correctly, the Senator from Arkansas requests that the other provisions of the joint resolution be passed over and that the Senate immediately proceed to the consideration of section 6 and that the vote on section 6 and on all amendments proposed thereto be taken at not later than 5 o'clock p. m. today. Is there objection?

Mr. THOMAS of Oklahoma. Mr. President, reserving the right to object—

The PRESIDING OFFICER. The Senator from Oklahoma reserves the right to object.

Mr. THOMAS of Oklahoma. We have just been informed that this matter of pairs is unusual and an outgrowth of the procedure of the Senate extending over many years. I now propose a counter unanimous-consent request and, if that shall be granted, my action will be governed by such grant.

I ask unanimous consent that the rules be considered suspended and that the Chair appoint a committee of three to wait upon the absent and ill Senator from Arkansas [Mrs. CARAWAY] and ascertain her wishes as to the way she wants to vote upon the roll to be called upon the motion to adopt

the so-called "McCarran amendment", and when the roll is called, that this committee, when the Senator's name [Mrs. CARAWAY] shall be reached and called shall announce her vote as she may direct and that such vote so announced be counted as if she were present in the Chamber and voting in person.

Mr. ROBINSON. Mr. President, that would be such an extraordinary proceeding that I do not believe the Senator from Oklahoma would wish to insist upon it. I do not think the Senate would be willing to establish the precedent of voting by proxy, or by committee. It would seem to me the most extraordinary thing that was ever attempted.

I will say to the Senator that if the Senator from Nevada is willing to proceed I think those who are interested in his amendment should let him have the privilege of doing so, and for my part I feel that he would make no sacrifice by pursuing that course.

Mr. THOMAS of Oklahoma. Mr. President, do I understand the Senator from Arkansas to object to my unanimous-consent request?

Mr. ROBINSON. Oh, yes, Mr. President. If I did not object to it every other Senator would.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Arkansas?

Mr. THOMAS of Oklahoma. I object.

The PRESIDING OFFICER. The Senator from Oklahoma objects.

The question is on agreeing to the committee amendment on page 6, beginning at line 5.

The amendment was agreed to.

The next amendment was on page 7, line 20, to change the number of the section from "6" to "5"; and in line 23, after the word "exceed", to strike out "\$5,000" and insert "\$1,000"; so as to make the section read:

SEC. 5. The President is authorized to prescribe such rules and regulations as may be necessary to carry out this joint resolution, and any willful violation of any such rule or regulation shall be punishable by fine of not to exceed \$1,000.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The CHIEF CLERK. On page 8, line 1, it is proposed to insert a new section, as follows:

SEC. 6. The President is authorized to fix the rates—

Mr. McCARRAN. Mr. President, I offer as a substitute for the committee amendment, section 6, as it appears in the bill, the amendment submitted by me and now on file, and ask that it be stated.

The PRESIDING OFFICER. The Chair will say to the Senator from Nevada that the committee amendment has not as yet been stated. The clerk was about to state the committee amendment.

The CHIEF CLERK. On page 8, line 1, it is proposed to insert the following new section:

SEC. 6. The President is authorized to fix the rates of wages of all persons compensated out of the funds appropriated by this joint resolution and may fix different rates for various types of work, which rates need not be uniform throughout the United States.

In the event the President, or such official or agency of Government as he may select, shall determine after an investigation that the rate of wages paid is affecting adversely or is likely to decrease the prevailing rates of wages paid for any work of a similar nature in any city, town, village, or other civil division of the State in which the work is located, or in the District of Columbia, the President, or the official or agency designated by him, shall immediately fix the rate of wages at an amount not less than the prevailing rate of wages paid for work of a similar nature in such locality.

Any and all contracts which may be entered into under the authority contained in this resolution shall contain stipulations which will provide for the accomplishment of the purposes of this section.

Mr. RUSSELL. Mr. President, I desire to offer an amendment in the nature of a substitute for section 6, which I ask to have stated.

The PRESIDING OFFICER. The Senator from Georgia [Mr. RUSSELL] offers an amendment to the amendment, which will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out section 6, as reported by the committee, and to insert in lieu thereof a new section 6, as follows:

The President shall require to be paid such rates of pay for all persons engaged upon any project financed in whole or in part, through loans or otherwise, by funds appropriated by this joint resolution, as will, in the discretion of the President, accomplish the purposes of this act, and not affect adversely or otherwise tend to decrease the going rates of wages paid for work of a similar nature.

The President may fix different rates of wages for various types of work on any project, which rates need not be uniform throughout the United States: *Provided, however,* That whenever permanent buildings for the use of any department of the Government of the United States, or the District of Columbia, are to be constructed by funds appropriated by this joint resolution for which rates of wages are now determined in accordance with the provisions of any law of the United States or any code, the President shall fix the rate of wages upon such public buildings in accordance with such laws and codes.

Mr. RUSSELL and Mr. McCARRAN addressed the Chair. The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Nevada?

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

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. I thought an effort was being made by the Senator from Nevada to offer his proposal as an amendment to the text of the joint resolution. Later, the Senator from Georgia was recognized, and now an amendment has been presented by him which is similar to the one which was heretofore offered, before the joint resolution was re-committed to the committee. Did the Senator from Nevada neglect to take advantage of his rights?

The PRESIDING OFFICER. The Chair will state to the Senator from Oregon that the clerk was about to state the committee amendment which begins on top of page 8. Before the committee amendment had been stated by the clerk, the Senator from Nevada claimed the floor to offer an amendment, which the Chair stated was out of order at the time, because the committee amendment had not been stated. At the conclusion of the reading of the committee amendment the Senator from Georgia claimed the floor for the purpose of offering an amendment in the nature of a substitute for the committee amendment, and was recognized for that purpose. The Chair assumes that there cannot be two substitutes pending at once, although the Chair is not deciding the nature of the application without having had a chance to examine it.

Mr. McNARY. Mr. President, it is merely a question now of what occurred. I thought the Senator from Nevada, when he rose and was recognized, offered his proposal as a modification of and substitute for that which is found in the joint resolution.

The PRESIDING OFFICER. The Chair will state that it was not a question of the text of the joint resolution. It was a question of stating the amendment reported by the committee, which had not yet been stated. Therefore, an effort to offer a substitute was clearly out of order at the time the Senator from Nevada claimed the floor for that purpose.

Mr. McNARY. That was because the clerk had not read the committee amendment.

The PRESIDING OFFICER. The Senator's statement is correct.

Mr. McNARY. But was not the Senator from Nevada recognized for the purpose of proposing his amendment when the reading of the committee amendment was concluded by the clerk?

The PRESIDING OFFICER. The Chair will state that at the time the Senator from Nevada was recognized the Chair had no intimation of what the Senator from Nevada intended to do. Certainly the Chair would not have permitted the interruption of the reading of the committee amendment for the purpose of offering an amendment at that time.

Mr. McNARY. I do not want to quarrel with the Chair—

Mr. McCARRAN. Mr. President, will the Senator from Oregon yield for a moment?

The PRESIDING OFFICER. The Senator from Georgia [Mr. RUSSELL] has the floor. The Senator from Oregon was recognized for the purpose of propounding a parliamentary inquiry.

Mr. RUSSELL. Mr. President, I yield to the Senator from Nevada. The Senator from Oregon previously desired to present a parliamentary inquiry and I yielded to him. I yield now to the Senator from Nevada.

Mr. McCARRAN. Mr. President, knowing the present Presiding Officer of this body as I do, and believing in him as I do, I cannot now believe, and I am not going to believe, that he is going to take any advantage of the spirit of fairness which I tried to show here this afternoon.

I sought the floor and was recognized. My amendment has been printed and has been lying on the table for weeks. I am not now going to take a position out of harmony with the spirit I have tried to evince here this afternoon, when I could have taken another position. I do not believe that this body is going to put my amendment, which has been broadcast all over the country, in the status of an amendment in the third degree. I do not believe there is a spirit prevalent here which will permit me to be taken off this floor when an amendment is offered by the learned and the honorable Senator from Georgia which has not even been known or heard of heretofore. If Senators want to put that to a vote, let them try it once!

Mr. THOMAS of Oklahoma. Mr. President—

Mr. McCARRAN. Fair play is all I have asked for here. I will yield in just a moment.

Mr. RUSSELL. Mr. President, I have the floor. I yielded to the Senator from Nevada.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. I insist that my position is correct, and I desire to have the Chair reconsider the matter.

When the Senator from Nevada was recognized, as I think the Chair will agree he was, and offered his proposal, the Presiding Officer at that time stated that the Senator's amendment was to be withheld until the committee amendment had been stated by the clerk.

The PRESIDING OFFICER. The Chair said that a motion to offer an amendment was out of order at that time—

Mr. McNARY. Exactly.

The PRESIDING OFFICER. Which was unquestionably true.

Mr. McNARY. It was unquestionably true; but, at the same time, the Senator from Nevada had the floor.

The PRESIDING OFFICER. The Senator from Nevada did not have the floor because he obtained it improperly.

Mr. McNARY. He had indicated his purpose to offer the amendment as soon as the clerk had stated the committee amendment. Therefore, he was entitled to the floor. He was entitled to first consideration of his amendment.

I submit to the Chair that that is a correct statement of the situation which developed here his afternoon.

The PRESIDING OFFICER. The Chair will again state that it is not the business of the Chair to determine, as between claimants of the floor, how long their respective amendments have been pending. The clerk began stating the committee amendment, on page 8. Before the clerk had had an opportunity to state the amendment, the Senator from Nevada interrupted. The Chair, being unaware of the purpose of the Senator from Nevada, recognized him, whereupon the Senator stated that he desired to offer an amendment to the committee amendment; and the Chair stated that that was out of order because the committee amendment had not been stated.

Mr. RUSSELL. Mr. President—

The PRESIDING OFFICER. Just a moment.

At the conclusion of the reading of the committee amendment the Senator from Georgia rose and claimed recognition, and was recognized by the Chair. So far as the Chair is concerned, it is not the business of the Chair to determine as to prior right, or how long an amendment has been pending.

The Senator from Georgia claimed the floor, and was recognized by the Chair.

Mr. JOHNSON, Mr. NORRIS, and Mr. ROBINSON addressed the Chair.

Mr. RUSSELL. Mr. President, I have the floor.

The PRESIDING OFFICER. The Senator from Georgia [Mr. RUSSELL] has the floor.

Mr. JOHNSON. I ask the Senator if he will yield for a question?

Mr. RUSSELL. I yield to the Senator from California.

Mr. JOHNSON. Is this amendment the same amendment which was presented before by the Senator from Georgia, which was embodied in the joint resolution, and as to which controversy arose?

Mr. RUSSELL. It is not. It is materially different in some respects, as I was undertaking to explain to the Senate when the present controversy arose.

Mr. JOHNSON. I see. It is a different amendment in reality than the one which was originally presented?

Mr. RUSSELL. In some particulars it is different.

Mr. JOHNSON. Mr. President, if the Senator will yield a moment more—

Mr. ROBINSON. Mr. President, will the Senator from Georgia yield to me to submit a unanimous-consent request?

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

Mr. RUSSELL. I yield to the Senator from Arkansas.

Mr. ROBINSON. Mr. President, I ask unanimous consent that the rule be suspended and that it be declared in order for the Senator from Nevada [Mr. McCARRAN] to offer his amendment as a substitute for the amendment of the Senator from Georgia [Mr. RUSSELL].

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

Mr. RUSSELL. Mr. President, I have no desire or inclination to object to the unanimous-consent request. I should like to make it clear that there is no intention on my part of being unfair to the Senator from Nevada or any other Member of this body. I have been sitting here all day waiting for section 6 to be reached for the purpose of offering this substitute. As the author of the original section 6 contained in the joint resolution, I feel that I have some right to offer a substitute myself. I was the author of the committee proposal embodied in section 6. I have no desire to do anything that might even smack of unfairness. I shall not object to the request of the Senator from Arkansas, but I wish to assure the Senate that I have not sought to take advantage of the Senator from Nevada or anyone else. As a general proposition, the author of an amendment should have the first opportunity to amend his own amendment so as to perfect it. Such has been the custom heretofore in this body.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

Mr. McCARRAN. Mr. President, I now offer as a substitute for section 6, as the joint resolution came from the committee, my amendment, which is now on the table.

The PRESIDING OFFICER. Under the unanimous-consent order just made, the Chair will state to the Senator from Nevada that his amendment should be offered as a substitute for the proposed substitute of the Senator from Georgia. It will be an amendment in the nature of a substitute, but the substitute amendment of the Senator from Nevada will be voted on first.

Mr. McCARRAN. I do not care what the order is. My only desire is to have a vote on my amendment.

The PRESIDING OFFICER. The Chair was merely trying to keep the parliamentary situation straight. The clerk will state the amendment offered by the Senator from Nevada [Mr. McCARRAN], in the nature of a substitute for the amendment of the Senator from Georgia [Mr. RUSSELL].

The LEGISLATIVE CLERK. In lieu of the amendment proposed by Mr. RUSSELL it is proposed to strike out all of section 6 of the committee amendment and to insert in lieu thereof the following:

SEC. 6. The President is authorized to prescribe, and shall give full publicity to, rules and regulations necessary to carry out the purpose of this joint resolution: *Provided, however,* That (a) such rules and regulations shall stipulate that the rates of wages paid to all laborers and mechanics employed by any contractor or subcontractor or by the public officer in charge for the United States or for the District of Columbia, for work done under this joint resolution, whether by contract or otherwise, involving the expenditure of any money appropriated by the resolution, need not be uniform throughout the United States, but shall not be less than the prevailing rates of wages paid for work of a similar nature at the time of the approval of this resolution in the city, town, village, or other civil division of the State in which the work is located, or in the District of Columbia: *Provided, however,* That nothing in this section shall apply to the administration of the Civilian Conservation Corps; (b) rules and regulations prescribed under this section shall not abrogate any existing law.

Mr. RUSSELL. Mr. President, under the unusual parliamentary situation which obtains, there are now pending two substitutes for section 6 of the printed joint resolution relating to the very vexing and highly controversial question of the wage scale which shall be fixed in the joint resolution for work to be carried on under its provisions.

The original section 6 was offered by me as an amendment in the Committee on Appropriations. It will be remembered that as the joint resolution came from the House it contained no reference whatever to the rate of wages which should be paid for work done under the terms of the joint resolution. It was generally understood that the President would fix what is commonly referred to as a security wage, a wage described by him in his first message to the Congress as being greater than the dole now being received by those on the relief rolls, but at the same time not an amount sufficient to make employment under the program so attractive that the workers would not take advantage of any opportunity for employment in private industry. In other words, a wage sufficient to maintain in a decent manner the families of those now on the relief roll, and yet slightly below the prevailing wage.

There were two schools of thought on this question in the committee, and the question of wages was thoroughly discussed. One of those held to the theory that there should be no reference whatever to wages in the joint resolution, that the entire matter should be left in the discretion of the President. The other school of thought held to the theory of the Senator from Nevada [Mr. McCARRAN] in the belief that the prevailing rate of wages should be paid for all work done under the joint resolution without regard to where the work was located or the nature thereof.

This wide cleavage between no mention whatever of wages and no restriction as to conditions and wages, on the one hand, and a requirement of the payment of the prevailing wage on all projects, on the other hand, left a rather wide field for compromise.

There should be a common ground, somewhere, which will enable the Congress to so word the provisions of this measure relating to the wage structure as to make it possible for the President to pay the so-called "security wage" and at the same time protect the wage structure of the country and avoid doing anything that might tear down the prevailing-wage standards. The original amendment was proposed in an effort to give the President a free hand, unless and until the existing wage scale appeared to be in danger. If this occurred, it made it mandatory upon the President to pay the existing scale.

It was my belief, and is yet for that matter, that the original amendment fully protected the existing wage structure. I was strengthened in this belief by the personal assurance of the President, contained in a letter read by the able Chairman of the Committee on Appropriations on the floor of the Senate, that he would assume personal responsibility for not injuring the existing wage structure. It appears to me to be almost fantastic to apprehend that the present President of the United States would willfully permit anything to be done that was likely to injure the existing wage structure, when we consider that the major objectives of his administration have been to establish better working conditions, shorter hours, and higher standards of pay for labor.

The amendment which I have offered goes somewhat further than my original proposition on the subject. It imposes upon the President the duty of requiring payment of such rates of pay as will permit him to effectuate the purpose of the joint resolution, and yet at the same time will not affect adversely or otherwise tend to decrease the going rates of wages paid for work of a similar nature.

It provides, however, that in the construction of permanent buildings for the use of any department of the Government of the United States the existing law or prevailing code shall regulate the wages to be paid. In other words, the proviso has the effect of accepting the provisions of the Davis-Bacon Act and the wage rates of any prevailing code insofar as the construction of permanent public buildings for the use of the Government of the United States is concerned.

It appears to me that the amendment presents a fair settlement of this controversial question. It amply protects labor in preserving the wage structure which those who toil have been so long in building. It provides against any dislocation of or detriment to industrial employment which would follow if we make the work relief so attractive as to lure those from private employment. It assures a high degree of efficiency and more permanent value for the future in projects carried on from the expenditure of the funds provided in the joint resolution.

I have every reason to believe that the amendment will be approved by the President if it be enacted into law. Its adoption will, therefore, avoid all the difficulties and confusions which are assured us if the original McCarran proposal should be adopted.

We were told by the Chairman of the Committee on Appropriations that he had substantive reason to believe that the joint resolution would encounter an Executive veto if the McCarran amendment were adopted by the Senate. This amendment has been offered after a series of conferences with members of the Appropriations Committee and others who had been endeavoring earnestly and honestly to arrive at some fair and satisfactory settlement of this problem. I have been reliably advised on good authority that it has been submitted to the junior Senator from New York [Mr. WAGNER], who found serious objection to the original proposal and that he finds this solution of the matter to be satisfactory.

I doubt whether any lengthy discussion of this subject would serve any useful purpose. The amendment is clear and speaks for itself. It protects the wage scale throughout the United States. It recognizes the principle of the Davis-Bacon Act and all existing codes insofar as the construction of permanent buildings is concerned, and, in my judgment, is about as fair a compromise of the two widely divergent schools of thought on this subject as it would be possible for the Senate to obtain.

The PRESIDING OFFICER (Mr. POPE in the chair). The question is on the amendment of the Senator from Nevada [Mr. McCARRAN] in the nature of a substitute for the amendment of the Senator from Georgia [Mr. RUSSELL] to the amendment of the committee.

Mr. JOHNSON. Mr. President, if we are about to take a vote upon this question, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Clark	Harrison	Murphy
Ashurst	Connally	Hastings	Murray
Austin	Coolidge	Hatch	Neely
Bachman	Copeland	Hayden	Norbeck
Bailey	Costigan	Johnson	Norris
Bankhead	Couzens	Keyes	Nye
Barbour	Cutting	King	O'Mahoney
Barkley	Dickinson	La Follette	Pittman
Bilbo	Dieterich	Lewis	Pope
Black	Donahay	Logan	Radcliffe
Bone	Duffy	Loneragan	Reynolds
Borah	Fletcher	McAdoo	Robinson
Brown	Frazier	McCarran	Russell
Bulkeley	George	McGill	Schall
Bulow	Gerry	McKellar	Schwellenbach
Burke	Gibson	McNary	Sheppard
Byrd	Glass	Maloney	Shipstead
Byrnes	Gore	Metcalf	Smith
Capper	Guffey	Minton	Steiwer
Carey	Hale	Moore	Thomas, Okla.

Thomas, Utah
Townsend
Trammell

Truman
Tydings
Vandenberg

Van Nuys
Wagner
Walsh

Wheeler
White

Mr. LEWIS. Mr. President, I rise to reannounce the absence of Senators as previously announced by me.

The PRESIDING OFFICER. Ninety-one Senators having answered to their names, a quorum is present. The question is on the amendment offered by the Senator from Nevada [Mr. McCARRAN] in the nature of a substitute for the amendment offered by the Senator from Georgia [Mr. RUSSELL] to the amendment of the committee, which constitutes section 6 of the joint resolution.

Mr. McNARY. Mr. President, I desire to call the attention of the Senator from Nevada [Mr. McCARRAN] to the fact that the Chair has announced that a vote is about to be taken by the Senate on his amendment. Is the Senator from Nevada prepared to have the vote taken at this time? [A pause.] Mr. President, may we have some statement of the conversations that are taking place on the other side of the Chamber?

Mr. ROBINSON. Mr. President, with the indulgence of the Senator from Oregon, I desire to state that the Senator from Nevada [Mr. McCARRAN] and I were discussing the possibility of attempting to fix a time for a vote on this amendment. I ask the Senator from Oregon to be good enough to give us his ear while we submit a request.

I ask unanimous consent that tomorrow, at not later than 4 o'clock p. m., the Senate proceed to vote on section 6 of the joint resolution and all amendments that may be pending or may be offered thereto.

The PRESIDING OFFICER. Is there objection?

Mr. THOMAS of Oklahoma. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. McNARY. Mr. President, I stated earlier in the day that I share the views of the Members who desire an early vote upon the pending amendment. From years of experience I have reached a state of mind where I believe that better results are obtained, and fairer consideration is given to amendments and other proposals, if there is a limitation of debate rather than a time fixed for a vote.

Over and over again, when a time has been fixed for a vote, I have seen some one Senator or a group of Senators occupy the full time. It is much fairer to prescribe a limitation and give every Senator an opportunity to be heard if he so desires. I have no objection to having a limitation take effect today at 4:30 o'clock, though I should prefer that the Senate now take a recess and start in at 12 o'clock tomorrow with a limitation of 15 minutes, and if that course is followed, in my judgment we will come to a vote before 4 o'clock tomorrow. But under such an order no one could take advantage of the situation.

Mr. President, I am willing to make this proposal, if I may have the attention of the Senator from Arkansas and the Senator from Nevada: I propose that the Senate take a recess now until tomorrow at 12 o'clock, that at 12 o'clock tomorrow the unfinished business be laid before the Senate, and that no Senator be permitted to speak longer than 15 minutes or more than once on the pending amendment.

Mr. McCARRAN. Mr. President, I never take a great deal of time, and I hope that my last expression may be the last expression until my amendment shall be adopted. Would the leader of the majority and the leader of the minority agree to make the limitation 20 minutes?

Mr. ROBINSON. I think that is a fair suggestion.

Mr. McNARY. Whether it be 15 minutes or 20 minutes or 22 minutes does not particularly matter.

Mr. ROBINSON. Mr. President, I will submit a request. I ask unanimous consent that when the Senate completes its labors today it take a recess until 12 o'clock noon tomorrow, and that after that hour no Senator shall speak more than once or longer than 20 minutes on the pending amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. NEELY. Mr. President, I desire to suggest an amendment, which I intend to propose to the pending joint resolution, which I ask to have read, printed, and lie on the table.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 10, line 3, after the word "agencies", it is proposed to insert the following:

SEC. 10. (a) Not less than \$500,000,000 of the sum appropriated by this act shall be utilized for the construction, preservation, or improvement of schoolhouses and buildings used exclusively or principally for educational purposes.

The PRESIDING OFFICER. The proposed amendment will be printed and lie on the table.

DECLINE IN THE PRICE OF COTTON

Mr. SMITH. Mr. President, I offer a Senate resolution, which I send to the desk to be read, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the resolution.

The legislative clerk read the resolution (S. Res. 103), as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to investigate the causes of the rapid decline of the price of cotton on the cotton exchanges on or about March 11, 1935. The committee shall report to the Senate, at the earliest practicable date, the result of its investigations, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina for the immediate consideration of the resolution?

Mr. McNARY. Mr. President, the Senator from South Carolina ought to know that it would violate the statutory rules and practices of the Senate to allow this to be done. The resolution must be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. SMITH. I am perfectly willing to have it take that course.

Mr. McNARY. Then, how can the Senator ask for immediate consideration at this time?

Mr. SMITH. I have asked for immediate consideration because I do not believe that in the history of all the industrial affairs of this country such an unwarranted break in the market as occurred last Monday has ever been known. The Government had pegged the price of cotton at 12 cents, and without rime or reason it broke to 10 cents, involving a loss of millions and a total discrediting of all the efforts we have made up to this time to try to aid the situation. I thought that every Senator here, on both sides, would be perfectly willing to have an investigation in order to ascertain where this unwarranted break in the market originated; that is all.

I do not wish to violate any statutory rule of the Senate, but I thought that, perhaps, in view of this disastrous tragedy which has broken the stock market, the bond market, and every market which affects the cotton industry, a disaster which has affected them all, we ought to investigate to find out why the break occurred.

Mr. McNARY. Mr. President, I do not wish to argue about the break in cotton, which was indeed too bad, but that does not affect the rules of the Senate or statutory law. The Senator knows that when a standing committee brings in a resolution of this nature it must be referred to the Committee to Audit and Control the Contingent Expenses of the Senate before any action can be taken, whether by unanimous consent or otherwise.

The VICE PRESIDENT. Let the Chair see if he understands the parliamentary situation. The Chair understands that the Senator from South Carolina has offered a resolu-

tion providing for an investigation. Ordinarily the resolution, unless there were unanimous consent otherwise, would go to the Committee on Agriculture and Forestry. If that committee should report it, then the Committee to Audit and Control the Contingent Expenses of the Senate would consider the proposed resolution and report its recommendation to the Senate.

Mr. McNARY. Mr. President, that is exactly correct.

The VICE PRESIDENT. That would be the status of the matter, as the Chair understands it.

Mr. SMITH. Mr. President, of course, if the Senate insists that it shall take that course, which is the ordinary course, I shall not object. I was aware that I should have to ask unanimous consent for the immediate consideration of the resolution, which I did. I am perfectly willing to allow it to take its ordinary course, but I thought the circumstances were so extraordinary that it should have immediate attention.

Mr. McNARY. Mr. President, I again say that the Senator from South Carolina does not understand the rules of the Senate. It is not a question of unanimous consent at all; it is a question of statutory law, which cannot be waived or modified or repealed by unanimous consent.

Mr. SMITH. I may not understand parliamentary law—

Mr. McNARY. I am sure of that.

Mr. SMITH. But I do understand common sense, which suggested to me to ask unanimous consent to waive the rule of the Senate.

Mr. McNARY. Which cannot be done by unanimous consent at all.

Mr. SMITH. We can do anything by unanimous consent; and the Senator knows it; I know it, and all of us know it.

The VICE PRESIDENT. There is objection.

Mr. SMITH. Let it take its regular course.

The VICE PRESIDENT. The resolution will be referred to the Committee on Agriculture and Forestry.

WORK-RELIEF PROGRAM—CIVILIAN CONSERVATION CORPS

Mr. WALSH. Mr. President, in view of the discussion yesterday over the merits and demerits of the appropriation of funds for C. C. C. camps, I ask that a letter from the director and other data relating to the work under the C. C. C. and a magazine article be published at this point in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

EMERGENCY CONSERVATION WORK,
OFFICE OF THE DIRECTOR,
Washington, D. C., February 8, 1935.

HON. DAVID I. WALSH,
United States Senator, Washington, D. C.

DEAR SENATOR WALSH: Receipt is acknowledged of your letter of January 26 requesting information regarding the number of enrollments in the Civilian Conservation Corps and the cost of maintaining the corps.

Up to the present time a total of approximately 943,972 men have been enrolled in the corps since its organization in April 1933. This figure is subject to the following break-down:

Total enrollments up to date of latest report (Dec. 31, 1934).....	837,972
Additional enrollments completed during the month of January.....	68,000
Total number of Indians.....	32,000
Aggregate number of men engaged in emergency conservation work in the outlying possessions.....	6,000
Total.....	943,972

The authorized strength of the corps is 353,225, including 290,000 young men between the ages of 18 and 25, a quota of 33,225 war veterans, and 30,000 local experienced woodsmen. In addition the employment on emergency conservation work projects of 14,400 Indians and 4,297 residents of the outlying possessions of Hawaii, Puerto Rico, Alaska, and the Virgin Islands was authorized. The average total strength of all units doing emergency conservation work runs around 360,000 men.

The total obligations up to November 30, 1934, are estimated by the Office of the Chief of Finance of the War Department at \$554,000,000.

A copy of this letter is enclosed for your use.

Very truly yours,

GUY D. MCKINNEY,
Director of Publicity.

From the beginning of emergency conservation work through December 31, 1934, enrollees in the Civilian Conservation Corps have completed the following work:

New telephone lines.....	miles.....	29,020
Telephone lines maintained.....	do.....	40,774
Fighting forest fires.....	man-days.....	1,687,544
New firebreaks.....	miles.....	35,304
Roadside and trallside clean-up, fire prevention.....	do.....	26,716
Fire hazards reduced.....	acres.....	967,896
New look-out houses.....	do.....	2,035
Forest-stand improvement.....	acres.....	1,572,692
New truck trails.....	miles.....	47,240
Truck trails maintained.....	do.....	68,727
Trees planted.....	do.....	257,751,000
Rodent control.....	acres.....	10,584,305
Tree- and plant-disease control.....	do.....	3,663,591
Insect-pest control.....	do.....	4,959,000
Erosion-control check dams.....	do.....	969,331

These represent merely a few of the more than 100 types of work being done by the Civilian Conservation Corps.

The following is an excerpt from a letter written by Col. John S. Chambers, quartermaster for the Eighth Corps Area headquarters, Fort Sam Houston, Tex., in which the colonel outlines the advantages to be obtained by enrollment in the C. C. C.:

"When you stop to think that every C. C. C. enrollee has a nice, warm, comfortable, well-lighted barrack to live in; plenty of bedding to keep him warm; that his food is of the best, plentiful in quantity and variety, well cooked, with plenty of calories and vitamins, and includes milk, butter, eggs, vegetables, meats, bread, cake, pies, and ice cream; that he has plenty of warm clothes in the winter and cool clothes in the summer; that he has books and magazines to read; a nice big room, where they have in many companies games of all sorts, pianos, and radios; that he has an educational instructor in the camp and can take any course from his A B C's up to the equivalent of a Ph. D. in a college course; that he gets an opportunity to move around to different sections of the country and see some of the United States; and that he has money to spend and money to send home, perhaps you can begin to realize some of the benefits to the men in these C. C. C. camps. In addition to that, he has an Army officer to look after the housekeeping and homekeeping of the camp, a doctor to take care of him when he is sick and to keep him well. If he is ambitious to become a 'Babe' Ruth or a 'Red' Grange, they have baseball, football, basketball, etc.; or if he likes the tamer sport of pitching quoits, he can pitch horseshoes."

Consolidated statement of estimated total obligations for emergency conservation work, Apr. 5, 1933, through Jan. 31, 1935

(Furnished through the Office of the Chief of Finance)

1. Pay, members.....	\$192,217,059.11
2. Pay, civilians.....	52,736,110.64
3. Shelter.....	35,109,879.34
4. Clothing.....	70,876,553.68
5. Subsistence.....	73,892,282.58
6. Medical.....	10,142,631.64
7. Supplies, materials, etc.....	78,573,626.85
8. Travel of persons.....	23,935,910.78
9. Transportation of things.....	15,485,306.36
10. Utilities.....	3,538,638.80
11. Miscellaneous.....	32,534,567.26
Total.....	589,042,585.04
Land purchases.....	24,110,033.73

Grand total..... 613,152,618.77

Of the above obligations, approximately \$329,000,000 has been obligated for all of the goods, supplies, materials, and equipment needed to operate emergency conservation work. Approximately \$260,000,000 has been obligated for all salaries and wages, and approximately \$24,000,000 for the acquisition of new national-forest and national-park lands.

From the national viewpoint, an impressive array of industries has benefited through the \$329,000,000 obligated for the purchases necessary to carry on emergency conservation work. Broken down to local viewpoints, the benefits to business and industry have been as vital as those accruing to industry as a whole.

Hundreds of communities have discovered that a Civilian Conservation Corps camp is a bright spot on the business map for the individual community. A camp in a community has meant a local market for between \$3,000 and \$5,000 worth of goods and services per month. When a camp was constructed, it provided work and wages for local skilled and unskilled mechanics. Indirect benefits have accrued to many communities due to visitors to the camp proper or visitors to projects on which enrollees were working or had completed.

Most communities have been quick to recognize the commercial benefits of a Civilian Conservation Corps camp and have done many things to facilitate work projects and to promote social interests between townspeople and Civilian Conservation Corps enrollees. Communities have opened their schools, churches, and homes to enrollees and in many other ways worked for the mutual well-being of enrollees and townspeople.

The obligations under the land-acquisition item are particularly interesting in that they represent the furtherance of a long-time

program through which the United States has been and is continuing to acquire forest and park lands as reserves against the probable needs of both the near and distant future. And in connection with land acquisitions it is significant to note that since emergency conservation work was inaugurated—and as a result thereof—many States have acquired substantial new park and forest lands, both by gift and purchase, to serve as a further reserve against future needs.

Through February 28, 1935, approximately 980,000 men had passed through the Civilian Conservation Corps, the Indian camps, and the outlying territory camps or were still in these camps.

From the beginning of emergency conservation work through January 31, 1935, enrolled men had allotted home to needy dependents about \$148,000,000, thus contributing to the lightening of other relief loads—Federal, State, and local.

The value of the work done by Civilian Conservation Corps enrollees and Indian enrollees from April 5, 1933, through September 30, 1934, approximated \$291,758,443.22.

There will be a substantial increase in this when December 31, 1934, valuation figures are received.

[From America of Mar. 16, 1935]
UNEMPLOYMENT AND THE C. C. C.

By Floyd Anderson

The President has often expressed his interest in the work of the Civilian Conservation Corps, and the gap that it fills in his scheme of social reconstruction—the employment of young men. He has often publicly expressed this interest. In his message of January 4 to the Congress, speaking of necessary public projects, he includes the "extension and enlargement of the successful work of the Civilian Conservation Corps." Last October, he wrote to Robert Fechner, Director of Emergency Conservation Work (official title of the C. C. C.):

"This kind of work must go on. I believe that the Nation feels that the work of the young men is so thoroughly justified and, in addition, the benefits to the men themselves are so clear, that the actual annual cost will be met without much opposition or much complaint.

A wide-spread agreement with this statement has been evident throughout the Nation. Confirmation comes recently from New York State and the Virgin Islands. On February 13, the head of the New York State Department of Conservation asked for 30 new C. C. C. camps to care for 15,000 jobless youths. On the same date, it was announced that two C. C. C. camps will be established in the Virgin Islands to aid economic rehabilitation there. Out in Douglas County, in Wisconsin, the county itself has established a camp for 28 young men, run on C. C. C. principles, where they will learn the rudiments of reforestation, according to the Evening Telegram, of Superior.

The C. C. C. grew out of the problem of unemployment, which has stared President Roosevelt in the face ever since he took office 2 years ago. To relieve unemployment, the President instituted the N. R. A., the P. W. A., the C. W. A., the C. C. C., and many other agencies. One of the principal reasons for the National Recovery Administration was to get men back to work, and to enable the employers to pass the slightly higher prices on to the customers. The only purpose of the Public Works Administration was to stimulate the building industry, which had been in the doldrums too long for the welfare and economic health of the Nation. The Civil Works Administration was an invaluable emergency aid last winter in helping the unemployed.

President Roosevelt set the C. C. C. to work on April 5, 1933, when he appointed Robert Fechner Director of the C. C. C. Congress, 6 days before, had authorized this, providing for the use of United States citizens, now unemployed, "in the construction, maintenance, and carrying on of works of a public nature in connection with the reforestation of lands." The principal purpose of the act was to relieve "the acute condition of wide-spread distress and unemployment", while at the same time restoring the depleted natural resources of the country and advancing a program of public works.

Because reforestation is close to the President's heart, the C. C. C. has been one of his pet projects. During its first 18 months, it planted more than 150,000,000 trees over denuded forest areas, or on lands endangered by soil erosion. And by removing undesirable trees, etc., it has developed and improved more than 1,000,000 acres of forest lands.

But the brightest spot in the C. C. C.'s work has been the employment it has given. Thousands of young men, most of them recently out of school, have been put to work in a healthful, wholesome environment. They had come out into the business world when there were no jobs even for experienced workmen—their case was almost hopeless from the start. Providing them with work has saved many from that moral deterioration which might have followed a long, enforced idleness.

The original number of men to be enrolled in the C. C. C. was set at 250,000. Enrollment was open to citizens, between 18 and 25 years of age, physically fit, unemployed, unmarried, and with dependents to whom they would allot a part of their cash allowance. In almost every case, the C. C. C. reports, the jobs have gone to men willing to allot five-sixths of their \$30 monthly allowance to their families or dependents.

The enrollment requirements were later extended to provide for needy World War veterans, Indians, and 50,000 young men from cities, towns, and villages in the 22 drought States. This has brought the authorized enrolled strength of the C. C. C. up to 369,838, although the actual number in the camps is below that,

since there have been day-by-day discharges to allow the men to accept private employment, etc.

The stipulation that the men must allot part of their allowance to their families and dependents has reduced considerably the relief rolls. About \$113,000,000 of the \$136,000,000 paid the C. C. C. men has been sent home. From the early summer of 1933 to July 1, 1934, these relief allotments reached an average of 300,000 families each month, and later the number has been as high as 350,000. If the enrollments are maintained at this level, it is estimated that \$7,500,000 each month will be sent to 350,000 families on relief rolls. And that represents a large saving to needy municipal and State relief organizations, while at the same time preserving the self-respect of these families.

But the C. C. C.'s contribution to the relief of unemployment has not stopped with those enrolled in its ranks. On camp supervisory and administration staffs, it has employed some 70,000 experienced foresters, technical men, construction experts, Reserve officers, and school teachers. And it has spent \$256,000,000 in purchasing supplies, materials, etc., all of which goes toward the general stimulation of employment.

The half-billion dollars representing the cost of the first 18 months of the C. C. C. has had many results beneficial to the Nation. Here are some of the major accomplishments claimed for it by the Emergency Conservation Work officials:

It has constructed some 40,000 miles of truck trails through forests and parks, opening up hitherto inaccessible areas, and strengthening the forest-fire-control system; and has constructed 23,000 miles of firebreaks, which will help control the spread of forest fires. It has conducted campaigns to reduce or eradicate the destructive activities of rodents over 7,000,000 acres, insects over 2,700,000 acres, and tree-attacking diseases over 1,000,000 acres. It has constructed 700,000 check dams in gullies, stopping soil erosion and reducing flood losses.

More than 5,000,000 acres of timberland have been added to the national forests administered by the United States Forest Service because of the C. C. C. program. Sixty-seven thousand acres have been added to the national parks, and several hundred thousand acres of new State park lands have been acquired. The C. C. C. workers are being used, under the supervision of the Forest Service and the park services of the various States, to develop these additional parks. These workers have also developed thousands of acres of new recreational areas in national parks, State parks, and national forests.

Four departments of the National Government and the Veterans' Administration have cooperated in the C. C. C. program. Through State agencies the Labor Department selected all the men except the war veterans, who were chosen by the Veterans' Administration. The men were enrolled, fed, and clothed, and camps established and operated under the direction of the War Department. The Department of the Interior and the Department of Agriculture have supervised the men at their work in the field.

There have been no cries of "politics" rising against the C. C. C., as against some other governmental organizations, during the last elections. An amusing instance of this lack of political partisanship is the story of the President Coolidge Memorial Highway. It runs from Brule—where he spent a summer—to Lake Nebagamon, Wis., and I have been told that the C. C. C. men were used to improve the road. It would have been easy to change it to the President Wilson Memorial Highway, or some other non-Republican name, as has been done with other governmental works, but the name remains unchanged.

Altogether, the work of the Civilian Conservation Corps has been one of the most beneficial results of the new administration. The Forest Service has estimated that its work has advanced the forestry programs from 5 to 15 years. The outdoor, wholesome employment has improved the men themselves. A check of 15,000 men, selected at random by the Office of the Surgeon General of the War Department, showed an average gain of more than 7 pounds per man. Some of them had gained as much as 15 to 25 pounds.

And the spiritual welfare of the men has not been neglected. An article in America (Feb. 3, 1934), by Thomas J. Malone, tells the story of a chaplain of the C. C. C. in upper Minnesota, and there have been other articles, in the Sign and elsewhere.

There is every indication that the important C. C. C. work will be continued, and that there will be no objection to this continuation.

[From the New York Times for Feb. 24, 1935]

STUDY PLAN OF THE C. C. C.—HUGE EDUCATION PROGRAM HELPS 145,000 YOUTHS PREPARE FOR JOBS

(By Kenneth Holland, Educational Adviser, First Corps Area of the C. C. C.)

The largest educational program in the world conducted under the direction of one individual is that of the Civilian Conservation Camps. Here, according to the latest figures of the Office of Education, Department of the Interior, are about 145,000 men in 1,500 camps, voluntarily carrying on studies, individually or in groups. This is about one-half of the young men between the ages of 18 and 25 in the units. The United States Commissioner of Education has recently stated that President Roosevelt is personally interested in this program and will encourage its expansion in the next few months.

Education in the camps is carried on with a small amount of equipment, practically no textbooks, and a barracks or mess hall for a classroom.

When education is first mentioned in the camps most of the boys show little interest. To them formal classes, the textbook, and maiden ladies seem indissolubly bound up with education. Many of the C. C. C. enrollees have benefited less from formal education than any other group in the United States. Tests show them to be normal in intelligence but retarded about 2 years in formal education.

The C. C. C. camps were set up in April 1933, as an emergency project. At present the C. C. C. is composed of about 370,000 officers, foresters, educational advisers, and enrollees.

EDUCATIONAL PROGRAM

The War Department is responsible for the educational program which has been in operation a little more than a year. The Office of Education, Department of the Interior, acts in an advisory capacity. The education staff consists of a national director of education, Dr. C. S. Marsh; 9 educational advisers to the corps area commanding generals; about 1,500 educational advisers to the camp commanders; and 1,500 assistant educational advisers selected from among the men enrolled. The officers and foresters also assist with the organization and conduct of the educational program.

According to the handbook prepared by the Office of Education and approved by the Secretary of War, the dominant aims of the educational program are:

1. To develop in each man his powers of self-expression, self-entertainment, and self-culture.
2. To develop pride and satisfaction in cooperative endeavor.
3. To develop as far as practicable an understanding of the prevailing social and economic conditions, to the end that each man may cooperate intelligently in improving these conditions.
4. To preserve and strengthen good habits of health and of mental development.
5. By such vocational training as is feasible, but particularly by vocational counseling and adjustment activities, to assist each man better to meet his employment problems when he leaves camp.
6. To develop an appreciation of nature and of country life.

GROUPINGS BY AGE

When an educational adviser begins his program, he first becomes acquainted with the 200 men in his camp and tries to discover their needs and interests. There are two age groups in the camp—young men between the ages of 18 and 25 and veterans of the World War of an average age of 41. (Since the veterans are in the minority and are a special problem from an educational standpoint, this article is limited to a consideration of the educational program for young men.)

The needs and interests of the 200 enrollees in a camp vary considerably. Some of them have only attended grammar school through the second or third grade. The majority have had some high-school training, while a few have had some college training. As a group, they average about first year high school. In meeting the needs of men with such a variety of background, it is necessary to develop a broad and informal program. This entails the organization of classes in many different subjects with only a limited number of instructors and a small amount of equipment.

OCCUPATIONAL ADJUSTMENT

Almost all of the enrollees have one thing in common—the problem of occupational adjustment. The first duty of the adviser is to assist the enrollee in solving this problem.

In developing an educational program the adviser first attempts to help the enrollees find out what they are best qualified to do. This is accomplished largely by vocational counseling and guidance. Books and moving pictures on the different vocations, trips to nearby factories and industries help the men understand the requirements of different jobs. At the same time the educational adviser is analyzing the individual and helping him decide what his abilities are. Often speakers from outside the camp are called in to discuss the different jobs.

After considering the various types of vocations the enrollee decides upon one. For the most part the youths hope to become foresters, mechanics, electricians, carpenters, railroad employees, and the like.

Having helped the young man find the work for which he is best qualified, the next step is to give him as much training as possible for that job. In some cases the enrollees need instruction in the basic subjects, such as reading, writing, and arithmetic, but instead of teaching these subjects out of textbooks they are taught in project form. If a man wishes to learn to write, he is given a job on the camp newspaper, where the material he writes is actually used. About one-half of the camps have newspapers.

Some training for vocations can be given in the camps, notably forestry, agriculture, auto mechanics, radio, surveying, and so on, but sufficient facilities are not available to give a thorough course in all trades. The advisers therefore resort to night schools, trade schools, or other institutions in the vicinity of the camps.

Having given the enrollee as much training as possible for the job of his interest, the educational adviser then instructs him in job-getting technique by giving suggestions as to how to find a job and why one applicant receives appointment over another. The enrollees are taught to write letters of application and answer advertisements. The advisers also supply information on reliable State and Federal employment bureaus.

About 19 percent of the enrollees leaving the camps at the end of the first 6-month period obtained jobs, approximately 40 percent at the end of the second 6-month period, while 22 percent obtained jobs at the end of the third enrollment period.

The adviser also teaches the enrollees job-keeping technique, showing why one individual keeps his position and receives promotions while another one leaves his position or remains on the same level over a long period of years. It is pointed out that technical skill is not the sole requisite for keeping a job. Attitudes toward the employer and work are just as important.

The educational adviser also assists the enrollees in developing interests which will constructively utilize their leisure time.

EXECUTIVE SESSION

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

Mr. TRAMMELL, from the Committee on Naval Affairs, reported favorably the nomination of Brig. Gen. James C. Breckinridge to be a major general in the Marine Corps, from the 1st day of February 1935.

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

RECONSIDERATION OF CONFIRMATION OF GEORGE H. STOKES

Mr. McKELLAR. Mr. President, I ask unanimous consent that the vote by which the nomination of George H. Stokes, to be postmaster at Callahan, Fla., was confirmed on March 13, be reconsidered, and that the nomination be recommitted to the Committee on Post Offices and Post Roads. I have spoken to the Senator from Florida [Mr. TRAMMELL] about it. The Post Office Department is making an investigation of the nominee, and desires this action taken.

The VICE PRESIDENT. Without objection, the vote by which the nomination was confirmed is reconsidered, and the nomination is recommitted to the Committee on Post Offices and Post Roads.

The calendar is in order.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of Walter J. Rothensies to be collector for the first district of Pennsylvania.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. ROBINSON. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, it is so ordered, and the nominations are confirmed en bloc.

This completes the calendar.

RECESS

Mr. GLASS. As in legislative session, and in conformity with the unanimous-consent agreement, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 35 minutes p. m.) the Senate, in legislative session and under the order previously entered, took a recess until tomorrow, Friday, March 15, 1935, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 14 (legislative day of Mar. 13), 1935

COLLECTOR OF INTERNAL REVENUE

Walter J. Rothensies to be collector of internal revenue for the first district of Pennsylvania.

POSTMASTERS

ALASKA

James H. Gilpatrick, Sitka.

ILLINOIS

Amy S. Beirne, Alpha.

Benjamin H. Gardner, Ava.

Roger M. Tippy, Carterville.

Roy Ansel Brooks, Carthage.
 Ace C. Parris, Champaign.
 Allene R. Adkins, Elkhaville.
 Roy M. Cocking, Erie.
 Fred J. Bohnenkemper, Germantown.
 Grace Reichert, Grand Chain.
 George G. Vaughan, Hurst.
 Richard C. Patterson, Johnston City.
 Floyd E. Keller, Jonesboro.
 Augustian P. Pope, Kane.
 William H. McAlpin, Marion.
 John S. Browning, Royalton.
 Reuben C. Thomason, Tamms.
 Scott W. Hershey, Taylorville.
 Maude B. Youart, Thebes.
 Aaron McLain Akin, Thompsonville.
 Charles F. Loeb, Urbana.
 Frank Breycha, Villa Park.
 Harry C. Strader, Westfield.
 William E. Berry, Zeigler.

KANSAS

Bertha B. Maichel, Overbrook.
 John L. Larson, Randolph.
 Mary A. Neff, Winona.

MAINE

Helen L. Swan, Hampden Highlands.
 Winnifred J. Libby, Ocean Park.

MARYLAND

George M. Mowell, Glencoe.

MASSACHUSETTS

Mary E. O'Toole, Leominster.

MISSOURI

Wallace L. Talbot, Fayette.
 John F. Vermillion, Salisbury.

NEW MEXICO

Virginia M. Cason, Mosquero.
 Felix D. Valdes, Taos.

NEW YORK

Fuller F. Cornwall, Alexandria Bay.
 Mary F. Villamil, Florida.
 William J. Hartnett, Fulton.
 William McNeal, Montgomery.
 Gordon E. DeVille, Ontario.

NORTH DAKOTA

Mildred B. Johnson, Ashley.
 George Christensen, Beach.
 George J. Boley, Carrington.
 John B. DuRand, Ellendale.
 Levern R. Church, Haynes.
 Jay J. Eaton, Medora.
 Clifton G. Foye, Steele.

OKLAHOMA

Clarence D. Hull, Carnegie.
 Leonard C. Peterman, Davis.
 Luther C. Dobbs, Davidson.
 Joe B. Steele, Ringling.
 Bradford M. Risinger, Sand Springs.

PENNSYLVANIA

Samuel U. Marbarger, Auburn.
 Leo F. Matthews, Brackenridge.
 William C. Storer, Brownsville.
 Edward W. Coley, Cochranton.
 Tilghman S. Cooper, Coopersburg.
 Harry C. Beck, Cressona.
 Robert C. Laird, Downingtown.
 Raymond D. Kehrner, Eagles Mere.
 Walter M. Bauscher, Fleetwood.
 Michael J. Glenn, Ford City.
 Charles A. O'Donnell, Frackville.
 Jennie D. Seltz, Galeton.
 Patrick H. Kearney, Hawley.
 Albert C. Beard, High Spire.

Charles M. Howell, Lancaster.
 Daniel E. Walter, Lebanon.
 James W. Byers, Mercer.
 Kate H. Haydon, Midland.
 William B. Johnston, Philipsburg.
 Joseph M. Hathaway, Rices Landing.
 E. Belle Luce, Saegerstown.
 John N. Zimmerman, Sunbury.
 Maurice J. McGee, Troy.

RHODE ISLAND

Edward F. McCarthy, Wakefield.
 Thomas J. Durand, West Warwick.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 14, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed is the name of the Lord our God, who hath spoken and called the earth from the rising of the sun unto the going down thereof. Let everything that hath breath praise the Lord. We rejoice, our Heavenly Father, that Thou hast healing in Thy heart for the heartaches of the world and cleansing in Thy blood for the sins of all mankind. May we pray to Thee, not from despair but from the heights of vision and rapture. We beseech Thee to increase the power of our faith, make it stalwart and compelling: when we look into the sky may we see more than the night. Inspire us with the belief that Thou hast Thy finger on the pulse of the world and art thinking wisely of the home of the suns. We thank Thee that Thy mercies are new every morning and as fresh as a springtime rainbow. Open our eyes that we may see the rifts in the sky; open our ears that we may hear the voices that call. Blessed Lord, deepen the wisdom of all our fellow citizens, and may they add brighter luster to the day. In our Savior's name. Amen.

The Journal of the proceedings of yesterday 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. 426. An act for the relief of Jacob Santavy;

H. R. 593. An act for the relief of Fred C. Blenkner; and

H. R. 3266. An act authorizing the maintenance and use of a banking house upon the United States military reservation at Fort Lewis, Wash.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5221. An act to amend the Agricultural Adjustment Act with respect to rice, and for other purposes.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 28. An act for the relief of R. B. Miller;

S. 43. An act for the relief of Lucile A. Abbey;

S. 148. An act for the relief of the estate of Donnie Wright;

S. 283. An act for the relief of Beatrice I. Manges;

S. 365. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller;

S. 391. An act for the relief of Ralph E. Woolley;

S. 685. An act for the relief of the Sanford & Brooks Co.;

S. 707. An act to amend the act of May 19, 1926, entitled "An act to authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the governments of the Latin American republics in military and naval matters";

S. 712. An act for the relief of A. H. Marshall;

S. 896. An act for the relief of Anna W. Ayer, widow of Capt. Asa G. Ayer, deceased;

S. 906. An act for the relief of Chellis T. Mooers;

S. 931. An act for the relief of the Concrete Engineering Co.;

S. 935. An act to authorize the Secretary of War and the Secretary of the Navy to lend Army and Navy equipment for use at the national jamboree of the Boy Scouts of America;

S. 1055. An act authorizing adjustment of the claim of Frank Spector;

S. 1079. An act authorizing the Secretary of the Treasury to execute a certain indemnity agreement;

S. 1386. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim, or claims, of Duke E. Stubbs and Elizabeth S. Stubbs, both of McKinley Park, Alaska;

S. 1850. An act to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever", approved February 28, 1929, as amended, by including Roger P. Ames among those honored by said act;

S. 1854. An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Cherokee Fuel Co.;

S. 1856. An act for the relief of Arthur Smith;

S. 1860. An act for the relief of the Tampa Marine Co.;

S. 1863. An act for the relief of Trifune Korac;

S. 1940. An act to fix the value of subsistence and rental allowance under the Pay Readjustment Act of June 10, 1922; and

S. J. Res. 65. Joint resolution to extend the period of suspension of the limitation governing the filing of suit under section 19, World War Veterans' Act, 1924, as amended.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5255) entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes."

COMMITTEE ON AGRICULTURE

Mr. DOXEY. Mr. Speaker, I ask unanimous consent that for the remainder of the week the Committee on Agriculture may be permitted to sit during the sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1936

Mr. SANDLIN, from the Committee on Appropriations, submitted a privileged report on the bill (H. R. 6718) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1936, and for other purposes (Rept. No. 385), which was read a first and a second time and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. THURSTON reserved all points of order on the bill.

RIVERS AND HARBORS COMMITTEE

Mr. FIESINGER. Mr. Speaker, I ask unanimous consent that the Rivers and Harbors Committee may be allowed to sit today during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. MICHENER. Mr. Speaker, reserving the right to object, what is the committee going to consider?

Mr. FIESINGER. River and harbor projects.

Mr. MICHENER. General projects?

Mr. FIESINGER. General projects.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

HOLDING COMPANY LEGISLATION PROPAGANDA

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to take up Senate Concurrent Resolution No. 12, passed by

the Senate yesterday, which calls upon the Federal Trade Commission to investigate the propaganda with reference to the holding-company matter. May I say in explanation that the Senate thought it had the right to pass the resolution itself, but it later developed it had to be by a concurrent resolution. I may say further that the resolution was brought up in the Senate by unanimous consent and passed unanimously.

Mr. SNELL. Mr. Speaker, reserving the right to object, as I understand the gentleman's request, is to take this resolution up and pass it by unanimous consent?

Mr. RAYBURN. Yes.

Mr. SNELL. Perhaps we should have the resolution reported.

The Clerk read the concurrent resolution, as follows:

Concurrent Resolution 12

Resolved by the Senate (the House of Representatives concurring). That the Federal Trade Commission be, and it is hereby, directed to make an investigation and report its conclusions to the Congress as to the propaganda which is now going on over the Nation regarding Federal legislation on the subject of holding companies, and to inform the Congress the origin, magnitude, purpose, methods, and expense of said propaganda.

Mr. SNELL. Mr. Speaker, reserving the right to object, has the gentleman taken up this resolution with the members of his committee?

Mr. RAYBURN. The resolution would not have gone to the Committee on Interstate and Foreign Commerce in my opinion. I think it would have gone to the Rules Committee.

Mr. SNELL. Has it been taken up with the Rules Committee?

Mr. RAYBURN. No.

Mr. SNELL. It seems to me a matter as important as this ought to be taken up with some committee and should have some little consideration. I do not know that I shall object, but I really think if it is a matter that should go to the Interstate and Foreign Commerce Committee that the ranking minority member of that committee should have an opportunity to be here, or at least have been notified before it was brought out on the floor.

Mr. RAYBURN. It is my impression it would not go to that committee.

Mr. SNELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SNELL. What committee would this resolution naturally go to?

The SPEAKER. The Committee on Interstate and Foreign Commerce.

Mr. SNELL. The Speaker thinks it would go to the gentleman's committee. I believe that would be the proper place to refer it. I wish the gentleman would withhold his request until some of the minority members of that committee are on the floor in order to have an opportunity to discuss the resolution.

Mr. RAYBURN. I see several members of the minority over there.

Mr. SNELL. The gentleman from Ohio [Mr. COOPER] is not here, and I think he should be consulted with regard to a matter of that importance. How much money is involved?

Mr. RAYBURN. I am doing this because I think it should be done at this time, and I think it is a courtesy due the Senate. In the beginning the Senate thought it had the right to pass this resolution and have this investigation without a concurrent resolution. It developed under their rules they could not do it that way, and they had to do it by a concurrent resolution. I do not know that there is anything that the Committee on Interstate and Foreign Commerce should consider. It is a question of whether or not the Congress wants to call on the Federal Trade Commission to make this investigation.

Mr. SNELL. How much money is involved in this investigation?

Mr. RAYBURN. I do not think there is any called for.

Mr. SNELL. No money?

Mr. RAYBURN. Not a specific amount. May we have the resolution reported again?

The Clerk again read the concurrent resolution.

Mr. RAYBURN. It calls for no appropriation.

Mr. SNELL. I got the impression somewhere that it involved an appropriation of \$750,000, but I know that eventually it will cost a considerable amount.

Mr. RAYBURN. Oh, no. The gentleman is thinking of the investigation with reference to the telephone matter.

Mr. SNELL. I do not know whether I have any particular objection to investigating holding companies, if there is any real need for it, but I had supposed that the gentleman's committee was taking that up in connection with pending legislation.

Mr. RAYBURN. We are not investigating the propaganda. I may say to the gentleman also that we have men before us who have been waiting for a hearing, and only this morning we were able to reach the people who are in opposition to the bill or who have suggestions to make in reference to amendments and so forth. We have a witness to put on this afternoon who is a very busy man and wants to get away.

Mr. SNELL. I appreciate all of that.

Mr. RAYBURN. This is a simple resolution and calls for no appropriation.

Mr. SNELL. We know the appropriation will come afterward and will be large enough.

Mr. RAYBURN. I think, in all probability, although I do not know for certain, that the Federal Trade Commission will have funds with which to conduct this investigation.

Mr. SNELL. As careful a legislator as the gentleman from Texas is, does he really think that matters of this importance should go through the House without any consideration whatever?

Mr. RAYBURN. Well, this matter is so simple—

Mr. SNELL. No; it is not a simple matter so far as that is concerned, and it is not without considerable political significance.

Mr. RAYBURN. It simply directs them to do one thing, and that is to investigate this propaganda and its sources.

Mr. KVALE. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. KVALE. Is it not true that the Federal Trade Commission has an experienced staff and may have a considerable amount of this information already available or, if not, they would know where to get it at the least possible expense?

Mr. RAYBURN. I think that is true.

Mr. SNELL. I agree that if the investigation is to be made the Federal Trade Commission is the proper body to make it. The only question is that this is a very important matter, and no one seems to know anything about it; and yet you want us to take the responsibility of putting it through without any consideration whatever.

Mr. RAYBURN. I think the conversation between the gentleman from New York and myself would constitute some consideration.

Mr. SNELL. Not very much, because the gentleman admits he does not know very much about it, and I know that I do not.

Mr. RAYBURN. I know the purpose of the resolution.

Mr. SNELL. Certainly; but you have not presented any real argument for its passage.

Mr. BLANTON. Mr. Speaker, I reserve the right to object to ask a question. My colleague yesterday presented to the House the form of 23 different letters that one company was getting up for its employees to send Members of Congress as propaganda letters.

Mr. RAYBURN. And friends.

Mr. BLANTON. Yes; for their employees and friends to sign. What more information could the Federal Trade Commission get of any importance or value than the very same evidence which our colleague, the Chairman of the Committee on Interstate and Foreign Commerce, produced yesterday and which he got permission to put into the Record? I think that covers the whole case.

Mr. RAYBURN. The Senate does not think so.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. RANKIN. Let me say to the gentleman from Texas that a lot of this propaganda, in my opinion, violates the Federal postage laws, and other Federal laws. I think I have material on my desk that I could submit to the Federal Trade Commission and a proper investigation would reveal this to be the fact.

Mr. BLANTON. Mr. Speaker, I have the floor under my reservation of objection.

Mr. RANKIN. Very well, I will reserve the right to object later and get the floor in my own right.

Mr. BLANTON. While, in one morning's mail, I received 89 such letters mailed at Houston which had been properly stamped, still some of these propaganda letters mailed to me from Houston were mailed there without any stamps on them, and the postmaster wrote me and asked me to send the postage down there in order to get these propaganda letters. Of course I did not send the postage, but got them in another way.

Mr. RANKIN. Mr. Speaker, I want to say to the gentleman from New York [Mr. SNELL] that, in my opinion, a great deal of this propaganda flagrantly violates the postage laws and flagrantly violates other Federal and State laws. I have a great wealth of matter, if it may be called wealth, I should like to turn over to the Federal Trade Commission just as soon as this resolution passes, and I trust the gentleman from New York will not object.

I have had called to my attention instance after instance where employees of the operating companies have been compelled to write letters, copies of which have been prepared by the representatives of the holding companies, sign them, stamp them, and then turn them over to their employers to be opened and censored by the representatives of these utilities.

If this is not unlawful racketeering in human liberty, I do not know what you would call it.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, I think the gentleman from New York [Mr. SNELL] has failed to mention the fundamental question involved here which, to my mind, is whether we are going to dignify every propaganda movement in these United States, whether we are going to pay any attention to them or go along doing our own business, irrespective of what they may think of us.

Mr. SNELL. I agree with what the gentleman has said; and if we do start to investigate all the propaganda being sent out at the present time, including what the executive branch is sending out, we will have some job on our hands, and will cost some money.

Mr. MICHENER. Mr. Speaker, reserving the right to object, right along the same line, does this resolution contemplate investigating propaganda in reference to a particular thing or does it contemplate propaganda in general? We are receiving hundreds and thousands of letters and telegrams—

Mr. RAYBURN. No; I think not.

Mr. MICHENER. There are farmers' organizations from which we are receiving thousands of letters and old-age-pension organizations, from which we are receiving thousands of letters, all of which is propaganda, pure and simple. Are we going to establish a policy here to prevent the folk back home from writing to us regarding pending legislation? If this is to be a general investigation of propaganda in general, that is one thing; but it would be very dangerous, because we must be mighty careful about preventing the people back home writing us, even though they receive the inspiration for their letters from their Washington representatives or lobbyists.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Yes.

Mr. RANKIN. This is not to prevent people from writing their Congressmen. This is to investigate the corruption in this propaganda in which they are said to be spending millions of dollars and coercing people into writing, signing, stamping, and then submitting to them various letters for

them to send on to their Congressmen. There never has been such a saturnalia of corrupt propaganda coming to this Congress as you are receiving today with respect to this proposition.

Mr. MICHENER. Anything that is corrupt ought to be investigated.

Mr. RANKIN. That is why we want to investigate it.

Mr. MICHENER. But we know that the incentive for these thousands of letters and telegrams we are receiving with respect to the matters I have heretofore mentioned comes largely from a propaganda organization for or against the matter that is before the Congress. I do not want to do anything that is going to make it impossible or is going to cause any of my constituents to feel a little hesitant when they want to write to the Congress, even though they personally do not know all about the subject matter.

Who has a better right to warn a Member of Congress against proposed legislation than the person to be affected? Who has a better right to urge the passage of legislation than the citizen to be most affected by the legislation? We should court rather than condemn this expression of the peoples' views. The President goes to the people with his views; why should not the peoples' attention be called to the other side by those interested? I am opposed to holding a threat of investigation over any person or organization having the temerity to question the policy or efficacy of any legislation. I do not know who pays for all this propaganda. I do know that the Government maintains publicity or propaganda agents to sell the numerous activities of the Government to the people. The people should know both sides. He who opposes bad legislation is a public benefactor. I have too much faith in the intelligence and courage of this body to believe that unwholesome propaganda will control. Let us never discourage our constituents from giving us their notions about legislation.

Mr. RANKIN. If the propaganda is corruptly inspired, it ought to be investigated.

Mr. RAYBURN. I may say to the gentleman from Michigan that there is no one in this House who is further from any wish to deny the right of petition to Congress than myself.

Mr. SABATH. And this would not deny that right.

Mr. SNELL. Under this resolution, will both sides of the matter be investigated?

Mr. RAYBURN. That is my understanding. It states "propaganda with reference to holding companies."

Mr. EATON. Mr. Speaker, if the gentleman will yield for an observation, I am profoundly impressed by the horror expressed by the majority on the subject of propaganda, when it is well known that this entire administration originated in propaganda, and from the point of view of propaganda was conceived in sin and born in iniquity.

Mr. RAYBURN. Let me say that the former administration made it unnecessary for propaganda in 1932.

Mr. EATON. If it were unnecessary, why did Mr. Raskob put up \$225,000 for use by the brilliant propagandist Michaelson in carrying out the orders of the Chairman of the Democratic National Committee to "smear Hoover"?

Mr. SNELL. I should like to make one more statement under the reservation to object. I appreciate the fact that the responsibility is on the majority. Personally, I think this matter should be carefully considered, go to some committee, even the gentleman's own committee, and receive the consideration that it is entitled to.

Personally, I am not going to take the responsibility of objecting to any propaganda in this country that you want to, but I want to impress on you that all the responsibility is yours; and if you want to put it through, go ahead. But I want to add this comment: I think it mighty poor sportsmanship for an administration that has put out more propaganda favorable to itself and at the taxpayers' expense, than any administration in the history of the Government to cry "wolf" just because someone is putting out some propaganda that it does not like.

It is quite evident there are two kinds of propaganda—good and bad. If it is put out by the administration or is favorable to it, it is good. If it is not fulsome praise of

the administration and its policies, it is bad and should be stopped by a Federal investigation.

The administration is about as consistent about this as it is about every other controversial question before us.

Mr. COOPER of Ohio. Reserving the right to object, as a member of the committee, I do not know anything about the resolution. While I am willing to overlook the fact that the chairman of the committee never mentioned it to me I am not willing to overlook the fact that this matter ought to go to a committee. I do not want to object to a resolution coming from the chairman of the committee—

Mr. RAYBURN. It did not come from the chairman of the committee.

Mr. COOPER of Ohio. It ought to go to the committee, and this is not the way the chairman has conducted himself in the past. However, I am not going to object to the resolution. But I think it is an unfair method of procedure.

Mr. RAYBURN. I do not think it is unfair.

Mr. DUNN of Pennsylvania. Reserving the right to object, I believe this resolution if adopted will do a great deal of good. I have received many letters from my district, some of them saying that if I voted for this I was going to be defeated in the next election. I wish I had the opportunity to vote for it a hundred times.

Mr. MOTT. Reserving the right to object, I have no doubt that there is a considerable amount of propaganda going around the country not only on this subject but on many other subjects of legislation that have been proposed here in Congress. My own mail is full of such propaganda daily.

As I understand it, this resolution proposes that the Federal Trade Commission shall investigate, not the propaganda in regard to utility holding companies, but propaganda directed against this particular legislation; that is to say, propaganda against the enactment of the pending utility holding company bill. I do not know whether it is proper for the Federal Trade Commission to investigate propaganda either for or against any pending legislation in Congress. It seems to me that the investigation, if we are to have one, should be made by the Committee on Interstate and Foreign Commerce, for I think that committee is in a better position to investigate it than is the Federal Trade Commission.

Mr. RAYBURN. The Committee on Interstate and Foreign Commerce has no authority to investigate.

Mr. MOTT. It could have such authority by a resolution if one were offered for that purpose and adopted. I do not know that it is proper for us to authorize an agency of the Federal Government—an executive branch of the Government not elected by the people and not responsible to the people—to investigate propaganda directed against pending legislation in Congress and then ask that executive agency to report to Congress telling us what they think about the propaganda and suggesting to us what we had better do about it.

I have no more use for the racketeers who operate certain classes of holding companies than the gentleman has. As corporation commissioner of my State I have prosecuted 14 of these holding-company racketeers and have put 12 of them in the penitentiary. I am familiar with their kind of propaganda and can instantly detect propaganda inspired by them. So also can other gentlemen here. Why, then, should we call in the Federal Trade Commission to detect it for us?

I think that is the wrong way to go about it. If any investigating is to be done, let us do it ourselves. Like the minority leader, I do not like to take the responsibility of holding up by one objection a thing which the Chairman of the Interstate and Foreign Commerce Committee thinks is proper, but I doubt very much the propriety of the thing; and I think that the chairman of the committee should reconsider the procedure he proposes to follow and take the resolution back before his own committee, make a preliminary investigation, and report to the House his findings, and let us act on them accordingly.

Mr. BLANTON. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is, Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object.

The SPEAKER. The regular order is, Is there objection?

Mr. BLANTON. I withhold my demand for the regular order.

Mr. RICH. Mr. Speaker, if we are going to have an investigation of propaganda, then it seems to me that we are trying to curb free action and free speech and the free working of the individual mind of the people of this country. This administration has tried to curb in every way possible things that the people of this country would like to do, it seems to me. Why an individual who holds stock in a holding company or public-utility corporation has not the right to say to the Membership of Congress whether he would like to have certain legislation passed which pertains to his interest is beyond my comprehension. Why should we try to curb free speech and freedom of action? If the holding companies are doing something wrong they should be punished under the law. I consider the individual back home has as much right to come before Congress and give us his views on a matter of interest to him as the President of the United States has to send a message in here objecting to these people sending propaganda to Members of Congress. When did we get a dictator? I feel they have a right to do it. I know they have that right under the Constitution. We should eliminate every phase of this dictatorship from our present Congress. I am not going to object to this request, although I feel I should.

Mr. TABER. Mr. Speaker, I reserve the right to object. The matter before this House and before this Congress is whether or not that utility bill which has been submitted, now under consideration by the Interstate and Foreign Commerce Committee, is right or wrong. If this House cannot determine for itself whether that bill is right or wrong and has to try to create a smoke screen to cover up the merits or demerits of the bill, then we are in a sorry state. I object.

IS THE SENATE DILATORY IN LEGISLATING?

Mr. HOEPEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered on March 12 over the National Broadcasting Co. by the gentleman from Wisconsin [Mr. CANNON].

The SPEAKER. Is there objection?

Mr. WITHROW. Mr. Speaker, I reserve the right to object. I do not want to object, but is the gentleman from California sure, in view of the remarks made at the last session by the gentleman from Wisconsin [Mr. CANNON], that he wants the gentleman to insert his remarks in the RECORD.

Mr. HOEPEL. I made the request that I may be permitted to insert his remarks in the RECORD.

Mr. WITHROW. Does the gentleman from Wisconsin know that the gentleman from California is doing this?

Mr. HOEPEL. I reserve the answer to that question.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOEPEL. Mr. Speaker and Members, under leave to extend my remarks in the RECORD I include therein an address delivered by my friend, the Honorable RAYMOND J. CANNON, of Wisconsin, Tuesday, March 12, 1935, which, in my opinion, contains statements of paramount importance at this time. Mr. CANNON has presented a résumé of pertinent facts which I believe merit consideration and their presentation will be invaluable indeed if it serves to allay the verbal duel now taking place over the radio.

Although I also deplore the delay on legislation having for its objective the alleviation of distress, it is my opinion, as expressed in an editorial I wrote several years ago, that our Senate is the last bulwark of liberty and for that reason, I personally have always respected and honored the procedure of the United States Senate. The House, in my opinion, is cumbersome and topheavy. The Membership should be reduced to not more than 300 and the rules liberalized so that

undigested legislation would not be placed upon the doorstep of the Senate, which would make possible more expeditious action in that body and thus remove the basis for much of the criticism which is today directed against it.

The address of Mr. CANNON is as follows:

More than 2 months have passed by since Congress convened. Notwithstanding the fact the whole Nation anxiously awaits the passage of constructive legislation, with 11,000,000 unemployed men walking the streets, and 60,000,000 others worried, concerned, and harassed over present conditions, not a single bill has Congress passed to relieve the distressed and the suffering masses.

Let me call your attention to the manner in which the most important bill that has ever been presented to a Congress is being kicked around. The four billion eight hundred million public-works bill was presented to the House of Representatives on the 23d of January and passed on the 24th, the debate did not consume over 2 hours. This very same bill has now been jockeyed around by the Senate for more than 40 days.

The unnecessary delay would be comical and amusing if it were not for the tragic and pathetic situation of millions of our poor people. The Senate is the chief offender, because they permit lengthy speeches to be made daily concerning matters not germane to the business before the Chair. Their rules permit a Senator, once he is recognized by the Chair, to speak days or weeks on any subject. For instance, when an important measure is before the Senate concerning the destinies of the people of the Nation, a Senator is permitted under the rules to talk days and days. He can talk, if he desires, about the Bushman of the barbaric forests of Africa, or the Eskimos of the frozen fields of the north.

The responsibility rests with the Senate itself for permitting such a condition to exist. With exceedingly pressing problems of the Nation's welfare before it, the Senate spent 3 weeks of precious time in discussing the conduct of Postmaster General Jim Farley.

On one occasion when the important Army appropriation bill was up for discussion before the Senate, a few days ago, Senator BORAH obtained recognition from the Chair and made a lengthy speech about the N. R. A. Senator NYE then arose and devoted much time to a discussion about Father Coughlin. Senator LONG devoted the rest of the day to a discussion on the multiplicity of sins, and not one word was said about the important bill before the Senate. Senator LONG is not the first, nor will he be the last, to shackle the proceedings of the world's greatest deliberative body. While the Senate clings to its present rules any bold, resourceful Member can accomplish the same result.

By revision of its rules the Senate could withdraw the power from a single Senator, but the Senate will not do so, because everyone of the 96 want to reserve the right to use this power with the thought that the necessity some day may arise for him.

Freedom of speech has balked every substantial reform in the rules since the foundation of our Republic. Senate rules in the books of procedure are one thing, but their rules in application are another.

Two weeks ago I introduced a concurrent resolution barring the public from the gallery of both Houses, because if you remove the incentive for sensational speeches, they will cease, as no Member receives any kick out of talking to an empty gallery. I introduced a bill in the Seventy-third Congress, also in this Congress, prohibiting either House from conducting investigations during the sessions of Congress. If we must hold investigations, let us hold them during the recess of Congress, so as not to interfere with the consideration and passage of pressing legislation.

If my resolution and bill, closing the galleries to the public and prohibiting investigations while Congress is in session, were in effect during the past month, the Senate especially would have devoted its time during these critical days in solving the Nation's gigantic problems and would have passed constructive legislation to aid the poor, oppressed, and suffering, instead of week in and week out conducting a 3-ring circus to the amusement of crowded galleries in a sickly discussion whether Jim Farley should be removed as Postmaster General because he gave away a few unperforated stamps, or because he received a dividend check from some New York building-materials company.

What do the unemployed and starving people of this Nation care whether Jim Farley gave away a few stamps or received a dividend check? What they want and what the 11 million unemployed want is food and work, and what the 60 million who are worried and concerned want is quick constructive action to lead us out of this tragic depression. The people of America are getting mighty tired of this continuous horseplay and schoolroom antics on the floor of the Senate. The Senators themselves are to blame. Recently while these clownish tactics were being performed on the floor for the amusement of the gallery, I inquired of a Senator why some crack-down methods were not employed to put a stop to this nonsense. His reply was that the Senators were at fault for sitting idly by, day by day listening to, and permitting such performances.

Two years ago I publicly criticized the Senate because they did not adopt a rule providing that no Member, except by unanimous consent, could speak on extraneous matters while important measures were pending before the Chair. If this rule were in force during the past month the Public Works bill would have been disposed of long ago. I do not oppose investigations of public officials, and HARRY LONG can talk from the platform or over the air until he is blue in the face. But I do object, and the

people of this Nation object, to any Senator handcuffing and obstructing the important business affecting the Nation by continuously, day after day, making long speeches concerning matters irrelevant to the business before the Chair. If this continues, the United States Senate, sometimes referred to as the greatest deliberative body in the world, will soon be known as "the greatest time-wasting body."

Some Senators say it is beneath their dignity to fight back and insist that the problems of the country and the business before the Chair be dispensed with before the curtain rises for the burlesque. I warn them now that the millions of people over whose homes there has been cast a pathetic shadow of sorrow and sadness do not care about dignity—and they are becoming mighty sick and tired of this constant delay. I thought at times I may be a little harsh and severe in my criticisms of Congress, but I want to call your attention to an article appearing in a late edition of a Washington paper, which has just been called to my attention. Dr. Edmond A. Walsh, S. J., vice president of Georgetown University, said in a lecture last night:

"The curve of public confidence has plunged downward with a sickening thud. The last week saw the United States Senate turned into a one-ring circus with invective and abusive repartee flying indiscriminately and merrily through the Chamber, while the bread lines increased outside, and a general break-down of reconstruction is tacitly admitted even in administrative circles. When the sorely tried patience of the masses will reach bottom, and upon what desperation it will then embark is hidden in the unpredictable future. But one thing would appear to be certain. The point of recoil cannot be far off. It is a fearful responsibility he takes, be he general, Senator, or other molder of public opinion, who splits the unity of an embattled people."

Senator ROBINSON said the other day that HUEY LONG was arrogant, insolent, and ignorant, and that it was about time that manhood of the Senate asserted itself, and that the innuendos, insinuations, and threats cannot longer prevail, unless the Senate has descended to the level of degenerates.

The Senate has a rule which would prevent the confusion and disrespect, and eliminate a large number who frequent the galleries looking for amusement day after day, and eliminate giggling and laughter, reminding one of a school picnic, if only the rule were enforced. The people of America love a "wise cracker", and especially "wise cracking" Senators, providing their wise cracks are not made when problems are before the Senate affecting the very existence and liberties of millions of suffering people.

General Johnson exploded a political bombshell the other day in a radio attack upon Father Coughlin and Senator LONG. His speech was plainly in the interests of President Roosevelt's political future and was obviously a forceful attempt to head off the formation of a new political party, which might threaten the Democratic Party in 1936. To some people he was on sound ground, and they will approve and applaud him vigorously, that is those who understand the complicated nature of our governmental and economic structure. However, the general opened up a line of attack that is not so strong when he questioned the right of Father Coughlin to preach his doctrine and remain a priest of the Catholic Church. Ministers of the gospel and of every faith and creed have expressed themselves again and again from their Sunday pulpits on political and economic subjects, without divesting themselves of their church connections. Freedom of speech is as much the right of Father Coughlin as it is of General Johnson. The attack on the radio priest will not succeed on this basis. It would have a better chance of success, if some of the ideals and principles which are championed by Father Coughlin were defeated in fair and open debate, if this is possible. We need plain talk in these times. Our problems, economical and political, must be discussed with utmost freedom. They cannot be hushed because of any faith or creed, anymore than they were hushed when Bishop Cannon made his political attack against the religion of Gov. Al Smith. If I have not misjudged Father Coughlin, I do not believe he is the kind of a man to hide behind ecclesiastical cloth to dodge the rough and tumble of the political arena.

Until the Roosevelt administration creates conditions which will make the proposals of men like Father Coughlin and Senator LONG unattractive to the 11,000,000 unemployed and the 22,000,000 in the bread lines, it cannot hope to prevent the attacks and counterattacks and bitter denunciations. General Johnson said that both Father Coughlin and LONG appealed to the emotions instead of reason, and that they ignore logic and the experience of sound economics, but their doctrine is interesting in periods when there is drifting and wavering in the national administration.

LONG is a dangerous opponent. Rules mean nothing to him. "Senatorial courtesy" supposed to govern the conduct of that exclusive body, flies out the window when HUEY comes in. He has had a lot of investigations and is gifted with a fertile memory that gives him an ace in the hole with almost every Member of the Senate. Let anyone cross Mr. LONG and if there are any skeletons in the closet of his personal or political life, LONG's spotlight quickly brings them out. Officials of high rank do not know how to meet the challenge of Father Coughlin or LONG. Fireside radio chats by the President have been considered, but aside from that there appears to be no personality capable of the job. Donald Richberg was mentioned, but the kind of language he talks would make a Philadelphia lawyer dizzy. Where will this fight lead us to, and what effect will it have on the country?

I do not agree with Father Coughlin and LONG on everything that they have said, but when they contend as they have, that the tremendous wealth of this country should be more equitably

shared for the benefit of masses of the people, I heartily agree with them. I agree heartily with Father Coughlin, when he points out the abuses that have come from control of the money and credit by big private-banking interests, and I agree with him in his contention that everybody who wants to work is entitled to a decent living wage. You can't diffuse the wealth of the United States and at the same time concentrate it. But what has JOHNSON done to stop this terrific concentration of wealth into the hands of the few?

You cannot suppress Father Coughlin and LONG by calling them demagogues and termites. It is much better that they be answered with facts, if that is possible, and an honest attempt made to remedy the conditions that everyone knows to be wrong. Father Coughlin and LONG persist for two reasons. They are right about some things and they are not answered on points of fact on others. HUEY LONG consumes the Nation's time with talk which is beneath the dignity and importance of the Senate, and which I contend has no place when important problems are under discussion before the Senate, but I do say that some of his talk is not altogether footless or meaningless. The Senate ought to see this.

LONG is no joke. He is no Tom Heflin, whose tirades used to empty the Senate and the press galleries. There are only two men of the Nation today who successfully divide attention with the President of the United States, and they are Father Coughlin and Senator LONG.

Two weeks ago we heard a rather amusing statement come from the lips of none other than Eugene Grace, president of the Bethlehem Steel Corporation. He said that his war-time bonuses, exclusive of his big salary, totaled \$3,690,000, paid from the Steel Corporation war profits. By the way, Mr. Grace was Charles Schwab's favorite lieutenant for many years when Mr. Schwab controlled the destinies of that Steel Corporation, and I remember now that Mr. Schwab was head of the Government Emergency Fleet Corporation in Washington during the war, when Mr. Grace obtained for the Bethlehem Steel Corporation ship-building contracts from the United States Government. The records show that the net yearly profits of the Bethlehem Steel Corporation immediately before the war were \$6,000,000, and that during the war their profits jumped to fifty million yearly. An examiner's report held that these enormous profits conclusively showed that their contracts with the Government were unconscionable and against public interest.

When Mr. Grace was on the witness stand the other day, he admitted receiving over \$12,000,000 in bonuses in addition to his salary since the war, and when he was questioned about the soldiers' bonus, and why there should be such a tragic contrast in dealing with life and dealing with property, he said that the soldiers should not make a demand for the bonus when the country is in distress, and that it was unfortunate that organized forces should make such a demand. In one breath he tells about 12 millions in bonuses paid him over and above his fat salary, and in the next he condemns the ex-service man of the Nation whose war-time income amounted to \$1 a day. Service men who suffered the tortures of hell in the front-line trenches, subjecting themselves to the horrors of modern warfare, while millions and millions were pouring out of the United States Treasury into the pockets of Mr. Grace, as profits and bonuses on unconscionable contracts. His attitude and statements give the public an inside glimpse of the workings of a big business man's mind. He favors the drafting of man power in time of war, but naturally like all millionaires, he takes the position that industry and wealth should be exempt from conscription. In other words, it is perfectly legitimate and proper to force the flower and youth of the Nation's manhood to face the terrible horrors of modern warfare at \$1 a day, while he and the rest of the munition and steel makers are safe and secure within the confines of their palatial homes and offices, reaping millions in profits and bonuses out of the sufferings of American boys, while their blood came oozing back to our shores from the battlefields of France.

I oftentimes question the mercy of the Almighty God Himself, when men like that are permitted to go on year after year enjoying the luxuries of life from the sufferings and miseries of others. Why, he even had the nerve to say that big corporations making hundreds of millions in war-time profits, should not be subject to high taxes, because he says, that taking the profits out of war would ruin the efficiency of big men and big steel plants and industries. The war veterans of this Nation now seeking immediate payment of the soldiers' bonus, which God knows they are entitled to, will find in the disclosures made by Mr. Grace, the best possible argument for the demands which they are making.

Mr. Grace also seems to be very much concerned about the effect the payment of the soldiers' bonus will have upon Federal finances, but he wasn't concerned about our monetary system when he and his steel corporation were raking in hundreds of millions in profits on unconscionable Government contracts. He or his ilk were not concerned about the gigantic war-spending hysteria by the Federal Treasury, piling up a tremendous debt upon the backs of the American taxpayers and upon millions yet unborn.

Therefore, as a result of the utterances of Mr. Grace, we conclude that there is only one kind of a war bonus—a bonus for the Graces, the munitions and steel makers, but nothing for the youth of America, who gave their lives, their strength, their health, and their blood, that others may become rich, great, and powerful.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL, 1936—CONFERENCE REPORT

Mr. OLIVER. Mr. Speaker, I present a conference report upon the bill (H. R. 5255) making appropriations for the

Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, and for other purposes, for the fiscal year ending June 30, 1936, for printing under the rule.

GRAND COULEE DAM PROJECT

Mr. KNUTE HILL. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTE HILL. Mr. Speaker, 2 weeks ago today a colloquy arose between the gentleman from New York [Mr. CULKIN] and myself. It is found in the RECORD of Friday, March 1, 1935, pages 2797 and 2798. I stated that the State Grange of Washington and Marshall Dana were in favor of the Grand Coulee Dam. The gentleman from New York took exception to that and he said he would find out. I now read to the House proof of my contention. I read first the following telegram from Ervin E. King, master of the Washington State Grange:

STATE CAPITOL,
Olympia, Wash., March 14, 1935.

KNUTE HILL,

Congressman, House of Representatives,
Washington, D. C.:

The Washington State Grange has been actively supporting for 3 years full and complete development of Grand Coulee high dam project. We favor reclamation in practical units as needed. We have opposed the reclamation project by gravity because of the exorbitant cash which would be chargeable to land.

WASHINGTON STATE GRANGE,
ERVIN E. KING, Master.

I next read a letter written to Mr. CULKIN by Mr. Dana:

MARCH 4, 1935.

HON. FRANCIS D. CULKIN,

House of Representatives, Washington, D. C.

MY DEAR MR. CULKIN: Press dispatches quote you as saying that the writer is opposed to the construction of the Grand Coulee high dam at this time and that I believe it is not needed within the next 25 years.

You are advised that I believe it desirable and essential that the plan for the Grand Coulee project should be changed from a low dam, exclusively for power development, to a high dam, as a unit of a land and resettlement project at once.

In amplification I refer you to a statement made by the writer on December 22, which also was adopted as its own expression by the Pacific Northwest Regional Planning Commission at a meeting in Spokane, Wash., on that date.

It reads as follows:

"Conversion of the Grand Coulee (Wash.) project from the present plan for a low dam primarily for power development to the high-dam plan, with units of land reclamation and of power production as required, is in harmony with national, regional, State, and local conditions and needs. It is in harmony with the principles of national, regional, State, and local planning. It also accords with past investigations, studies, and plans for the Columbia Basin project."

"Authority for the change in the dimensions of the dam, if granted at once, will permit the construction of the high dam to proceed without break in continuity. Every immediate step necessary to insure the conversion of the project without undue difficulty, delay, extra cost, or other waste in design, construction, and use is highly desirable.

"The recent recommendation of the National Resources Board to the President for 'detailed engineering, social, financial, and legal studies' of drainage basins, including 'the Columbia Basin in relation to the Grand Coulee high dam irrigation and power project, to be started as promptly as possible and prosecuted vigorously', is supported."

On the occasion of the Pacific Northwest Regional Planning Conference, in a report as chairman, the writer also made the following statement:

"Studies of the past months have indicated certain conclusions. The present dimensions of the Grand Coulee project should be changed to allow for the high dam and reclamation of adjacent land in units proportional to demand. This will fit the project to the nature of the area in which it is being built and give a necessary assurance of its success. I am confident that united representation of the larger and more logical development of Grand Coulee cannot but receive satisfactory response from the President and the national administration."

May I add that there can be no doubt of the immediate employment and long-range development value of the Columbia Basin development, which includes the Grand Coulee project, and which will be particularly valuable for use as submarginal areas are withdrawn from unprofitable production and as resettlement is undertaken of families from blighted and congested districts.

In view of the above, it was unnecessary for you to be in any doubt as to the writer's attitude on the Grand Coulee development or as to the place of reclamation in Federal policy and in a rational land program for the United States.

Very truly yours,

NATIONAL RECLAMATION ASSOCIATION,
MARSHALL N. DANA, President.

Lastly, I read the following extract of letter from John W. Haw, director of the agricultural development department of the Northern Pacific Railway:

HON. KNUTE HILL,

Congressman, House Office Building,
Washington, D. C.

DEAR CONGRESSMAN HILL: I have read the CONGRESSIONAL RECORD of February 28 and March 1, and I wish to compliment you on your able reply to Congressman CULKIN in defense of reclamation. I do not believe I have ever read a more inaccurate and scurrilous attack than his upon any policy of the Federal Government. It is just possible that his obvious bias and his misstatements will have the effect of helping rather than harming reclamation. I note his reference to a call which Marshall Dana and I made upon him, and his reference to our conversation is as inaccurate as the balance of his statements. I think it is a waste of time to attempt a contradiction.

I have read the foregoing into the RECORD to show that I was right when I stated that the State Grange of Washington favors reclamation and the high dam, and that Marshall Dana, who is president of the National Reclamation Association and chairman of Northwest Regional Planning Council, is in favor of the high Coulee Dam. This shows that Mr. CULKIN was in error. As I stated then, if he does not know any more about reclamation and irrigation than he knew when he was talking about Marshall Dana and the State Grange, he knows nothing.

AGRICULTURAL ADJUSTMENT ACT—RICE

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table H. R. 5221, to amend the Agricultural Adjustment Act with respect to rice, and for other purposes, with Senate amendments, and concur in the Senate amendments.

This bill passed the House and the Senate with certain minor amendments. If any information is desired, I will be glad to give it.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 10, strike out "March 15" and insert "April 1."

Page 2, line 2, strike out "March 15" and insert "April 1."

Page 2, line 17, strike out "March 15" and insert "April 1."

Page 3, line 23, strike out "livestock and" and insert "livestock."

Page 3, line 24, strike out "for the" and insert "directly for a."

Page 4, line 3, after "for" insert "by application then pending."

Page 4, strike out lines 18 to 24, inclusive, and insert:

"Sec. 7. Subsection (1) of section 8 of the Agricultural Adjustment Act, as amended, is amended by inserting at the end of the first sentence thereof the following new sentence: 'In the case of rice, the Secretary, in exercising the discretion conferred upon him by this section to provide for rental or benefit payments, is directed to provide in any agreement entered into by him with any rice producer pursuant to this section, upon such terms and conditions as the Secretary determines will best effectuate the declared policy of the act, that the producer may pledge for production credit in whole or in part his right to any rental or benefit payments under the terms of such agreement and that such producer may designate therein a payee to receive such rental or benefit payment.'"

Page 5, line 7, after "tax" insert ", and provided no tax payment warrant has been previously issued with respect thereto or previously applied for by application then pending."

Page 5, line 8, after "thereof" insert "at the rate in effect at the time of such issuance."

Page 5, line 10, strike out "March 15" and insert: "March 31."

Page 5, line 10, after "to" insert "or at the direction of."

Page 5, lines 11 and 12, strike out "March 15" and insert "April 1."

Page 5, lines 13 and 14, strike out "(and with respect to which no tax payment warrant has been previously issued or applied for)."

Page 5, line 17, strike out "he" and insert "such processor or other person."

Page 5, line 23, strike out "March 15" and insert "April 1."

Page 6, line 5, strike out "March 15" and insert "April 1."

Page 6, line 8, after "cover" insert "the tax on."

Page 6, line 9, after "rice" insert "at rate in effect at the time title was so transferred."

Page 6, line 16, strike out "and redemption."

Page 6, line 24, after "1934:" insert "and."

Page 7, strike out lines 1 to 5, inclusive.

Page 7, line 6, strike out "(3)" and insert "(2)."

Page 7, lines 10 and 11, strike out "purchases, or redeems" and insert "or purchases."

Page 7, line 11, after "warrant" insert "or the right of any person thereto."

Page 8, line 18, strike out "use, and/or redemption" and insert "and/or use."

Page 8, line 23, strike out "redemption" and insert "transfer."

Page 9, line 11, after "commodities" insert "; and (2)."

Page 10, line 3, strike out all after "paid;" down to and including "Revenue", in line 7, and insert "and with respect to any refund authorized under this section, the amount scheduled by the Commissioner of Internal Revenue for refunding shall be paid, any provision of law notwithstanding."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. DeROUEN]?

Mr. HOPE. Reserving the right to object, as I listened to the reading of the amendments, they seemed to be merely formal and clerical, but I would like to have the gentleman from Louisiana, who is familiar with the amendments, explain whether or not they materially change the bill as it passed the House?

Mr. DeROUEN. No; they do not, except in one phase. That particular phase is this, that it permits the producer to pledge his benefit payments, or any part, for production purposes only. It is a peculiar situation, that out of all commodities rice was the only one where the producer was not permitted to borrow on his benefit payments.

Mr. HOPE. The gentleman means borrow from Government agencies, or from private lending agencies?

Mr. DeROUEN. From the Government agencies.

Mr. HOPE. And that is the only material change?

Mr. DeROUEN. That is the only change in the bill except possibly clerical corrections.

Mr. HOPE. The balance are clerical or perfecting in character?

Mr. DeROUEN. Yes.

Mr. HOPE. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. DeROUEN]?

There was no objection.

The Senate amendments were agreed to.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1936

Mr. SANDLIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6718) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1936, and for other purposes; and pending that I suggest to the gentleman from Iowa [Mr. THURSTON] that general debate run along this afternoon not later than 5 o'clock and then close, the time to be divided equally between the gentleman from Iowa and myself.

Mr. THURSTON. That would be approximately 2 hours on a side?

Mr. SANDLIN. Yes.

Mr. THURSTON. I think that is satisfactory, under the requests I have at this time.

Mr. SANDLIN. Mr. Speaker, pending the motion I ask unanimous consent that general debate on this bill be concluded not later than 5 o'clock, the time to be equally divided between the gentleman from Iowa [Mr. THURSTON] and myself.

The SPEAKER. The gentleman from Louisiana [Mr. SANDLIN] moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6718, and pending that motion the gentleman from Louisiana asks unanimous consent that general debate be completed not later than 5 o'clock today, one-half the time to be controlled by the gentleman from Louisiana [Mr. SANDLIN] and one-half by the gentleman from Iowa [Mr. THURSTON]. Is there objection to the request of the gentleman from Louisiana?

Mr. CANNON of Missouri. Reserving the right to object, the gentleman does not expect to begin the reading of the bill before 5 o'clock this afternoon?

Mr. SANDLIN. No.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Louisiana [Mr. SANDLIN].

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6718, the Department of Agriculture appropriation bill, 1936, with Mr. COOPER of Tennessee in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. SANDLIN. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. FULLER].

Mr. FULLER. Mr. Chairman, I rise not for the purpose of speaking on the Department of Agriculture appropriation bill but to discuss an effort to form a third party.

In a recent issue of the Associated Press I discover that Representative PAUL KVALE and a few others are dissatisfied with the Democratic rule and they have formed a bloc for the purpose of controlling legislation hereafter. Not being content with their own party, which at one time was the Republican Party, and with which party they could not get along, they are now seeking to break into the Democratic Party and convert some of our Democratic Members to their way of believing.

Mr. MOTT. Will the gentleman yield?

Mr. FULLER. Yes; I yield.

Mr. MOTT. Did I understand the gentleman to refer to my colleague [Mr. KVALE] as a Republican?

Mr. FULLER. Certainly.

Mr. MOTT. I thank the gentleman.

Mr. FULLER. The gentleman is nothing else but a Republican; in fact, never has been anything else but a Republican.

Mr. MOTT. The gentleman's information on that is about as accurate as usual.

Mr. FULLER. If the gentleman will remain in the Chamber, I will reach him later. [Laughter.]

The reason I rose to speak today is because of the fact that the publicity that has been given to these meetings is not fair, especially to the Democratic Members of this bloc. All they got in the newspapers was the printing of their names, whereas this great leader of this great host had his picture published, and the leader of the policy committee had his great policy outlined as to what he was going to do next Saturday to the leading Democrats here in this House. The other members of the policy committee are SCHNEIDER, Progressive, of Wisconsin; KELLER, Democrat, of Illinois; LEMKE, Republican, of North Dakota; MAVERICK, Democrat, of Texas; MAAS, Republican, of Minnesota; and GILCHRIST, Republican, of Iowa. For the purpose of letting the people of the Nation really know who these Moseses are who are going to lead us to the promised land and are going to save us from distress and ruin, I want to read into the RECORD the names of the 30 people who are named as forming a political bloc to control the destinies, the hopes, and the aspirations of Democrats and Republicans alike for this great Nation of ours.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. KVALE. I am unable to listen to all the gentleman's speech, because I have an appointment at 1 o'clock; but I wish him well, and I want to say that that list of 30 is not complete; that a few have complained of the fact that their names were inadvertently omitted.

Mr. FULLER. I wish the gentleman, in order to keep the record complete, would insert their names in the RECORD.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. RICH. The people on that list certainly cannot be Republicans, because the Republicans now in the House always have been Republicans and always will be Republicans. So the names must come from the Democratic side.

Mr. FULLER. I think there is a good deal in what the gentleman says. But known Republicans are named in the group.

Mr. KVALE. With the gentleman's indulgence, let me tell the gentleman from Pennsylvania who is speaking that he is referring to quite another list.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. RANKIN. Did I understand the gentleman to say that the reason there were not a hundred Republicans on that list was because there were not a hundred Republicans in the House?

Mr. FULLER. No; he did not say that. My friend from Pennsylvania is a pretty good fellow; he is harmless; he means all right. [Laughter.]

Among those who attended the meeting were HOEPEL, Democrat, of California. [Applause.]

Mr. HOEPEL. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield, but just for a question.

Mr. HOEPEL. I would like to say to the gentleman that I am not afraid to be associated with any group or organization which is endeavoring to bring liberal legislation on the floor of this Congress; and this organization met for no other purpose than that. At the first meeting they read a letter in which they praised the President of the United States. Does that appear in the clipping?

Mr. FULLER. No; it is not in it, and never will be in the clipping.

Mr. HOEPEL. If the gentleman were interested in the relief of the unemployment and the distress of the citizens of our Nation, he, too would join such a bloc.

Mr. FULLER. Oh, no. I do not blame the gentleman from California for having joined this bloc. I will read the rest of the list:

SCOTT, Democrat, of California; CARPENTER, Democrat, of Kansas; ENGEL, Republican, of Michigan; ZIONCHECK, Democrat, of Washington; BURDICK, Republican, of North Dakota—there is one that slipped on you [laughter]—RYAN, Democrat, of Minnesota; GEHRMANN, Progressive, of Wisconsin; WALLGREN, Democrat, of Washington; WELCH, Republican, of California; BUCKLER, Farmer-Laborite, of Minnesota; DUNN, Democrat, of Pennsylvania.

Mr. BUCKLER of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FULLER. No; not now. MARTIN SMITH, Democrat, of Washington; BINDERUP, Democrat, of Nebraska; ECKERT, Democrat, of Pennsylvania; AMLIE, Progressive, of Wisconsin; WOOD, Democrat, of Missouri; STEFAN, Republican, of Nebraska; KNUTSON, Republican, of Minnesota. [Applause.] LUNDEEN, Farmer-Laborite, of Minnesota; FERGUSON, Democrat, of Oklahoma.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. FULLER. Yes.

Mr. KNUTSON. I think a brief statement is due; it is not required; but it is due. On the day the conference was held I received a telegram that required an immediate answer, but before answering it I wished to talk to the gentleman from North Dakota [Mr. BURDICK], who will bear me out in this. I went to his office and was informed that he was at this conference. I went over to consult with him. [Laughter.] I took no part in the meeting; I do not think I stayed there to exceed 2 minutes. [Laughter.]

Mr. FULLER. I want to say that I have investigated and I believe that what the gentleman from Minnesota said is true. I have found him to be one of the most hard-boiled Republicans I ever knew in my life; and he told me he was sorry that he got in bad company, and I am willing to take his word. [Laughter.]

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. RICH. I would merely like to make this observation, that as the gentleman called off the names there were 12

Democrats, 5 Republicans. It is almost 3 to 1, practically the same ratio as the majority the Democrats have in the House. So, if things are not done right, it will still be the fault of the Democrats.

Mr. BUCKLER of Minnesota. I would like to ask the gentleman a question.

Mr. FULLER. What is the name?

Mr. BUCKLER of Minnesota. BUCKLER is the name; BUCKLER from Minnesota.

Mr. FULLER. Yes; indeed.

Mr. BUCKLER of Minnesota. I belong to the Farmer-Labor Party and am proud of it.

Mr. FULLER. I know it.

Mr. BUCKLER of Minnesota. I used to be a Democrat, but I left the Democrats because of their reactionary leadership. [Applause.]

Mr. FULLER. Now, my good Democratic friends, you can see with whom you are associating. That is one of your leaders whom you are going to follow in order to do away with the administration of the Democrats here in the House, led by that great southerner, that great statesman, Hon. JOE W. BYRNS. You leave him for those not in sympathy with the administration and follow those who seek the destruction and ruin of Democracy. [Laughter.]

Mr. CARPENTER. Mr. Chairman, will the gentleman yield?

Mr. FULLER. Yes.

Mr. CARPENTER. I do not yield in my loyalty, respect, and admiration for our Speaker, Mr. Joseph W. Byrns, to any Member in this House, and I do not yield in my loyalty or my respect and admiration for the President of the United States or the Democratic Party; but I wish to say to my good, loyal friend, the gentleman from Arkansas [Mr. FULLER], that I do not easily bluff; I cannot be bluffed in this sort of manner.

If it be treason to assemble together with Members of this Congress—Democrats, Republicans, Progressives, Farmer-Laborites, whoever they be—to discuss progressive legislation for the benefit of the people of this country—I say, if this be treason, then make the most of it. [Applause.]

[Here the gavel fell.]

Mr. SANDLIN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. FULLER. Mr. Chairman, I do not want my remarks to be construed as censuring these gentlemen who have joined in this movement. They have a right to do that if they want to. I have the greatest admiration and respect for the gentleman from Kansas. I think he knows he has made a great mistake. I think he knows, as does every Democrat whose name I have called, that he could not possibly have been elected the last time and could not be elected again except by running on the coat tail of Franklin D. Roosevelt. He is a good Democrat and excellent Representative. [Applause.]

Mr. Chairman, I believe in a two-party Government. I believe in a Republican Party or a Democratic Party, and I am not in favor of these radical movements. There is nothing in the world back of all this except some people want to get a little notoriety by trying to start a third party movement. Whoever heard of a hopeless minority ruling anything, any time, anywhere in the world? You cannot do it in Congress either. The only way we accomplish anything here is by our committee work. It is done by working together, and on many occasions—in fact, most occasions—the Democrats and Republicans sit down together and work these propositions out for the welfare of the country as a whole.

[Here the gavel fell.]

Mr. FULLER. May I ask the gentleman for an additional 10 minutes?

Mr. SANDLIN. Mr. Chairman, so that there will be no misunderstanding, the time has been limited to 4 hours and 20 minutes. I have allotted my part of the time to other gentlemen in the House, and I cannot yield the gentleman additional time unless other gentlemen release their time.

Mr. FULLER. If the gentleman cannot give me time, I will get it from the Republicans.

Mr. THURSTON. Mr. Chairman, I yield the gentleman from Arkansas 5 additional minutes.

Mr. FULLER. Mr. Chairman, what I mean to say is that these Members whom I have mentioned are following false gods. I have seen two marches on Washington in my life time. One was under the leadership of General Coxey when he brought an unemployed army here, consisting of a lot of unemployed many years ago; another one was at the time the misguided veterans came here in reference to the bonus matter, but neither succeeded, and this movement does not have the one-hundredth part of a chance of success that either of those movements had.

I really do not blame the gentleman from California [Mr. HOEPEL] nor the gentleman from Pennsylvania [Mr. DUNN]. You cannot blame those two gentlemen, because they do not deny that they were former Republicans before they came to Congress, and held office under Republican administrations immediately before coming to Congress. That is just their way of believing.

Methinks I can see the gentleman from California [Mr. HOEPEL], the gentleman from Pennsylvania [Mr. DUNN], the gentleman from Wisconsin [Mr. BOILEAU], and the gentleman from Minnesota [Mr. KVALE] all in a huddle with their arms around one another. HOEPEL leans over and says to BOILEAU, "BOILEAU, who is sweet?" and KVALE promptly replies, "We are all sweet. We all belong to the same party. We all believe in the same objects and purposes, and that is to break down the two great major parties of this country and create a new one."

Mr. HOEPEL. Will the gentleman yield?

Mr. FULLER. I yield to the gentleman from California.

Mr. HOEPEL. I should like to state to the gentleman that if he will only rehearse these same tactics and travel all around the United States, he will get sufficient funds for the contemplated third party so that they can really get ahead.

Mr. FULLER. Why does not the gentleman join it then? I am not censuring these two Democratic gentlemen because they are trying to do better.

Mr. SCOTT. Does the gentleman speak for the Democratic Party of the United States now?

Mr. FULLER. No. I will leave that for the gentleman from California. Did I call your name?

Mr. SCOTT. Yes.

Mr. FULLER. I will leave that for you. I am speaking for myself. Personally, I think the gentleman a good liberal Democrat and not at heart in sympathy with such a movement. [Applause.]

Representative KVALE makes the statement in the morning papers that—

If Democrats try to be legislators, the powers are going to withhold filthy lucre and radio speakers as well as patronage privileges or other polite bribery used as a bait to keep people within party lines.

What a statement for a self-styled leader. Oh, no; we have no idea of taking patronage away from these Democrats. We just feel sorry for them. We feel that since they did not get any publicity, as Representative KVALE got all the headlines, and his picture on the front page, possibly their names should be inserted in the Record. This is especially true, as most of them had no idea the meeting was called to form the nucleus of a third party and disrupt and destroy the Democratic and Republican organizations of the House. It was a selfish movement, originated and dominated by the three Farmer-Laborites and a few Progressive Republicans of the House.

Mr. MILLARD. Will the gentleman yield?

Mr. FULLER. I yield to the gentleman from New York.

Mr. MILLARD. Suppose the President loses the coat-tail; what will become of all these Democrats?

Mr. FULLER. He is not going to lose his coat nor the tail; but should such a calamity happen they will be like they were before they came to Congress.

The news article says:

Representative BOILEAU, the Progressive from Wisconsin, as chairman of the policy committee, will have another meeting next Saturday with his faithful followers.

At that time policies and procedure will be formulated for the purpose of showing Representatives BYRNS, BANKHEAD, and SNELL how the third-party originators intend to rule the Nation.

It is all a huge joke—an effort of the tail to wag the dog.

The morning Post quotes Representative KVALE, referring to Speaker BYRNS, as saying:

We'll have a show-down real soon. The statement (of BYRNS) shows that such an organization is needed.

We will welcome this "show-down" and demonstration of leadership from the gentleman from Minnesota.

My good friend KVALE—and we all like Paul; he is a good fellow, a good mixer, an organizer. He is a good Representative for his people or constituency. Methinks I can see him as he sits back there in the rear, in his accustomed place, on the Republican side, where he rightfully belongs, with Republican BOILEAU, and as he thinks about the great glory he has brought upon himself and he walks down the aisle to make a speech to his camp followers, with an air as to say:

All hail the power of KVALE's name,
Let voters and legislators prostrate fall.
Bring forth the royal diadem,
And crown PAUL KVALE boss and dictator of them all.

[Laughter and applause.]

Mr. IGOE. Mr. Chairman, will the gentleman yield?

Mr. FULLER. Yes.

Mr. IGOE. I understand one of the names the gentleman read off in that roll of honor was the gentleman from Minnesota [Mr. KNUTSON].

Mr. FULLER. Yes.

Mr. IGOE. And I understand the purport of this organization is for the formation of a new party.

Mr. FULLER. Yes.

Mr. IGOE. As I recall the press of Washington during the last few weeks, this same Mr. KNUTSON appeared with much publicity as the campaign manager for the new Presidential candidate of the Republican Party, Mr. FISH. [Laughter and applause.]

Mr. FULLER. They misquoted him, I am sure. [Laughter and applause.]

Mr. HOEPEL. Mr. Chairman, will the gentleman yield?

Mr. FULLER. Yes; I yield.

Mr. HOEPEL. I should just like to thank the gentleman for the speech which he has made. He does not realize that my district is Republican in sentiment, and he has really helped me in the next year's campaign.

Mr. FULLER. Fine—I am glad to do it. [Applause.]

Mr. SANDLIN. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, I wish to use this time in discussing certain policies and conditions which now prevail and their particular effect upon that section of the country in which I live.

We are all aware of the fact that just a few years ago business in the United States had become practically stagnated, that millions of men were out of employment, and that standards of living were considerably lowered. We realize that these unfortunate conditions had many causes, some of which were the results of the aftermath of the war, the paralysis of international trade, the foreign debts, and the improvident speculations and investments of the people generally. We have been seeking recovery from these ills which have afflicted every branch of our commerce and every pursuit of our citizens.

The question which confronts us is, How shall we get out of this peculiar situation finally? Two or three theories have been advanced in this regard. One is that we should make ourselves self-sustaining in America and cultivate an intense nationalism. Another is that we should resume our former place in international trade and cooperate with the nations of the world to keep commerce flowing. A third theory, which occupies a middle ground between the other two, suggests that, while cultivating nationalism, we should also have some appropriate place in international dealings.

Personally, I have never believed that we can prosper permanently by fostering a policy which would result entirely in our isolation. It is scriptural that "No man liveth unto himself alone", and I think this truth applies quite as forcefully to nations, which are aggregations of men, as to an individual. Through the progress which we have seen in invention and the development which has been made in transportation, the world in its human contacts and commercial relationships has been reduced to a fraction of its former size.

There are many present, perhaps, who can remember when Nelly Bly established her record on a trip around the world. My recollection is that it required 2 months or more for her to accomplish this then outstanding feat. Today, by reason of our progress, all nations are drawn closer together and it is impossible to isolate ourselves.

There is an old fable which has to do with the rebellion of certain members of the body against the stomach. The eyes, the arms, the legs, and the mouth concluded that they had been serving the stomach long enough. The eyes said, "I have been constantly looking for food for the stomach, and I am going to quit." The legs said, "I have been running errands for it to get the food and I am going to stop that." The arms said, "I have been reaching for the food and taking it to the mouth in order that it might get to the stomach, and I am going to cease acting as such conveyor of food." And the mouth said, "I will stop chewing and swallowing the food, so the stomach will perish." But after a while, by reason of their concerted effort and the consequent weakening of the stomach, the eyes began to grow dim, the legs began to get weak, the arms were flabby, and the mouth was dry, and so they all decided that for their own safety they had better return to their old job of feeding the stomach.

Not only do we have this interdependence among nations, but of necessity we have it among various sections of our own country.

I feel we must all agree that the surest way of getting back to normal conditions of prosperity is to get back to natural and normal operations of trade and commerce, operations which will send abroad our surplus products of both field and factory. Ours is a productive country and the nations of the earth in normal processes have need for our wares.

It is true that in recent years international commercial intercourse has been hindered and interrupted by several barriers; barriers of tariff, barriers of exchange, barriers of depreciated currencies in many lands. We had all hoped that the London conference would result in something more tangible as a basis for mutual international cooperation, but unfortunately that result was not achieved. Realizing that in the anomalous condition of the world's affairs we could not have a general tariff policy uniform in rates and other respects with reference to all the nations of the earth, we then resorted to the enactment of a law making provision for reciprocal tariffs mutually entered into by this country and the respective countries of the world. In my judgment, this legislation should have been enacted a year before it was, but necessarily at best it is a slow and inadequate method of accomplishing the results intended. And so, to quote the well-known saying of President Cleveland, "We are confronted with a condition and not a theory."

The war changed the international financial status of this country. We became a creditor nation. I think it will be generally recognized as sound economic doctrine that it is imperative that a creditor nation be deeply interested in various angles of foreign trade. It is seriously handicapped by a failure to promote it. Now, I wish to discuss briefly an economic policy of the last administration affecting our exports. I shall not speak of it in any partisan sense. I wish to discuss it solely from an economic angle, because I believe that in our efforts to restore prosperity we all desire to be Americans rather than partisans. The tariff policy of this country has had a very deleterious effect upon the agricultural south.

We had the Fordney-McCumber Tariff Act; then, in spite of the fact that we had become a creditor nation and it was more necessary than ever for us to trade with the nations of the world which owed us large sums of money, there was adopted the Smoot-Hawley Tariff Act. If the rates of the Fordney-McCumber Act were foothills, the rates of the Smoot-Hawley Act were mountains. As a consequence, more than 40 foreign nations raised retaliatory tariff walls against this country. It became impossible under those circumstances for the farmer to get his goods over those retaliatory walls. Citing cotton, by way of example, our great surplus of this crop was backwashed upon us, and in view of the fact that domestic consumption of this commodity falls far short of domestic production, naturally the price of cotton descended to new low levels.

The possessor of capital in this country interested in industry had an advantage over the producer of raw material, because money and credit can do what cotton and corn and wheat cannot. Money and credit can be more or less ubiquitous and go where they please. The consequence was that when these tariff walls were raised against us American capital sought and found investment in mills and shops and factories within those foreign tariff walls where it could manufacture products and sell them without the necessity of scaling those walls. It will be readily conceded that a great many American manufacturers did establish their shops and factories in other lands, notably in the realm of our beloved neighbor of the north, Canada. Employment was thus afforded for the nationals of other countries while our own people were walking the streets asking for work.

It will be seen, therefore, that under the Smoot-Hawley Act there was an advantage to the larger industries that agriculture and the smaller industries did not have. Consequently, when by reason of changing world conditions it became necessary temporarily to resort to artificial stimulation within our own borders, agriculture was in even greater need of it than industry. But our hopes and efforts must now be directed to permanent recovery of both agriculture and industry and not to permanent and uneconomic artificial stimulation.

In the light of present conditions, I wish to bring to your attention some of the problems which confront the South and Southwest with reference to cotton. In normal times the State of Texas produced one-third of the cotton of the United States and one-fourth of the cotton of the world. One-third of our people live on cotton farms, and many more are dependent upon cotton in various ways for their livelihood. Formerly 90 percent of the cotton that was raised in Texas found its way to foreign markets. With reference to other Southern States, I think the statement is accurate that about 60 percent of their cotton was exported.

The South necessarily fared better when we were a debtor nation than it has since we have become a creditor nation, because then we had ready access to the markets of the world and it was a common saying that the United States paid its foreign obligations with cotton.

Permanent prosperity of the South and Southwest must necessarily depend upon cotton exports. We have long been an agricultural people and we cannot quickly shift into all the ramifications of industrial life. Any such transition, if desirable, must necessarily be gradual. We have diversified in many ways, but cotton remains the money crop of our farmers.

Now, the Government adopted a policy of curtailing the production of cotton through a decrease of acreage. Do not understand me to complain about the money that has been paid to the farmers in the plow-under campaign and program, because they were quite as much in need of aid as others who participated in the Government's bounty, but I do think that this money could have been paid to them in a way more conducive to our permanent recovery. I believe it could have been expended without drastic curtailment of the crop and that some system could have been devised whereby a great part of the surplus could have been used to retain our foreign markets. For the South their

retention is necessary for permanent prosperity. The reduction of output necessarily reduced also the opportunity for employment. Planters, cultivators, pickers, ginner, compressors, buyers, shippers, and all the various persons and classes of persons who have to do with cotton in its growth and harvesting and marketing have suffered greatly through the lack of labor for their hands to perform. I think you will find, therefore, and I greatly deplore it, that perhaps the percentage of people on the relief rolls today is greater in the southern and southwestern States where cotton is grown than in other sections of our country. But from the standpoint of our permanent welfare, the most deplorable effect seems to be the marked decrease in the exports of our cotton and the loss of our foreign markets. The conditions indicate that we have invited, almost importuned, other nations to enter into competition with us, and the way has been made relatively easy for them to wrest our markets from us.

By way of example, let us consider Brazil, perhaps at present the most striking example. Much of its land is adapted to the growing of cotton, and it is not overlooking its opportunity. It is enjoying a cotton boom, and in that country the fleecy staple is referred to as "white gold." It is a fitting designation, the same kind of white gold with which we used to pay our foreign debts when we were a debtor nation. It has stepped in where we stepped out. It has doubled its output and is planning to increase it. It is giving labor and inviting capital that might well be given and invested in the cotton industry in this country of ours. It is sending its crop to markets which we have largely surrendered.

This is not a temporary but a permanent threat to the commercial prosperity of a large part of our Nation. Is it not an equal threat to the prosperity of the manufacturing North and East? Brazil is in the market for machinery to be used in every phase of the cotton industry. Where will it buy? It is as natural as human nature itself that Brazil will buy from the nations to which it sells its cotton. Surely that may be accepted as an axiom of trade. So there is nothing sectional in this argument. The industrialists of the North, with their manufacturing plants, will lose their trade as the South loses its markets.

Mr. TARVER. Will the gentleman yield?

Mr. LANHAM. I yield.

Mr. TARVER. Has the gentleman's attention been called to this feature of the problem? I understand that certain American manufacturers, and particularly the Goodyear Manufacturing Co., are now in the act of locating a plant in Brazil for the purpose of manufacturing their goods needed by the South American trade.

Mr. LANHAM. My attention has been called to that, and I understand that American capital is going to Brazil for the purpose of supplying that trade. That is another instance of the advantage of money and credit over the raw material.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. THURSTON. Mr. Chairman, I yield the gentleman from Texas 5 additional minutes.

Mr. LANHAM. I wish to thank my friend from Iowa. It is a disturbing situation when American capital is forced for its own protection to leave our shores and seek investment to the detriment of a great American enterprise. It has a serious and harmful effect upon every phase of our cotton industry. These large manufacturing concerns can hardly be blamed, for they must realize that if Brazil cannot buy its supplies within its own borders, it will make its purchases from countries where it sells its output. And so it is perfectly natural for them to establish plants in Brazil.

I have cited Brazil by way of example, but other countries also are growing cotton, countries which formerly were in the market for our cotton. And as our policies encourage them to raise more and more of this staple we thus diminish their permanent demand for our product. This is naturally true with reference to all the other cotton-growing nations even if they raise no more than they need for their own

domestic demand. And let me bring it to your attention that other South American countries either are producing or can produce cotton and divest us of the markets we have acquired through the long years. There are several sections of the world where climatic conditions are adapted to cotton culture.

What I have said with reference to cotton has similar application to many agricultural commodities and to many industries. For our general national welfare it behooves us to give prompt and careful consideration to the elimination of the causes which are bringing about so rapidly the elimination of the foreign markets upon which for permanent prosperity we must in large measure depend. Let us give thought to the removal of the barriers which have blocked our normal progress. Let us seek to stimulate some spirit of international cooperation that will restore our commerce to its natural course. Unfortunately, the reciprocal tariff act is not sufficient, for by tariffs our cotton trade has been hindered rather than helped. In an illuminating document entitled, "Agriculture's Interest in America's World Trade", prepared in the Division of Information of the Agricultural Adjustment Administration of the Department of Agriculture, I find the following question and answer:

What may cotton growers gain from reciprocal-tariff negotiations?

Inasmuch as the demand for American cotton depends primarily on the ability of foreign consuming countries to pay, and their ability to pay rests largely upon the imports this country is willing to accept, cotton is likely to be benefited more by the use of tariff bargaining for the general restoration of foreign trade than by reciprocal trade agreements specifically involving cotton. Pending such revival, cotton exports are unlikely to increase, and might even decrease.

Cotton exports have already decreased to an alarming level.

Let me cite another question and answer in this document:

If the former level of exports is unlikely to be reached, what will become of the farm surpluses for which foreign markets seem likely to be permanently lacking?

If the American farmer is to receive satisfactory prices for what he does produce, such surpluses must not be grown. The agricultural adjustment programs have kept off the market goods for which the outlet abroad has been closed and which have no place either in the domestic market or as part of the normal domestic carry-over.

Not a very encouraging statement for the cotton farmer with reference to his money crop. These surpluses formerly went abroad. Surely the peoples of the world still have need for this commodity. If there is no market for it, how does it happen that Brazil and other countries are finding profit in increasing their production? They must find it in the markets that we relinquish. The advice that no surplus must be grown presents a gloomy prospect to the cotton-growing farmer. He has formerly produced such surplus and profited by it. What shall he do instead, and what shall the millions of our people do who have made their livelihood in the cotton industry? How has the outlet abroad been closed to them and opened to others?

Surely there is statesmanship which can devise an outlook more encouraging. Let us think on this subject with a willingness to solve the problem and insure a prosperity that will be enduring. For our permanent prosperity such solution seems imperative.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. THURSTON. Mr. Chairman, I yield 15 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, while the Agriculture appropriation bill is before Congress, I want to point out in the few minutes allotted to me and in my extension of remarks, the great difficulty that the people of the Northwestern States have in transacting any business whatever with any Government institution established in our area, concerned with the distribution of Government finances. I can make the assertion this afternoon without the slightest fear of contradiction that there never has been from the year 1917 to the present moment a single financial institution set up in the Twin Cities to service the Northwest with

Government finances that has not been at all times and is not now under the control of the private bankers of the Twin Cities. I simply want to refer to some of the institutions that have been built. In 1917 the Federal Reserve bank of the ninth district was established in the city of Minneapolis, State of Minnesota, and from that moment to the present time that institution has been largely under the control of the First National Bank of Minneapolis, the Northwestern National Bank of Minneapolis, the First National Bank of St. Paul, and other financial institutions of the Twin Cities.

When we look into the personnel of the men who direct the affairs of these so-called "Government institutions", we find at the head of the Federal Reserve bank today John N. Patton, Federal Reserve agent, a Republican, former president of the Pioneer National Bank of Duluth, and the one responsible for the sale of the stock of the Northwest Bank Corporation in the State of Minnesota and elsewhere.

I say to you that those banks organized in 1929 a holding company known as the "Northwest Bank Corporation." They invested \$1,000 in that institution, contributed largely by the officers of the Northwest Bank Corporation, and from that investment of \$1,000 they sold to the people of the Northwest \$50,000,000 worth of stock. During that time in the sale of that stock, they took over in the Northwest, 116 banks which they received and paid for by the delivery of stock in the Northwest Bank Corporation, with an investment of \$1,000. Today they control deposits amounting to \$391,000,000. The officers of that corporation at this very moment, Mr. Chairman, we find in the Federal Reserve bank of the ninth district. We find them in the Federal Land Bank of St. Paul. We find them, in the years gone by, operating and controlling absolutely the War Finance Corporation. We find them in the intermediate credit bank. We find them in the Reconstruction Finance Corporation set-up in the Twin Cities. We find these men in the Production Loan Corporation, established February 23, 1932.

Mr. Chairman, I ask unanimous consent at this time to insert in the Record, as a part of my statement, a list of officers who control those Government institutions, and a list of men who built up the Northwest Bank Corporation and the First Bank Stock Corporation, which acquired 214 banks, with a total deposit of \$751,000,000, with an investment of a few thousand dollars. I want to show the connection between that institution and every Government institution intended to finance the people of the Northwest.

I herewith submit the following list indicating the Government financial agencies, and the personnel of the officers and directors and their association with the Northwest Bancorporation and the First Bank Stock Corporation:

CROP PRODUCTION LOAN OFFICE—MINNEAPOLIS

L. J. Paulson, regional manager, present resident of Minneapolis, Minn.; former officer Freeborn County National Bank, Albert Lea, now member First Bank Stock Corporation. Reactionary Republican.

G. W. Banning, chief, division of operation, resident of Minneapolis; former official First National Bank, Minneapolis, credit department, member First Bank Stock Corporation. Formerly with F. M. Davies Grain Co. Republican.

Frank S. Kremer, attorney.

Fred E. Hodgson, chief of collection division, former Fergus Falls, Minn., banker. Member Northwest Bancorporation.

R. E. Dunnell, chief, fiscal division.

DEPOSIT LIQUIDATION COMMITTEE—MINNEAPOLIS

C. T. Jaffray, chairman, Minneapolis, director First National Bank, Minneapolis Trust Co., First Securities Corporation, First Bank Stock Corporation. Conservative Republican capitalist.

John W. Barton, secretary, Minneapolis; former head of Regional Agricultural Credit Corporation; former employee Northwestern National Bank, Minneapolis, member Northwest Bancorporation; former director Northwest Bancorporation; also director N. W. Morris Plan, Minneapolis. Republican.

W. A. Smith, chief examiner, Minneapolis; former examiner in charge of liquidation, Minnesota State Banking Department. Republican.

FEDERAL RESERVE BANK—MINNEAPOLIS

John N. Peyton, Federal Reserve agent, Minneapolis; former president Pioneer National Bank, Duluth. Minnesota State Banking Commissioner 1931-32 and to May 15, 1933. Mr. Peyton and his banks were one of the few who refused to pay State tax. Responsible for sale of bonds during bank's reorganization period. Republican reactionary.

F. M. Bailey, assistant Federal Reserve agent, Minneapolis; former St. Paul banker. Has held assistant Federal Reserve agent's position for a long period of time. Republican.

E. W. Swanson, assistant Federal Reserve agent; former deputy to State banking commissioner, John N. Peyton. Republican.

O. S. Powell, statistician and secretary, board of directors. Carried over from old War Finance Department set-up. Republican.

Banking department

W. B. Geery, governor, St. Paul; former head of Capital National Bank, St. Paul. Reactionary conservative Republican.

Harry Yaeger, deputy governor, Great Falls, Mont. Banker.

H. I. Ziemer, deputy governor and cashier; formerly associated with First National Bank, discount department. Republican.

F. C. Dunlop, controller; former auditor First National Bank, Minneapolis. Republican.

H. C. Core, assistant cashier; formerly with First National Bank, Minneapolis.

A. R. Larson, assistant cashier, formerly with Merchants National Bank, St. Paul.

W. E. Peterson, assistant cashier, formerly Atwater, Minn., banker.

Sigurd Ueland, counsel, former attorney for Midland National Bank, a member Northwest Bancorporation. Republican.

Rolf Ueland, assistant counsel, former attorney for Midland National Bank, a member Northwest Bancorporation. Republican.

FARM CREDIT ADMINISTRATION—ST. PAUL

Directors Federal Land Bank

Sam A. Rask, Blooming Prairie, Minn., president First National Bank, Blooming Prairie, a member First Bank Stock Corporation. Reactionary Republican, on board since 1930.

Frank R. Coit, Hudson, Wis. Republican.

Garfield Farley, Albion, Mich. Republican, appointed 1934.

Gotfried S. Johnson, Manistique, Mich., vice president State Savings Bank. Republican.

Charles E. Parker, Wausau, Wis. Republican.

John C. Smith, Mandan, N. Dak. Republican.

Samuel Torgerson, Grand Forks, N. Dak., former cashier Northwestern National Bank, Grand Forks. Very conservative.

J. P. Riordan, general agent, former Wisconsin resident. Democrat.

Roy A. Nelson, president; former South Dakota banker; later connected with Northwestern National Bank, Minneapolis, a member Northwest Bancorporation; former receiver Southern Minnesota Joint Stock Land Bank. Reactionary.

Frank G. Wanek, vice president and secretary; former Wisconsin banker.

Samuel Torgerson, vice president, Grand Forks, N. Dak.; former cashier Northwestern National Bank, Grand Forks. Reactionary.

G. S. Gordhamer, vice president and treasurer; former Kerkhoven, Minn., telegraph operator and banker. Republican.

John Thorpe, general counsel; former North Dakota attorney. Very strong Republican.

Federal intermediate credit bank

F. H. Klawon, president; former vice president Wheaton National Bank, member First Bank Stock Corporation. Republican.

P. L. Klyver, secretary-treasurer; former North Dakota banker. Republican.

Harry Olmstead, Lansing, Mich.; operator of chain banks in Michigan. Republican.

A. E. Severeid, assistant treasurer and secretary; former Hutchinson, Minn., banker; has been in department a number of years. Very strong Republican.

C. G. I. Reimstad, attorney; former North Dakota attorney.

Production Credit Corporation

George Susens, president; former secretary Minnesota Bankers Association. Not independent. Home, Alexandria. Sold his bank to group and has very friendly attitude toward group banks. Republican.

E. O. Johnson, vice president, St. Paul. Associate professor of economics at University of Minnesota. Republican.

Joseph S. Montgomery, secretary, St. Paul. Manager Central Cooperative Association. Formerly with Federal land bank; appointed 1930. Republican.

Fred D. Elliott, Marion, Mich. Vice president Marion State Bank. Republican.

Bank for cooperatives

Hutzel Metzger, Fargo, N. Dak., president. Graduate, North Dakota Agricultural College. Entered Federal service in 1926 with Federal Farm Board. Republican.

Walter Oby, vice president and treasurer, Detroit Lakes. Former banker at Detroit Lakes. Democrat.

C. F. Munroe, secretary-treasurer. Agricultural extension work in North Dakota State College. Republican.

RECONSTRUCTION FINANCE CORPORATION—MINNEAPOLIS

Ben Maynard, acting manager, formerly with Lane Piper & Jaffray, First National Bank & Trust Co., and First Securities Corporation, Minneapolis. Republican.

George C. Power, acting manager.

S. H. Fetterson, acting manager.

Advisory committee

T. F. Wallace, Minneapolis, chairman; president Farmers & Mechanics Savings Bank, Minneapolis; director, First National

Bank & Trust Co.; a member First Bank Stock Corporation. Republican.

Elmer E. Adams, Fergus Falls, Minn.; president First National Bank, Fergus Falls; director, First Bank Stock Corporation. Reactionary Republican.

E. S. Bice, Marquette, Mich.; first vice president First National Bank & Trust Co., Marquette. Republican.

Otto Bremer, St. Paul banker. Democrat.

Charles A. Chase, Superior, Wis.; president National Bank of Commerce, Superior. Republican.

Pierre Clemens, president Northern & Dakota Trust Co., Fargo, N. Dak.

E. W. Decker, Minneapolis; formerly with Northwest Bancorporation. Retired this year from position as head and active manager. Very reactionary Republican.

Blanding Fisher, Devils Lake, N. Dak.; president Ramsey County National Bank, Devils Lake.

C. C. Holmberg, Minneapolis.

C. T. Jaffray, Minneapolis, director, First National Bank (Minneapolis), Minneapolis Trust Co., First Securities Corporation, First Bank Stock Corporation; chairman Deposit Liquidation Committee; also vice president Minneapolis-Trust Joint Stock Land Bank. Republican.

H. R. Kibbee, Mitchell, S. Dak., president Commercial Trust & Savings Bank (Mitchell). Republican.

John Oace, St. Paul, vice president First National Bank (St. Paul); director, First Bank Stock Corporation; director, First Trust Co. Republican.

REGIONAL AGRICULTURAL CREDIT COMMITTEE—MINNEAPOLIS

George Susens, Minneapolis, president; also president Production Credit Corporation; former secretary Minnesota Bankers Association. Reactionary.

D. J. Murphy, executive vice president and manager; former Minneapolis banker; has been in this department since its inception; appointed by previous administration; now placed as general manager and executive secretary. Reactionary Conservative Republican.

T. E. Gallagher, secretary.

L. E. Streater, treasurer.

Harold Stevens, assistant manager.

Walter Russell, assistant manager.

L. J. Van Brunt, St. Paul, head of the Federal Deposit Insurance Corporation; former national bank examiner. Republican.

Directors

N. K. Garnes, South St. Paul, livestock dealer. Republican.

Axel Hansen, Minneapolis.

James Hessburg, Minneapolis, harness dealer. Democrat.

John D. Jones, Milwaukee.

A. B. Larson, Faribault, president Farmers State Bank & Trust Co., Faribault. Republican.

R. E. Macgregor, Minneapolis, president Third Northwestern National Bank, member Northwest Bancorporation, vice president Northwestern National Bank & Trust Co., Minneapolis, Northwest Bancorporation, president Second Northwestern State Bank, Minneapolis, member Northwest Bancorporation. Reactionary Republican.

W. A. Moscrip, Lake Elmo, Minn., livestock breeder. Republican.

D. J. Murphy, Minneapolis, formerly with Minneapolis-Moline Plow Works. Republican.

Timothy O'Connor, Renville, president O'Connor Bros. State Bank, Renville. Democrat.

E. A. Purdy, officer of Wells-Dickey Co., Minneapolis, Minn., which concern handled the sale of stock of the First Bank Stock Corporation.

J. C. Rosseau, Crosby, N. Dak.

Harry Lee, Long Prairie, Minn., banker. Republican, who refused to accept the position.

INDUSTRIAL ADVISORY COMMITTEE, FEDERAL RESERVE BANK—MINNEAPOLIS

Sheldon V. Wood, chairman, president Minneapolis Electric Steel Casting Co., director Third Northwestern National Bank, Minneapolis, a member Northwest Bancorporation. Republican.

John W. Barton, manager, Northwest Bancorporation director, Director Central National Bank Board. Republican.

Advisory committee

C. O. Follett, Fargo, N. Dak. President Smith, Follett & Crowl (wholesale dry goods). Director Northwest Bancorporation. Republican.

Harvey C. Jewett, Aberdeen, S. Dak. President Jewett Drug Co. Republican.

Albert L. Miller, LaCrosse, Wis. President Miller Broom Co. Republican.

John M. Bush, Hegaunee, Mich. The Cleveland-Cliffs Iron Co.

About the time the Northwest Bank Corporation was created the First National Bank of Minneapolis and its friends organized what is known as the "First Bank Stock Corporation", the articles of incorporation of which were filed just 1 day later than the articles of the Northwest Bank Corporation that I spoke of this afternoon. This was organized without money. This institution sold its stock by the millions of dollars' worth to the people of the Northwest, until at this very moment they control 87 banks in the agricultural

Northwest; they control deposits this very moment of \$360,000,000; and I call attention to the fact that the officers of this institution, the First Bank Stock Corporation, have its men and its own directing officers on all the boards I have mentioned of these governmental institutions. We find them on the Federal Reserve Bank of the Ninth District; we find them on the Federal Land Bank of St. Paul; we find that they were instrumental in not only the old War Finance Corporation but the intermediate credit bank, the Reconstruction Finance Corporation, the Production Loan Corporation, the Farm Credit Administration, the Depositors' Liquidating Committee, and several other institutions of minor importance.

The men who were most concerned with the organization of the Northwest Bank Corporation, who sold its stock at a par value of \$50, and whose stock rose to \$90—and they acquired all these banks by trading off stock at \$90 per share, which at this very moment is worth \$4.25 per share; this other institution that organized and fixed the value of its stock at \$25, which stock rose to \$50, and finally as high as \$100, is now worth at this moment \$8.125 per share; and the millions and millions of dollars' worth of this stock which was sold to the people of the Northwest is an entire loss at this very moment; yet the men who organized those institutions have been in control of the Government finances through the Republican organizations and have been left there under the Democratic organizations.

There seems to be in this country a power stronger than party fealty or the power which makes men form third party groups, as has been announced in this House this morning. There is a power over the people of this country stronger than any party can exercise. There is a closeness of union of purpose and intent amongst the financiers who control our destinies that is stronger than the power ever developed by any political party, and they are in control today. When we apply for a farm loan we have to apply to the Federal land bank; and when we apply to the Federal land bank we find that Roy A. Nelson is president of that institution, a Republican formerly connected with the Northwestern National Bank, connected with the Northwestern Bank Corporation, who is in charge of the loan department. He is the president of that institution; Frank G. Wanek, a Republican, vice president and secretary, appointed by Hoover; so strong were the financial interests of the country that he is still there.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. McFARLANE. It may be of interest to the gentleman to know that practically all of the departments of the Government, both old and new, are overwhelmingly controlled in all the key positions by Republicans at the present time, and the President knows this.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. KNUTSON. Is not that probably due to the fact that the Republicans are more efficient? [Laughter.]

Mr. BURDICK. I am speaking for the American people and the people who live in the agricultural belt. To me party makes no difference when it comes to the control of financial institutions that hand out the necessities of life to people who are hungry, that hand out feed loans, that make loans to save the homes of the country—I am not concerned about party. I speak of this to show that the financial control of this institution, starting away back in 1917, is still existing and still going on.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield further?

Mr. BURDICK. I yield.

Mr. McFARLANE. In regard to the remarks of the gentleman from Minnesota [Mr. KNUTSON], let me say that may be the line of thought that prevails among the different departments of the Government, but it is not the feeling of the Democrats, either of the House or the Senate, as expressed by the leadership of both branches of Congress. We believe that we have in the United States Democrats

well qualified to fill these important key positions, as well as all other positions of the Government; and we believe that under a Democratic administration Democrats should fill the important positions, as Republicans have filled them throughout all the history of this country during Republican administrations.

Mr. BURDICK. I think there is no question but what the gentleman is right. The Democrats ought to have backbone enough now to control these institutions that are serving the people of America, because the responsibility rests on them.

A year ago the farmers of North Dakota objected to the manner in which the Federal land bank was handled under the direction of Mr. F. H. Klawon. In 1934 he was removed and for the next 2 days we lost sight of Klawon. Two days later we found him across the street with his feet cocked up on the desk as president of the intermediate credit bank, and he is there yet. The only change that was made in 1934 was to put Klawon across the street and call in a member of the Northwest Bank Corporation, connected with the bank corporation that sold all its spurious stock to the people of the Northwest. They put him in as president of the Federal land bank, and he remains there today.

If we are not satisfied with Mr. Decker as director of the Federal Reserve bank, all we can do is to put Decker out and put Grandgaard of the First National Bank of Minnesota in his place. If we are not satisfied with Grandgaard, we can take Jaffray, former president of the First National Bank of Minneapolis and now president of the Soo Railroad Co.

No matter what changes are made, I say to the Members of this House, and to the Democrats in particular, that every Government-financed institution in the control of Government money for the people of the Northwest is under the control of these two groups. It is not my purpose, Mr. Chairman, to read into the RECORD the names and locations of all these banks that they stole from the people of the country, because I do not want to injure the banks. The work has been done. The damage has been done. To any Member of the House who is interested in finding out the information and in finding out the affiliates with which these institutions are connected, I will be glad to furnish the information.

Mr. RYAN. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Minnesota.

Mr. RYAN. The gentleman from Minnesota [Mr. KNUDSON] asked a question as to the efficiency of these gentlemen you have spoken of. I take it from the gentleman's remarks that he has made quite a careful investigation of these men and the efficiency they have shown. I should like to have an answer from the gentleman as to the question asked by the gentleman from Minnesota as to the efficiency of these people.

Mr. BURDICK. Well, their efficiency, so far as their own interests are concerned, has been extremely efficient.

Mr. BUCKBEE. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BURDICK. Mr. Chairman, I ask unanimous consent that in extending my remarks in the RECORD I may have the privilege of extending my remarks on each one of these institutions separately, giving all the facts and figures as to each.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from New York.

Mr. FITZPATRICK. In appointing a man as the head of a banking institution, is it not necessary to get a man with financial experience to qualify?

Mr. BURDICK. Not always necessary; no.

Mr. FITZPATRICK. Does the gentleman think a man ought to be placed in there without any qualifications?

Mr. BURDICK. No; I do not say that. I say there are a lot of business men in the Northwest who are just as competent to pass upon loans to be made to farmers as are the bankers and especially those bankers who enter into a

combination to sell \$50,000,000 worth of stock to people on an investment of \$1,000.

Mr. Chairman, here is the record of the War Finance Corporation. Where is the War Finance Corporation today? It is over in the Treasury Department. It was pretty difficult to find out where it was. Now, let us see who operated the War Finance Corporation in 1920-21.

On the 18th day of May 1920, the Federal Reserve Board in this city passed a resolution demanding a pay-up scheme, and everybody had to pay. The people of the entire country from one end to the other were broke because of this forced payment. This was felt by those banks as well as the people, and it became necessary to organize some kind of institution under the Republican organization at that time that would save these banks. Here is the thing that came to their rescue. They organized the War Finance Corporation, and I will tell you the gentleman put in charge of it. His name is Paul J. Leeman, of the First National Bank of Minneapolis. E. I. Hanson, of the First National Bank of St. Paul; M. O. Grandgaard, of the First National Bank of Minneapolis; and R. A. Brownell were named directors with Mr. Leeman.

Mr. Grandgaard remained on the board for 7 years, Leeman for 7 years, Hanson for 6 years, and McGregor, who is now functioning on the Reconstruction Finance Corporation in Minneapolis, remained on the board for 8 years. Jaffray, president of the Soo Railroad Co. and former president of the First National Bank of Minneapolis, remained there for 2 years. Oace, of the First National Bank of St. Paul, remained for 6 years.

Mr. Chairman, let me tell you what happened as soon as the Federal Reserve Board brought on this policy of contraction. This institution was organized in the fall of 1921, long after the crop ceased coming in. For the next 5 months, from December 1921 until May 1922, the banks that controlled that institution and the Reserve Board and controlled every Government-financed institution in the Twin Cities, began to collect from the farmers of the Northwest, and in 5 months, without any crops to speak of coming in at all, those banks paid off \$28,000,000 that they owed the Federal Reserve bank of the ninth district. You see what can be done to save them when it is necessary, but at the same time what was done for the farmers of North Dakota?

Mr. Chairman, I communicated with one of the gentlemen who handled the liquidation of this war finance institution which in the Northwest was used to save the big banks of the Twin Cities, and we find its losses were enormous. We find that not a dollar of that money was loaned to individual farmers in North Dakota or Minnesota, although that was the intent of the act. Who did they loan that money to? The loans went to banks owing money to the banks in the Twin Cities and Duluth.

[Here the gavel fell.]

(Mr. BURDICK asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. BURDICK. Mr. Chairman, the Federal Reserve System was created in 1914, and under the act itself 12 districts were set up and designated. The Ninth District Reserve Bank was established in the city of Minneapolis, State of Minnesota, in the last few months of 1914.

The actual business of setting up the Minneapolis bank was done here in Washington. In October 1914 the sponsors of the act held a meeting for the purpose of organizing the system. At that meeting two names which have already appeared before in connection with Government finance agencies of the Twin Cities appear again at this meeting. Theodore Wold, of the Northwestern National Bank, took part in the proceedings and was named governor of the bank. E. W. Decker became class A director. C. T. Jaffray, of the First National Bank of Minneapolis, became the advisory council member from the Minneapolis Federal Reserve Bank.

On this advisory council were 12 men, each representing a district. J. P. Morgan represented district no. 2 and C. T. Jaffray represented district no. 9. At that meeting J. P. Morgan was elected chairman of the executive committee.

With the very start of this bank we find Decker and Wold, of the Northwestern National, the originators later of the Northwest Bancorporation, and C. T. Jaffray, of the First National Bank of Minneapolis, and the originator later of the First Bank Stock Corporation in control of the very first set-up. The present officers are:

John N. Peyton, Federal Reserve agent, Republican, former president Pioneer National Bank, Duluth; Minnesota State bank commissioner 1931 to 1933. Responsible for sale of stock of Northwest Bancorporation and First Bank Stock Corporation.

F. M. Bailey, assistant Federal Reserve agent, St. Paul banker, Republican.

E. W. Swanson, assistant Federal Reserve agent, former deputy State bank commissioner under John N. Peyton, Republican.

O. S. Powell, secretary, connected with the old War Finance Corporation, Republican.

BANKING DEPARTMENT

W. B. Geery, governor, St. Paul banker, Republican, connected as former president Capitol National Bank of St. Paul; became governor in 1926.

M. O. Grangaard is vice president of the First National Bank of Minneapolis and connected with the First Bank Stock Corporation; a Republican. He also served years on the War Finance Corporation and has always been the handy man for C. T. Jaffray. Since March 12, 1934, he has been and still is class A director of the Federal Reserve bank of the ninth district.

Harry Yaeger, deputy governor, banker, Great Falls, Mont.

H. I. Ziemer, deputy governor and cashier, formerly with First National Bank of Minneapolis and one of the builders of the First Bank Stock Corporation.

F. C. Dunlap, comptroller, formerly auditor for First National Bank of Minneapolis, originator of First Bank Stock Corporation. Elected assistant cashier of the Federal Reserve in 1917.

H. C. Core, assistant cashier, formerly with First National Bank of Minneapolis, originator of the First Bank Stock Corporation.

A. R. Larson, assistant cashier Merchants National Bank, St. Paul.

Sigurd Ueland, attorney for Northwest Bank and Bancorporation.

ADVISORY COUNCIL

Sheldon Wood, chairman, formerly connected with Northwestern National Bank and Northwest Bancorporation of Minneapolis.

John W. Barton, manager-director, Northwestern National Bank and Northwest Bancorporation connections. Was secretary of Deposit Liquidating Committee and officer of Regional Agricultural Credit Corporation.

C. O. Follett, director, Northwest Bancorporation.

Let us look into the past and see who were the officers and directors of this great Federal Reserve bank.

E. W. Decker, director from the beginning to 1919. Founder of the Northwest Bancorporation.

G. H. Prince, one of the principals in the organization of the First Bank Stock Corporation. Member of the Reserve Bank Council 1922, 1923, 1924, 1925, 1929.

Theodore Wold, president Northwest Bancorporation and one of the organizers of the Northwest Bancorporation. Became the first governor of the bank in October 1914, and remained in that position until 1919, when he became a class A director. Acted as class A director and on the Reserve Council of the Federal Reserve bank from 1919 to 1930.

C. T. Jaffray, became a member of the Federal Reserve Council in December 1914, and remained in office until he was succeeded by Theodore Wold in 1919. In 1917 Jaffray was elected acting governor during the absence of Wold. Was one of the organizers of both bank holding companies and is now president of the Soo Railroad Co.

For concrete proof of these many signs of danger ahead, let us pause for a moment in the Nation's Capitol and see the sinister and subtle influence which this group of men have exercised toward all Government finance institutions ever

designed to aid the people of the great Northwest. Let us see how they have used these institutions for their own advantage, while the people have been left to shift for themselves.

Having such a strong membership in and control over the directorates of the Federal Reserve Board from its very inception until the present moment, it can readily be seen how they, the movers of the two stock-holding companies, were in a position to favor their own institutions, and how, on the contrary, the Federal Reserve bank of the ninth district could be used by these men to deny loans to banks which refused to enter the two stock-holding companies. When the Federal Reserve would refuse to extend credit to a country bank there was not much left for that bank to do but to join the chain under the direction of the very men operating and directing the Federal Reserve bank. Testimony by the volume can be had anywhere in the Northwest testifying to the fact that hundreds of banks faced this situation. Some of them capitulated and joined the chain, others stood out against the system, but were swept away in the flood created by withdrawn credit, and a few stood out against the system and are still doing business under the banner of such banking organizations as the Independent Bankers Association of Minnesota. No institution in financial America has rendered the valuable service to the people of the Nation as has the Independent Bankers Association of Minnesota under the leadership of Harry Lee, Robert D. Beery, and Ben DuBois. They have preserved the integrity of their member banks; they have exposed the system of the Twin City Bank Stock Holding Corporations, and have pointed out that no corporation has ever been set up in the Twin Cities to handle Government finance, which was not sooner or later put under the absolute control of this band of financial racketeers.

The following abstract of the positions occupied on Government finance institutions by those prominently connected with the building of new bank empire, namely, those associated with the Northwest Bancorporation and the First Bank Stock Corporation, is presented as proof of the fact that these interests have not failed to get and keep control of every institution dealing in any form of Government credit. It is, I think, well known in the Northwest that C. T. Jaffray is nothing more or less than the errand boy for J. P. Morgan, and if anyone doubts there is such a thing as big business, it might be well to explain why it was that almost every business interest in the Northwest of any size became interested in the new financial empire conceived and started by C. T. Jaffray and E. W. Decker. Every railroad servicing the Northwest is interested in either one or both of the bank stock-holding companies, every large distributor, every lumber operator, and it does not appear that any business of large dimensions escaped being directly connected with this bank scheme.

Through the control of all the best banks in the Northwest this organization could control the deposits of the people. Most of these so-called "chain banks" became milking stations among the people—milking out deposits to be loaned not in the locality but to be used in the purchase of bonds offered by the house of Morgan and others. The record is already before this Congress of the sale of billions of dollars of foreign and domestic bonds which are now almost worthless. It was a scheme to get the people's money with which to operate in a big way.

Having once obtained a foothold in Government finance institutions like the Federal Reserve and the War Finance Corporation, these banking interests have seen the benefits to be derived by keeping control of all of these institutions. It pays them; it helps them collect their poor paper; it makes them stronger in the general plan to finally become masters of the finances of the people in the Northwest, and through their hook-up with the East to finally control absolutely and with a dictator's iron hand the destiny of the American people. Land feudalism is dead, but private financial feudalism has taken possession of the land. This organization is strong enough to create, through the press, a state of public opinion that prevents the American people

from freeing themselves. People generally feel that we have not sufficient money in circulation to do the business of the Nation. That feeling is true to the facts. But the moment anyone suggests a replacement of our money the cry immediately goes up, "Inflation!" If the American people would quit reading newspapers and begin to think, they would realize that there never can be, there never was, any inflation or deflation in this or any other country, unless the control of money rests with private interests. Government control eliminates inflation and deflation. All the people now ask for is "replacement", or "reflation"—a putting back of that which has been taken away. If this Government would take away from banks the power to issue money and do its own issuing, and extend Government credit to all the people instead of the special interests, it would not take us long to see that we do not have a sufficient amount of money in circulation. We would immediately put some money into circulation, and no one would be talking inflation. But the people of this country do not control their Government; they will never control it until they take this power to issue money away from private bankers.

Lincoln saw the danger ahead when he said:

I see in the near future a crisis arising which unnerves me and causes me to tremble for the safety of my country. The money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until the wealth is aggregated in a few hands and the Republic is destroyed. I feel at this time more anxious for my country than ever in the midst of war.

Jefferson sounded the warning long before Lincoln's time, when he said:

I believe that banking institutions are more dangerous to our liberties than standing armies. Already they have raised a money aristocracy that has set the Government at defiance. The issuing power should be taken away from the banks and restored to the Government and the people to whom it properly belongs.

Is there any question but what J. P. Morgan was in on the ground floor when the Federal Reserve Act was passed. The law that was passed was not the law that was first presented to Congress. The law that was finally passed was the one which had the okay of the international bankers. At the very first meeting of the Advisory Committee of the Federal Reserve banks, we find J. P. Morgan there and find he was named chairman of the executive committee of this Advisory Committee, the policy board of the Federal Reserve bank.

When the depression was started out on the morning of May 18, 1920, by the Federal Reserve Board against the repeated protests of such patriots as John Skelton Williams, we should be convinced that it was a move to further enslave the American people financially.

When will we end this nightmare? When will we have another Jackson who will line the bankers up and keep them lined?

We will soon be paying interest on \$45,000,000,000 of Government debt, paying it to banking interests, when we would not have to pay a cent. We could pay the soldiers their bonus without any danger if this Congress had the courage to drive the bankers out and let the people in. It is not because this Congress does not know enough; it does. It is informed to the last minute; but courage sometimes is a more valuable asset than knowledge.

I have presented the whole Northwest set-up in Government finance institutions and have shown the names of the men in control—the men who were in control under Coolidge and Hoover and are still there today. Up to the present the Democratic administration has not had the courage to clean house. I have only tried to expose the situation as it is. I am not talking against the men as individuals, as I am sure that they are, personally, affable and agreeable men. I am hitting at the system. I am hitting at what is back of the evidence which we can plainly see.

The bill introduced by Hon. WILLIAM LEMKE, of North Dakota, and Hon. T. A. GOLDSBOROUGH, of Maryland, both have the plan of placing the Government money and Government credit back in the hands of the people by creating a central system of Government control of money. Will this Congress act upon these measures? The facts are all here, but the necessary courage is not. Individuals are frightened

when the public press turns on streams of criticism against inflation.

All other questions before Congress now, or which can possibly come before another Congress, are insignificant compared with the question of regaining control of this Government to be run in the interest of the people. The people must drive the money changers out of the temple before there will be any peace there for them.

Read their records:

C. T. Jaffray: (1) Originator of First Bank Stock Corporation; (2) on Federal Reserve Advisory Council; (3) governor of Federal Reserve bank; (4) director, Reconstruction Finance Corporation; (5) chairman Depositors Liquidating Committee; and (6) director, War Finance Corporation.

Theodore Wold: (1) President Northwestern National Bank of Minneapolis; (2) one of the originators of Northwest Bancorporation; (3) first Governor of Federal Reserve Board; (4) member of Advisory Council of Federal Reserve Board; and (5) class A director, Federal Reserve bank, ninth district.

E. W. Decker: (1) Former president Northwestern National Bank, Minneapolis; (2) builder of the Northwest Bancorporation; (3) class A director, Federal Reserve Board; and (4) director of Reconstruction Finance Corporation.

Paul J. Leeman: (1) Vice president First National Bank, Minneapolis; (2) builder of First Bank Stock Corporation; (3) class A director, Federal Reserve Board; (4) director, War Finance Corporation; and (5) director, Regional Agricultural Credit Corporation.

G. H. Prince: (1) President First National Bank of Minneapolis; (2) associated with the First Bank Stock Corporation; and (3) on Federal Reserve Advisory Council.

M. O. Grangaard: (1) Vice president First National Bank of Minneapolis; (2) associated with First Bank Stock Corporation; (3) class A director, Federal Reserve Board; and (4) director, War Finance Corporation.

Fred H. Klawon: (1) Formerly connected with the Wheaton National Bank, a member of the First Bank Stock chain; (2) Federal Land Bank of St. Paul; (3) Intermediate Credit Bank Corporation; (4) in 1934 a change was made in the Federal land bank. Klawon was put out and Roy A. Nelson, a Republican, was put in. Nelson was an exponent of the Northwest Bancorporation, so in the change effected by the Democratic administration the bank gang won again. Klawon went out of the Federal land bank, but went immediately back to the intermediate credit bank, where he still is. This is a sample of the changes made by the Democratic administration.

R. E. McGregor: (1) Vice president, Northwestern National Bank of Minneapolis; (2) organizer of the Northwest Bancorporation (see p. 3677, CONGRESSIONAL RECORD); (3) director, War Finance Corporation; (4) director, Regional Agricultural Credit Corporation. Is still holding this position under the Farm Credit Administration.

Joan Oace: (1) Republican; vice president, First National Bank, St. Paul, affiliated with First Bank Stock Corporation; (2) director, Reconstruction Finance Corporation; (3) director, War Finance Corporation.

John W. Barton: Republican; (1) former employee of the Northwestern National Bank of Minneapolis, director of the Northwest Bancorporation; (2) secretary, depositors liquidating committee; (3) executive vice president and manager, Regional Agricultural Credit Corporation.

L. J. Paulson: (1) Republican; formerly officer of Freeborn County National Bank, Albert Lea, Minn., now a member of First Bank Stock Corporation; (2) director, Crop Production Loan Corporation; (3) present manager, Emergency Crop and Feed Loan Division. Responsible for the negligence and carelessness in handling feed relief in the Northwest. Responsible for demanding crop mortgages on 1935 crop for all past advances. Serving under appointment of the Farm Credit Administration.

Mr. TARVER. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. McFARLANE].

Mr. McFARLANE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD and to include certain excerpts.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

JUST TO KEEP THE RECORD STRAIGHT ON H. R. 1 AND H. R. 3896

Mr. McFARLANE. Mr. Chairman, I rise to speak at this time in favor of the passage of H. R. 1, commonly known as the "Patman bill", and to answer the weekly propaganda broadcast Nation-wide to the American Legion posts throughout the Nation by the coupon clippers of this country as set forth in their weekly bulletin no. 3, released by the national legislative committee of the American Legion on March 9, through the so-called "leaders" of the American Legion.

This bulletin starts out by making a willful and malicious misstatement of fact as follows:

The Ways and Means Committee ordered the Vinson-American Legion bill favorably reported by the overwhelming vote of 23 to 1, on March 6.

The vote of the Ways and Means Committee was 24 to 1 to report some kind of a bonus bill. Then on motion of Representative COOPER of Tennessee that the committee express its preference for the Vinson or Patman bill the vote was 14 to 11 for the Vinson measure which has the backing of the American Legion, whose representatives were the only ones appearing before the committee in its favor, besides the author of the bill.

The committee next voted 14 to 9 instructing the chairman, Representative DOUGHTON, of North Carolina, to seek a special rule which would permit the House to make a choice between the two measures.

PATMAN BILL MAY BE SUBSTITUTED

I understand the Committee on Rules this afternoon has just voted for a rule that will bring about this result. So the propaganda of this weekly bulletin is of no avail insofar as it applies to the Rules Committee, for the Patman bill under the rule will be germane and may be substituted for the Vinson bill.

Mr. HOFFMAN. Will the gentleman yield?

Mr. McFARLANE. I yield to the gentleman from Michigan.

Mr. HOFFMAN. If the Patman bill does not pass, is the gentleman in favor of the Vinson bill?

Mr. McFARLANE. The gentleman is asking me that question?

Mr. HOFFMAN. Yes.

Mr. McFARLANE. In reply let me say I will cross that bridge when I get to it. I certainly do not want to force a \$4,000,000,000 additional debt upon the taxpayers of the Nation unless the Wall Street lobbyists, through their propaganda, force us to pursue that course. In my opinion this is a better answer than any of the so-called "leaders" of the Legion gave to anyone before the Ways and Means Committee.

Mr. HOFFMAN. Does the gentleman want the boys to have the bonus?

Mr. McFARLANE. Yes; I want the boys to have the bonus, and I am not passing the buck nor hunting a storm cellar to avoid giving it to them. I have always fought and voted for everything that it seemed would bring about cash payment of the balance due on the adjusted-service certificates.

Mr. WITHROW. Why does not the gentleman ask him if he wants them to have the bonus?

Mr. McFARLANE. The gentleman's question indicates that he does not know what it is all about.

Mr. HOFFMAN. Why does not the gentleman answer the question as to whether he is in favor of the passage of the Vinson bill if the Patman bill does not pass?

Mr. McFARLANE. In answer to that, may I say that I am not in favor of the coupon clippers of this country running the country and forcing upon the backs of the

already overburdened taxpayers of the country more than \$4,000,000,000 in additional taxes, as already stated.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. RANDOLPH. When the vote upon these two pending bonus bills comes before the House, if we do have an opportunity to vote on both of them, as I understand we are going to have, is there any doubt in the gentleman's mind as to which measure will receive preference at the hands of the Members of the House?

Mr. McFARLANE. No, sir; and there is no doubt in the mind of the gentlemen who wrote this bulletin which bill will pass, and that is the Patman bill. In their anxiety and desire to stop a vote, which will mean an expression of this House on the Patman bill, they are asking the members of the Legion, Nation-wide, to wire Members of Congress to vote against the Patman bill.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I am sorry I have not time to yield further now.

Here is what they say:

The American Legion believes the Ways and Means Committee's favorable report of 23 to 1 on the Vinson bill gives us the right now, more than ever before, to insist that our Congressmen support the Vinson bill.

They further say here:

It is absolutely necessary for us to defeat the Patman bill when it is thus presented as an amendment before Congress.

They are unwilling to even let you vote on the Patman bill. I know, and you know why—because they fear if the House gets to vote on the Patman bill it will pass it by an overwhelming vote. And they are just like the Negro passing the graveyard at night, whistling to keep his courage up. They know passage in the House means passage in the Senate.

IS MONEY ISSUED UNDER H. R. 1 SOUND MONEY?

The supporters of the Vinson bill would have you believe that the United States notes issued under the Patman bill are not sound money. They have termed this money as "green backs", "printing press money", "inflationary money", and so forth.

This colloquy between Congressman HANCOCK, and Governor Eccles, Chairman of the Federal Reserve Board occurred this afternoon before the House Banking and Currency Committee:

Mr. HANCOCK. Then, Governor, on the question of soundness, which, in your judgment, is the more sound, a Federal Reserve note, issued against United States Government bonds, or a United States note issued against certain gold reserve?

Mr. ECCLES. I think they are equally sound.

Mr. HANCOCK. I asked that because I think, within the next few days, it is going to be quite an issue. I do not want to involve you in any other legislation, but there are two measures of great importance pending before Congress at this time, involving the payment of money. One is known as the Vinson bill, and the other the Patman bill, and under the former, bonds would be used to secure the currency, whereas, under the latter, it would be paid with United States notes. Certainly I am glad to get your opinion.

From the above statement of Governor Eccles, it is very evident that another untrue pet argument of the "Wall Streeters" is exposed.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. RANDOLPH. I may say for the boys in the Legion posts in my district, comprising 15 counties, they are not demanding of me that I vote for the Vinson bill.

Mr. McFARLANE. If you will read my extension of remarks in this morning's RECORD, beginning at page 3578, I believe you will get therefrom some very fundamental reasons why the so-called "king makers" of the Legion are unwilling for you to express your honest opinion upon these two measures. And let me say here that I received Monday the following telegram from the district convention of the American Legion held in my district at Quanah, Tex., on March 10:

Congressman W. D. McFarlane,

House of Representatives, Washington, D. C.:

The thirteenth district convention of the American Legion, Department of Texas, held in Quanah, Tex., today, March 10, passed resolution endorsing H. R. 1, and ask that you give your support to the bill. This district includes 21 posts and authorized this wire.

MILTON GAINES.
H. R. HAYES.
VICTOR NOBLES.

Why have "four horsemen" of Legion forgotten these Legion resolutions?

The "king makers" of the Legion seem to be concerned with the motives causing Members of Congress to support the Patman bill. This bulletin states:

Inflationists who have no special interest in the veteran have seized upon it as a means to accomplish a change in our monetary system.

Since when have the motives of the legislative committee of the American Legion been considered "lily white"? Maybe we can determine what motive has brought them to fail and refuse to advocate before Congress the resolutions enacted by the national conventions of the Legion the past several years.

TAX-EXEMPT RESOLUTION

I wonder why the legislative committee of the Legion has forgotten the tax-exempt resolution passed at the Chicago convention in 1933, which is their last expression on this subject, as follows:

TAX EXEMPTION

Whereas the issuance of tax-exempt securities by municipalities, counties, States, and the Federal Government has reached an enormous total, thus removing much of our otherwise taxable property from the tax rolls; and

Whereas we of the American Legion are interested in the equitable distribution of the tax burden: Therefore be it

Resolved, That we recommend that an earnest consideration be directed to an elimination of the injustices brought about by issuance of tax-exempt securities. (Italics mine.)

I wonder why they have also forgotten the resolution passed last year at the Miami convention as follows:

IMMEDIATE PAYMENT

Whereas the immediate cash payment of the adjusted-service certificates will increase tremendously the purchasing power of millions of the consuming public, distributed uniformly throughout the Nation, and will provide relief for the holders thereof who are in dire need and distress because of the present unfortunate economic conditions, and will lighten immeasurably the burden which cities, counties, and States are now required to carry for relief; and

Whereas the payment of said certificates will not create any additional debt [Italics mine] but will discharge and retire an acknowledged contract obligation of the Government: Now, therefore, be it

Resolved, That since the Government of the United States is now definitely committed to the policy of spending additional sums of money for the purpose of hastening recovery from the present economic crisis, the American Legion recommends the immediate cash payment at face value of the adjusted-service certificates, with cancellation of interest accrued and refund of interest paid, as a most effective means to that end.

AMERICAN LEGION AGAINST FURTHER ISSUANCE OF TAX-EXEMPT BONDS

This committee has never advocated before Congress cash payment of the bonus until this session of Congress, when they offered H. R. 3896. When they came to this Congress, they did so with instructions from their organization to—

recommend that an earnest consideration be directed to an elimination of the injustices brought about by the issuance of tax-exempt securities.

Under the immediate-payment resolution above, passed at Portland as well as at Miami, they were further instructed to advocate immediate payment of the certificates through a method which—

will not create any additional debt but will discharge and retire an accepted contract obligation of the Government.

FORGOT THE RANK AND FILE

They have turned their backs upon these instructions; and realizing that inactivity and silence on their part on these questions which has been their program of the past would not defeat the Patman bill, now demanded by the rank and file of the veterans and the Nation generally, and which would be enacted by this Congress unless they can prevent it, they now come forward with a bill offered in the House by

Mr. VINSON, advocating payment of the certificates through a bond issue which they know will cost the taxpayers of the Nation more than \$2,000,000,000 in interest, for they nor any one else has ever advocated the only other method of payment under their bill, which is by levying additional taxes.

MORGENTHAU SAYS VINSON BILL REQUIRES BOND ISSUE

Hon. Henry Morgenthau, Secretary of the Treasury, in response to a question regarding section 5 of the Legion bill, as to whether or not this section would render unnecessary additional legislation authorizing the issuance of bonds to carry out this legislation replied:

Section 5 of the bill in question is an authorization of an appropriation and would, of course, need to be followed by an appropriation. If such an appropriation were made, the money would come out of the general fund of the Treasury which is added from time to time, as expenditures require, by the sale of Government securities under the general statutory authority for such sale.

Of course this committee has known their program all along would require a bond issue. They have known all along that they have in the past and all along have disregarded the resolution on this subject enacted at the Miami national convention; but what does that mean to them when a bonus to the bankers of more than \$2,000,000,000 is involved?

HE WHO COMES INTO A COURT OF EQUITY SHOULD COME WITH CLEAN HANDS

This committee questions the motive back of the Members of Congress for supporting the Patman bill. There is a rule of equity that "he who comes into court of equity must come with clean hands."

The Chicago convention also passed a sound-dollar resolution, as follows:

Be it resolved by the American Legion in national convention assembled, That we favor a careful study by our Government of the dangers of inflation and that we favor a sound American dollar.

Mr. Vinson Carroll, a Philadelphian, Mr. Henry Stephens, of Warsaw, N. C., and Mr. Joseph Edgar, of New Jersey, all spoke earnestly advocating this resolution.

It may be of interest to Members of Congress and the Nation generally and I am sure will be of interest to the rank and file of the Legion to understand the motives prompting the offering of the sound-dollar resolution.

SWORN TESTIMONY BEFORE UN-AMERICAN COMMITTEE

Then we turn to the sworn testimony before the Special House Committee Investigating Un-American Activities, and what do we find?

Mr. CHRISTMAS. I think I began to discuss inflation with him (MacGuire) early in 1933. We had many discussions about it. He thought he could spare some time to do some traveling, so my thought was it would be a good idea for him to discuss this question with prominent people in various parts of the country. When I say "prominent", I mean substantial citizens in different localities; and see if we could work up any sentiment for sound currency and against inflation. If I may put it this way, there were three ways this matter could have been handled. Mr. MacGuire could have sat in his office and written letters and made telephone calls and spent very little money and would have gotten nowhere. I told him when he traveled that I expected him to travel in a way which would enable him to meet these substantial people and that he was to entertain lavishly. As I say, I think his travels began sometime in June, at which time I understand he was using his own funds, for which he was entitled to reimbursement from these funds at a later date. As I recall it, he made two or three trans-continental trips * * *

The CHAIRMAN. Was he at the American Legion convention there?

Mr. CHRISTMAS. Yes, sir.

The CHAIRMAN. Were you there?

Mr. CHRISTMAS. Yes, sir.

The CHAIRMAN. When did the period of this entertainment end?

Mr. CHRISTMAS. The period ended, I should say, about the latter part of December 1933 * * *

The CHAIRMAN. So the way you want to leave it is there is \$65,000 or \$66,000 that Mr. MacGuire received from either you or Mr. Clark, which he spent in the period between June and December of 1933 for traveling and entertainment expenses. * * *

And there are other items. Now, has Mr. MacGuire ever given you an accounting as to how he spent that \$65,000 or \$66,000, which is unexplained?

Mr. CHRISTMAS. No. I told him he did not need to account to me for that.

The CHAIRMAN. Who else besides Clark was interested in this sound-dollar propaganda campaign?

Mr. MACGUIRE. Mr. Frew, as I say, contributed money.

The CHAIRMAN. Who else was interested?

Mr. MACGUIRE. And Mr. Doyle was interested.
 The CHAIRMAN. And who else?
 Mr. MACGUIRE. Mr. Henry Stevens, of Warsaw, N. C.; Tom Bird, of North Carolina; and a number of other prominent legionnaires. I can get the names. They are all a matter of record.
 The CHAIRMAN. Whom did the committee consist of?
 Mr. MACGUIRE. Mr. Carroll, of Philadelphia.
 The CHAIRMAN. What Mr. Carroll?
 Mr. MACGUIRE. Vincent Carroll. He is the assistant prosecuting attorney in Philadelphia and a prominent legionnaire. Mr. Henry L. Stevens, Jr., Mr. Doyle, myself, Mr. Esterbrook, Tom Bird, of North Carolina; Charlie Erskin, of—I think he is in Washington or Oregon—John Quinn, Frank Belgrano, the present national commander.

TRAVELING AND ENTERTAINING

Exhibit B.—Detailed schedule of cash disbursements of the committee for a sound dollar and sound currency December 4, 1933, to May 31, 1934, accounting for \$31,000 expended:

William H. Doyle, past department commander, Malden, Mass.	\$9,100.00
Henry L. Stevens, Jr., past national commander, Warsaw, N. C.	500.00
Dr. William Dunning, past department commander, Gonzales, Tex.	400.00
Tom Bird.	1,098.50
Vinson Carroll.	3,400.00
Charles Esterbrook.	2,773.34
George H. Norton, Somerville, Mass.	626.45
Charles Erskine.	300.00
Gerald C. MacGuire.	1,992.67

The above amounts show partial distribution of the \$31,000 distributed by the Sound Dollar & Currency, Inc., between December 4, 1933, and May 31, 1934, among these legionnaires. Of course, no attempt was made to account for the \$66,000 expended by the sound-dollar committee boys before and during the Chicago Legion convention. Gen. Smedley Butler's sworn testimony before this committee may give us some light how some of this \$66,000 was distributed to the "king makers" who did speak for the sound-dollar resolution:

General BUTLER. The next time I saw him (MacGuire) was about the first of September in a hotel in Newark. I went over to the convention of the Twenty-ninth Division. Sunday morning he walked into my room and he asked me if I was getting ready now to take these men out to Chicago, that the convention was pretty close. I said, "No; I am not going to Chicago." "Why not?" I said, "You people are bluffing. You have not got any money." Whereupon he took out a big wallet out of hip pocket and a great big mass of thousand-dollar bills and threw them out on the bed. I said, "What's all this?" He says, "This is for you for expenses. You will need some money to pay them."

"How much money have you got there?"
 He said, "\$18,000."
 "Where did you get those thousand-dollar bills?"
 "Oh," he said, "last night some contributions were made. I just have not had a chance to deposit them, so I brought them along with me."

The above-quoted testimony was all given under oath before the Special Committee of the House Investigating un-American Activities. If any of the above-quoted testimony is untrue, each and all of these parties so testifying should be prosecuted by the "king makers" of the Legion above mentioned for giving perjured testimony. These hearings have been printed for some time and have had a wide distribution throughout the Nation. We have heard of no contemplated prosecution by the leaders of the American Legion now advocating "Belgrano's bankers' bonus bill" before Congress.

MONEY TALKS

In other words, it seems from the above-quoted testimony that the "Wall Streeters" had their paid lobbyists—MacGuire, member American Legion distinguished-guest committee—and other prominent legionnaires making transcontinental trips beginning early in 1933, and that they spent \$153,665.86, of which about \$66,000 was spent before and during the Chicago convention (1933) for "traveling and entertaining" and no accounting ever requested.

Now, my friends, do you believe that these leaders of the Legion who have been thus hooked up with the affairs mentioned are coming here opposing H. R. 1 in good faith, when we all know it is the only bill on the subject before Congress which will pay the debt without "creating any additional" debt, in keeping with the Miami resolution, without additional taxes, without any interest, without bonds, without unbalancing the Budget, and will save the overburdened tax-

payers over \$1,500,000,000, the amount required, if not paid now, to be set aside by borrowing from the bankers to pay the debt in 1945?

When we know further that if H. R. 3896 passes and becomes a law, it will cost the Government over two billion in interest, to say nothing of the interest we will continue to be paying on outstanding bank currency which could and should be retired under the provisions of H. R. 1.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MCFARLANE. I yield.

Mr. DONDERO. Does the gentleman believe that the vast majority of the American Legion posts are interested in the manner in which this is paid so long as it is paid?

Mr. MCFARLANE. Yes; I think they are just like any other great cross section of taxpayers in the United States. The World War veterans do not want the Government robbed by being forced to pay to bankers \$2,000,000,000 just to pay them their debt of about \$2,000,000,000. They are interested in making right the master of might. It is a very fundamental question as to which measure we adopt for this reason. The Vinson bill is nothing but an authorization bill. It would require a separate bill containing an appropriation passed by the Congress later on; and if we should get into a squabble and make the mistake of taking that course, we would wind up here in the middle of the summer and would not have any legislation at all, whereas if we passed the Patman bill, it is sufficient in itself to insure the payment of this indebtedness which is long past due; and I will say further that there is also this fundamental difference. The Vinson bill as above stated calls for a bond issue and this means more than \$2,000,000,000 of additional taxes thrust upon the overburdened taxpayers of this country. Not only this, it means that if this is not paid now and we get into a squabble and get no legislation, the Government will be forced to pay \$1,500,000,000 between now and the time these certificates are paid in 1945.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MCFARLANE. I yield.

Mr. BLANTON. I am going to support the Patman bill (H. R. 1). The Rules Committee, as the gentleman knows, is going to give us a rule that will let us vote on the two bills, and let all Members say whether they want the Patman bill or the Vinson bill. My judgment is the House will pass the Patman bill; but after we pass it, that action alone is not going to get it enacted into law. It is going to be stopped somewhere else, where it always stops, and the Vinson bill would be stopped somewhere else, if it were passed. If we want to pass this Patman bill into law, we ought to put it as a rider on the legislative appropriation bill that will come in here shortly and then we will get it passed, if we stand pat. I have a petition on the Clerk's desk to make the Patman bill in order on the legislative appropriation bill. That is the way to enact it into law.

Mr. MCFARLANE. In answer to my colleague, I would say that that is his opinion and we all have our own opinions on all of these matters. I have signed my colleague's petition seeking to bring about the result he suggests. Personally, I want to shoot every barrel to get payment at this session of Congress. Let us cross the creek as to what someone else will do when we get to that bridge.

I would say now it is the sentiment of this House overwhelmingly that we pass the Patman bill. As to what some other body may do or some other department may do, let us let every tub stand on its own bottom and require each department to assume its own responsibility. Let us do what we think is best for our constituents and for the taxpayers of the country.

Mr. KNUTSON and Mr. DONDERO rose.

Mr. MCFARLANE. I yield first to the gentleman from Minnesota.

Mr. KNUTSON. It so happens that I voted to report out the Patman bill on the theory that there is a shortage of money in the country. If there had not been a shortage of money in the country, it would not have been necessary to have resorted to scrip money in hundreds of communities in

every part of the land. This indicated to me there is a shortage of money, and we have got to have a mild currency expansion in order to meet this shortage and I thought the Patman bill would offer a better vehicle, in fact the only vehicle, we have before us except the farm-refinancing bill that is proposed by Senator FRAZIER and the gentleman from North Dakota [Mr. LEMKE]. Another thing, if we pay off the bonus with a bond issue, it is going to cost \$60,000,000 a year in interest and we are paying too much interest now.

Mr. McFARLANE. According to recent information I have, our currency has been contracted by the bankers of the country more than \$2,000,000,000 during the past 2 years, and the same financial masters have failed and refused to extend to business the necessary credit to carry on our commerce and industry. New currency is badly needed at this time and should be immediately placed into channels of trade. The Patman bill is the proper measure to fairly and evenly distribute same throughout the Nation. It is now costing our Government more than \$825,000,000 per year in interest we are paying on the public debt. The statement was made during debate on the floor of another body on yesterday that interest charges alone are costing the people of the Nation about \$10,000,000,000 a year on their obligations and \$15,000,000,000 a year to pay their taxes. Thus, we find that each of the 25,000,000 families in the United States has an average burden for taxes and interest alone of \$1,000 per year.

There is something radically wrong with a system of government that has permitted its people, who are recognized as the superior of all others in earning capacity, to have generations yet unborn to be burdened with such a debt.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the gentleman has been interrupted several times, and I hope the gentleman will yield him 5 additional minutes.

Mr. McFARLANE. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. BLANTON. Mr. Chairman, my only purpose is to observe the rules of the House—

Mr. TARVER. Mr. Chairman, I make the point of order that the time is in control of the gentlemen in charge of the bill on the two sides of the House, and the time has already been allocated.

Mr. MICHENER. Mr. Chairman, the time was fixed in the House, and we are now in Committee.

The CHAIRMAN (Mr. LLOYD). The point of order is sustained. The time of the gentleman from Texas has expired.

Mr. TARVER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. Mr. Chairman, there has been quite some discussion in the public press concerning the proceedings which our Department of Labor saw fit to institute for the deportation of an alleged English Communist, Evelyn John Strachey.

Public opinion is divided on this question, and quite a bit of printer's ink has flown through the newspapers both praising and blaming our Commissioner General of Immigration. People seem to forget that we have definite statutes on our books barring from this country any person who is "a member of or affiliated with any organization, association, or group that believes in, advocates, or teaches" forcible overthrow of the Government. Communists are such a group. Their platform seeks to overthrow the Government. There is no question that Strachey is a Communist. He says so. He admits it. While in this country he delivered a number of lectures based on the philosophy of communism.

"Free speech" does not authorize an alien to advocate the overthrow of the Government, and the sooner we can make aliens understand that this country is not a battleground for people coming from foreign shores to advocate principles unfair to our people, the sooner will we get to the bottom of the whole situation.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. MARCANTONIO. I have a great regard for the splendid work that the gentleman from New York has done with reference to the immigration question in this House. How-

ever, can the gentleman point out to this House any statement by Mr. Strachey wherein he advocated the overthrow of the Government of the United States by violence?

Mr. DICKSTEIN. Perhaps he has not stated that he came for that purpose, in so many words, but we know what communism is, and we cannot ignore the fact that Strachey is advocating communism, which seeks to destroy the very thing our fathers built for all these years. I do not believe that any alien who comes here has the right to advocate anything that is inimical to our form of government. [Applause.]

Mr. MARCANTONIO. Will the gentleman yield further?

Mr. DICKSTEIN. Yes.

Mr. MARCANTONIO. Does not the gentleman think that the curtailment of civil liberties is more inimical to our form of government?

Mr. DICKSTEIN. Had Congress seen fit to pass the bill which I introduced to the effect that it shall be permissible for the Secretary of Labor to curtail the stay of any alien admitted to the United States for a temporary visit, this whole hub-bub would have been unnecessary, and there would be no need for deportation proceedings here to determine Evelyn John Strachey's fitness to remain in the United States.

I wish it distinctly understood that I have always believed that Americans have the right to change their form of government by a vote and advocate any changes in our form of government by constitutional means. No one has the right to advocate a revolution, and aliens least of all. We have enough of our home-grown agitators and do not need any "assistance" from men of the type of Evelyn John Strachey.

[Here the gavel fell.]

Mr. THURSTON. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, we have under consideration today the agricultural-appropriation bill, so I think it entirely pertinent to make some reference to the agricultural situation in this country. As we all know, insofar as agriculture is concerned, the depression set in in October 1920, and I doubt if we have had a Congress since that time when there has not been a strong demand for some form of farm relief. In that period we have spent billions of dollars in trying to aid agriculture, and yet agriculture is in worse shape today than it was when we started to help it. I have come to the conclusion that about the only real relief that we can give to the American farmer is legislation that will permit him to refinance his indebtedness at a rate of interest that he can pay. We must do something along that line or agriculture is going to collapse. It is almost bankrupt now. In fact, in many sections of the country it is bankrupt. Mr. Chairman, we should legislate to refinance agriculture, and give that legislation right-of-way over all other measures, because the need is so imperative. There is no use in our trying to cure the situation with bread poultices. It will take more than that. If we had only had the foresight to face the situation as it really existed when it first arose, I believe we would have been out of this depression long ago.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. McFARLANE. I would like to have the gentleman's ideas of what the remedy should be.

Mr. KNUTSON. I think that the solution lies in the Frazier-Lemke bill. True, it is going to cost eight or nine billion dollars.

Mr. McFARLANE. I favor this measure and have signed the petition to discharge the committee so that this measure may come before the House for a vote.

Mr. KNUTSON. So have I. While I have not computed the amount that we have already spent in aiding agriculture, I am satisfied that the grand total today amounts to at least four or five billion dollars, and notwithstanding agriculture is worse off today than when we started to help it out.

Mr. SAUTHOFF. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. SAUTHOFF. Does the gentleman agree with me that one of the best methods that we can devise to assist agriculture will be to pass some legislation that will prevent any agricultural product coming into this country until the price of the domestic product has reached the cost of production, plus a fair return. [Applause.]

Mr. KNUTSON. Mr. Chairman, I am glad to welcome my friend from Wisconsin into the Republican ranks. More power to him. I hope more recruits will come to us. The gentleman is absolutely right. It is not enough that we refinance agriculture, but we must give agriculture a price that will represent the cost of production, plus a reasonable profit.

Mr. McFARLANE. If we should pass proper legislation which would guarantee the farmer the same rate the railroads, the utilities, and all of the big-business firms have, in keeping with the Democratic platform, the farmer would have his rights, would he not? I led that fight last session. I led the fight for the cost-of-production amendment of Senator NORRIS last session when this measure was before the House. On cost of production the 1932 Democratic platform reads as follows:

The enactment of every constitutional measure that will aid the farmers to receive for their basic farm commodities prices in excess of cost.

Mr. KNUTSON. I certainly hope that the gentleman from Texas [Mr. McFARLANE] does not expect me to make his party live up to its platform.

Mr. MARCANTONIO. And if the gentleman from Texas keeps on preaching that way, he will be rated as a Communist and might be deported.

Mr. BUCKLER of Minnesota. Or a radical.

Mr. MARCANTONIO. Yes.

Mr. McFARLANE. What does the gentleman mean? Deported from what to what? I have kept faith with the national Democratic platform and with my own platform upon which I became a candidate.

Mr. MARCANTONIO. I do not know, perhaps back to Texas.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. THURSTON. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, for the last 6 years wheat producers in the United States and every wheat-producing country have been in distress not through any fault of their own but very largely because world governments have not given wheat and wheat producers fair play. Ever since 1928 there has been an unusually large world carry-over of wheat, notwithstanding the fact that there has been an almost continuous decline in world production since that time. The difficulty arises because of a marked decline in world consumption, the chief cause of which appears to be governmental restrictions, such as tariffs, import quotas, milling restrictions, pegged prices, embargoes, and monetary uncertainties.

These restrictions have been imposed by importing countries for various reasons, including protection for their own farmers, the desire to encourage domestic production so as to provide self-sufficiency in time of war, lack of foreign exchange with which to make purchases, and in Great Britain, the policy of empire preference. The net result of these restrictions has been to increase prices to the consumer and force the use of substitutes, so that consumption has been reduced in a marked degree. If the world had consumed wheat since 1928 at the same rate as during the years immediately preceding, there would today be a world shortage of that commodity. While these restrictions may be unfortunate from the standpoint of the exporting countries, yet from the standpoint of the importing nations there may be an apparent justification for it. In other words, whether the effect has been good or bad, these restrictions have been imposed for the purpose of benefiting their own wheat pro-

ducers or to serve some other national purpose. It has remained for the United States, however, to become the only surplus wheat-producing country in the world whose Government has deliberately adopted the policy of discouraging the consumption of this great staple food product.

It is impossible to imagine anything more inconsistent than the situation we have today, when one branch of a great governmental department is paying producers of wheat to grow less for the purpose of reducing the surplus, while at the same time another division in the same department is disseminating propaganda urging the people to increase the surplus by consuming less wheat. Yet that is what is going on in the Department of Agriculture. While the wheat section of the Agricultural Adjustment Administration is urging farmers to produce less wheat and is paying them for taking acres out of production, the Planning Division of the same Administration and the Bureau of Home Economics are distributing books and circulars and sending out radio and platform speakers to carry the message that wheat is an undesirable food and urging that in the interest of health less of it be consumed.

Our average annual per capita consumption of wheat flour, according to figures issued by the Department of Agriculture, is approximately 170 pounds. That figure has been fairly stable since the war period, although the amount varies from year to year, and on the whole there has been a slight decline. This is a smaller consumption than in most civilized countries. The Bureau of Home Economics, however, takes the position that 170 pounds of wheat flour per capita is excessive and through its publications is doing everything possible to reduce that quantity. Two publications of the Bureau, Circular 296, issued in November 1933, and Miscellaneous Publication 183, issued in December 1933, definitely urge a smaller consumption of wheat and all cereal products. These circulars suggest four different diets, arranging them in the order of their supposed desirability from a health standpoint. The least desirable of these diets is what is known as "restricted diet for emergency use." This diet calls for 168 pounds of wheat flour per capita, or 2 pounds less than we are consuming now. The next diet is what is known as "an adequate diet at a minimum cost." This calls for an annual per capita consumption of 157 pounds of wheat flour, or 13 pounds less than we are consuming at the present time. The next diet in the order of preference is what is known as "adequate diet at moderate cost", which calls for 122 pounds of wheat flour. Next comes the ideal diet known as "the liberal diet", which calls for an annual per capita consumption of 76 pounds of wheat flour, less than half of our average per capita consumption today. Not only do these diets of themselves encourage the use of less wheat, and give the impression that our present per capita consumption of wheat is undesirable, but the inference is carried all the way through these publications that public health would be improved if we consumed less wheat, and that the adoption of a diet containing less wheat would not only be desirable from a health standpoint but from the standpoint of land utilization. A typical statement on this subject is found on page 2 of Circular 296, as follows:

The general use of either of the two diets at the higher levels of nutritive content—

Meaning the "liberal diet and adequate diet at moderate cost"—

would not only improve the health and efficiency of the population but, at the same time, would foster the type of agriculture which represents wise utilization of land for the country as a whole.

Another typical statement is found on page 4 of Miscellaneous Publication 183, where it is stated:

Whenever possible, the quantities of vegetables (except potatoes), fruits, dairy products, eggs, and lean meats should be increased, and the quantities of cereals, flour, and dried legumes decreased.

Mr. HARLAN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Yes.

Mr. HARLAN. Does the gentleman question the scientific statement contained in the bulletin, or does he contend that if it is true it ought not to have been published?

Mr. HOPE. I shall shortly come to that. I do question the scientific statements contained in the bulletins, and a little later I expect to call the attention of the committee to the views of a number of men who are recognized as experts on nutrition and dietary matters. I would not have any objection to these statements if they were true and were based upon sound dietary information.

It must be remembered that these publications are not issued as scientific studies or as a contribution to a subject upon which there are many differences of opinion even among experts. Instead they are frankly propaganda, published to be put in the hands of extension agents, home-economic teachers, social workers, relief agencies, and others with a view of inducing the public to accept the views expressed as the last word in dietary information. It is true that food faddists and promoters of the use of various food products are guilty of issuing the same type of propaganda, but the public has a chance to apprise such efforts at their true worth and to consider them as merely propaganda, whereas the documents in question are issued as Government publications and carry with them the worth and value which people have the right to attribute to publications prepared by governmental agencies. There is no subject under the sun which has produced so many freaks and faddists as the subject of diets; and while the theories of some of these freaks and faddists are perhaps perfectly harmless, it is a distressing and unfortunate situation when these faddists are able to take over an institution like the Bureau of Home Economics and force their ideas upon the people by means of governmental publications and through the Extension Service of the Department of Agriculture. Not only are these theories being advertised and exploited by means of the publications referred to but representatives of the Bureau of Home Economics and its Extension Service are going about the country making addresses on the platform and over the radio in which the same ideas are expressed.

The Bureau of Home Economics is not the only bureau in the Department of Agriculture which is guilty of such practices, because representatives of the Agricultural Adjustment Administration in their publications and in public addresses have frequently referred to these dietary suggestions as being desirable and have coupled with such suggestions the thought that their adoption would be helpful from the standpoint of agriculture and would assist in carrying out the adjustment program.

There is not time today to make as extensive a statement as I should like in order to show the falsity of this type of propaganda both from the standpoint of health and nutrition and as an agricultural program. I do, however, want to point out that the leading experts on nutrition in this country do not agree with the position of the Bureau of Home Economics. I presume that there is a general agreement that Dr. E. V. McCollum, of Johns Hopkins University, is at least one of the world's leading experts on nutrition. I know of no one whose opinion on that question could possibly have any greater value. Listen to this statement from Dr. McCollum:

Bread, in my opinion, should form the principal source of energy in the American diet. I say this because any system of diet must be sound from the agricultural standpoint as well as sound physiologically. The United States has a large territory which is preeminently suited to the growing of wheat, and the well-being of many farmers can best be achieved through wheat culture. Wheat should, therefore, remain our principal bread grain.

All of our natural foods are deficient or lacking in one or more nutrient principles, but the keynote of successful nutrition is not in eating a single food which is complete and adequate nutritionally, but in making such combinations of our best agricultural products as will provide in one what is lacking in another.

In my opinion, the American diet should consist of about 40 percent wheat flour, 20 percent of dairy products, daily servings of leafy vegetables, and an adequate supply of fruits.

Dr. LaFayette B. Mendel, professor of physiological chemistry, of Yale, is universally recognized as a great authority on nutrition. Listen to what Dr. Mendel says in reply to an inquiry as to the part which wheat flour should play in the ordinary diet:

In your letter of April 30 you have asked me whether in an assumed intake of 3,000 calories by adult man an allocation of 900

calories (30 percent of the intake) to white-flour products would be excessive. You indicated this as a part of a dietary made up essentially as follows:

	Calories
White flour	900
Cereals	200
Milk	600
Vegetables and fruits	300
Other foods	1,000
	3,000

I am of the opinion, based on the well-known experience in many parts of the world, that a total intake of cereals that does not exceed one-third of the food-fuel or calorie consumption is in no way excessive; in fact, it is decidedly below the actual intake of the populations of many civilized countries.

I note that in your tentative proposal for the relative participation of the various types of foods in the daily regimen you allow 900 calories to white flour. I find no objection whatever to this, particularly as you have recognized the liberal use of milk, fruits, vegetables, and other foods (1,000 calories) in your proposals. I assume, of course, that the latter will be selected with some discrimination and common sense, as may be expected in these days of food consciousness in the United States.

It should be stated that the diet mentioned above based upon 900 calories of wheat flour would mean an annual consumption of 195 pounds of wheat per person, or 25 pounds more than the average consumption at the present time. Recently there was submitted to a number of leading authorities on physiological chemistry in this country the question, "In your opinion, is there any physiological reason for recommending the decreased consumption of wheat products?"

In reply to that question there were received letters from a number of the most eminent dietary authorities in this country, including Dr. R. Adams Dutcher, head of the department of agriculture and biological chemistry of the Pennsylvania State College; Dr. William C. Rose, professor of physiological chemistry of the University of Illinois; Dr. R. A. Gortner, of the University of Minnesota; Dr. Kenneth D. Blackfan, of Harvard Medical School; Dr. A. J. Carlson, of the department of physiology of the University of Chicago; Dr. A. W. Homberger, professor of physiological chemistry and nutrition in the school of medicine of the University of Louisville; Dr. Walter C. Alvarez, of the Mayo Clinic; Dr. Thurman B. Rice, of the Indiana University School of Medicine and hospital.

Without exception all of these eminent authorities stated there was no physiological reason for discouraging the consumption of wheat products. Most of them deplored the fact that there was so much misleading dietary propaganda being foisted on the public today. I have in my hand original letters from all of the above and, if time permitted, would be glad to read them into the Record at this time. A few extracts from these letters, however, will suffice to show their general tone. Replying to the question, "Is there any physiological reason for a decrease in the consumption of wheat products?" Dr. R. A. Gortner replied as follows:

My answer to that question is that I know of no adequate physiological reason for advocating a decrease of wheat consumption. Wheat has been used by man from time immemorial, and I know of no reason why such use should not continue. A very large proportion of the food which we eat is used for its caloric value, and it is my impression that one can obtain calories more cheaply from bread than they can obtain the same number of calories from almost any other source.

Dr. Homberger, of the School of Medicine of the University of Louisville, replied as follows:

I can see no reason why the consumption of wheat products should be decreased. Wheat products certainly have a very definite part of our dietary program and constitute, it seems to me, one of the most staple products for our people.

Dr. Rice, of the Indiana University School of Medicine, replied as follows:

In answer to your letter of January 8, I am expressing it as my opinion that there is no physiological reason for decreasing the consumption of wheat products. It is also my opinion that there is being published in the present day entirely too much on the subject of diets and that a great many of the statements are quite unscientific. It is my opinion that we would do better to take a fairly liberal portion of protective food, such as milk, vegetables, and fruit, and then add almost anything else that we might choose.

As stated before, all of the other replies were of the same import and if time permitted I should be glad to read them in full. Without going into further tedious details, it seems to me quite apparent that the leading nutritional experts of this country do not agree with the propaganda which is being put out by food faddists in the Bureau of Home Economics.

Let me dwell briefly on the matter of the alleged benefits which it is stated might accrue to the agricultural industry if less wheat and more of some other crops were produced. The theory upon which it is suggested that agriculture would benefit by a reduction in wheat production is that it might be possible by such a shift to put more acres of land in cultivation. That, of course, is entirely in the realm of theory because no one knows what would be done by those forced out of wheat production or by the farmers who would be forced to adopt some other means of earning a livelihood.

Even if we assume that the shift from wheat to fruits, vegetables, and livestock products would increase the number of acres in cultivation, there is nothing to show that this would in any way benefit the individual farmer. He might cultivate many more acres and still have less income than is the case at present. Those who urge this shift in production cannot produce any evidence to show that the farmer either as an individual or a class would benefit from the change. In many parts of the country wheat is used as a rotation crop. In other parts it is the principal crop and can be grown more easily and economically than any other crop. In either case, to do anything which cuts down the consumption of wheat is bound to inflict a great hardship on the farmer who is not producing that commodity. The matter has been very well stated by Dr. C. H. Bailey, professor of agricultural biochemistry of the University of Minnesota, as follows:

Farmers engaged in wheat growing have an interest in sustained demands for their product aside from nourishing the bread-eating public. They are business men who have built an industry that they can ill afford to have destroyed abruptly and arbitrarily. The protection of their markets has as genuine an economic significance as the maintenance of a demand for the products of other industries. To brush aside their interests with the calm assertion that they can devote their acreage to other crops involves an assumption that is unwarranted by practical experience. For they cannot always find substitute crops and cropping systems suitable to this end. To be sure, individual farmers can and have made such shifts at times in the past and will continue to do so in the future. But when a mass adjustment involving millions of bushels of wheat is contemplated, as, for example, would be involved if we reduced our per capita wheat consumption in the amount of 10 or 15 percent and substituted the equivalent of the energy and nutrients thus represented in the dietary by other foods, then the wheat producers as a whole may well exhibit some concern over the program.

Furthermore, assuming that there would be an increased demand for other farm products if the production of wheat were reduced, there is nothing to show that such a program would be of benefit to the individual dairy, livestock, or fruit and vegetable producer, because it must be assumed that any increased demand for these products will result in an increased number of producers of such commodities, including those who have been forced out of business as wheat producers.

Now, it may be asked, What effect will this propaganda be in reducing the consumption of wheat? In other words, is there a real danger confronting the wheat producer? I think that there is. The effect of propaganda upon the consumption of a particular food product can well be illustrated by what happened to wheat during the war period—during and immediately after. Figures compiled by the Department of Agriculture show that our average per capita consumption of wheat for the years from 1909 to 1913 was 5.3 bushels, whereas the average for the 10 years from 1923–24 to 1932–33 was 4.8 bushels. In other words, it has been approximately 10 percent less during the period succeeding the war than it was for the 5-year period preceding it. It should be stated that these figures are for total consumption, including that used for human food and animal feed and includes an unusually large percentage for animal consumption during the period of low prices from 1930 to 1933. Were it not for this fact the difference would probably be

greater. Applying these figures, however, to the present population, it can be seen that if our consumption of wheat in this country was equal to that prior to the war we would annually consume approximately 60,000,000 bushels more than we are using today. If we should adopt the so-called "liberal diet" urged by the Bureau of Home Economics, our annual per capita consumption of wheat flour would be almost 100 pounds less than it is today; or, translating it into terms of bushels of wheat, it would mean that our consumption for human food would be 280,000,000 bushels less than it is today. The adoption of the so-called "adequate diet at moderate cost" would result in the consumption of 143,000,000 bushels less wheat; and the so-called "restricted diet for emergency use", which is not recommended at all, would result in the consumption of 2 pounds less flour per capita than we are consuming today.

One of the great resources of this country is its capacity of wheat production. It is an asset which is envied by most of the civilized nations. Since the war practically every European nation has expended vast sums in subsidies to secure an increase in wheat production, because they realize its value as a great national resource, yet the policy which seems to have been adopted by at least a part of our Department of Agriculture will, if put into effect, mean throwing away this great advantage which we have over most other nations. The Agricultural Adjustment Administration has been attempting to secure a balance between supply and demand as far as wheat is concerned by reducing the supply and thus getting rid of our surplus. I think this program has been generally successful and in connection with the drought it has succeeded in reducing the wheat surplus to a point where it is not at this time burdensome. Vast sums of money have been paid to wheat producers in consideration of their cooperation with the program and producers generally have been most loyal in cooperating with the Government in bringing about this adjustment. That program, however, will have been an utterly vain and useless thing, as far as getting rid of our wheat surplus is concerned, if other bureaus in the Department of Agriculture are going to destroy what has been done by decreasing the consumption and thus again building up the surplus. Such an inconsistent position is incomprehensible.

When the hearings were held upon the pending agricultural bill a number of the Members of Congress representing wheat-producing areas appeared before the subcommittee in charge of the agricultural appropriation bill, and urged that that committee insert a provision in the bill which would prohibit the Bureau of Home Economics and other bureaus in the Department of Agriculture from carrying on this campaign against the use of wheat. The committee has inserted an amendment in the bill, but as it now stands it is of no value whatever, as far as curbing the activities of the Bureau of Home Economics is concerned, because it still permits them to publish the diets and dietary lists, which is the method which the Bureau is using in forcing this propaganda on the public. In the interest of agriculture generally and the wheat producers of this country, who have loyally cooperated with the Government's wheat adjustment program, this committee should strike from the amendment that part of it which permits the use of funds appropriated by Congress to be used for the dissemination of propaganda through the use of the diets in question. At the proper time an amendment will be offered to carry out this purpose.

Mr. THURSTON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. THURSTON. Could not all this matter be corrected by a simple order to be issued by the Secretary of Agriculture?

Mr. HOPE. It could be, but I will say to the gentleman that, although the matter has been brought to the attention of the Secretary of Agriculture, so far no action has been taken.

Mr. CRAWFORD. Will the gentleman yield?

Mr. HOPE. I yield.

Mr. CRAWFORD. Could the gentleman tell us what the consumption of wheat is in other places in the world which

rank close to the consumption per capita in the United States?

Mr. HOPE. I cannot give the gentleman the figures, but the consumption of cereals per capita in practically every civilized country is greater than it is in the United States.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. HOPE] has expired.

Mr. HOPE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include excerpts from the letters I mentioned.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. THURSTON. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I want to direct attention for a little while to some considerations in connection with the payment of the adjusted-service certificates.

It occurs to me that in all logic it becomes necessary to go back to the World War, because the bonus is nothing else except an inheritance of the war. It becomes necessary to go away back to 1914 when that carriage, bearing the royal coat of arms and bearing the princely person of Archduke Ferdinand, was rolling down the mountain sides in the Balkans and finally came to that little town nestling in the valley that is known in history as Sarajevo. It was there that this student drew a pistol and killed the archduke. It was there that he fired a shot that was heard around the world. We have an amazing and complete capacity for forgetfulness, and only to refresh the memory of the Members of this House, let me say that the name of that student was Princeps. By virtue of that shot there came a series of ultimatums and mobilizations that ultimately crystallized in the World War. There is one thing I want to impress on you, and that is a statement made by Colonel House, who had been sent to Europe by President Wilson, about a month before that shot was fired. It was Colonel House's observation in his report to President Wilson that because of the activities of the lending and development nations of Europe that this international friction was caused that ultimately resulted in the World War.

I think the rest of it is more or less first-hand history to the Members of this House, for after a series of exchanges and torpedoings, beginning with the *Lusitania* in 1915, we found the President of the United States coming to the Congress, we found an intensity of feeling, we found a declaration of war, and then we found the President calling upon the people of the United States to act as a great team, every man doing his part, fitting in his particular place in order to carry on this war in behalf of democracy.

One of the singular things that happened in connection with this war is this, and it has not happened in any other era in history: That is, that in December 1917, when we were engaged in this conflict, it remained for the Bolsheviks in Petrograd to break open the sacred archives and there steal the proof, showing that there was a definite alignment and signed agreement between France, Great Britain, Japan, and Russia to apply the old Roman principle, "Woe to the vanquished and to the victor the spoils."

You know it is rather amusing and laughable to have a distinguished gentleman like Patrick Hurley, from Oklahoma, former Secretary of War, appear before a committee of the Senate and talk about making the world safe for democracy. The gentleman who presided in the Cabinet as Secretary of War, and who probably inspired the orders that were issued to evacuate the first bonus army from Washington, is the gentleman who speaks of having made the world safe for democracy, when the tangible proof was thrown in the faces of everybody who was informed that France, Japan, Great Britain, and Russia were going to get the spoils of war. The documentary proof is on record today.

Thank some strange destiny for the Bolshevik revolutionists, who gave us that proof. [Applause.]

Came the war! Our soldiers marched away. I was one of them. I spent 18 months over on the other side. Let me say that I have seen some of the hideousness of war—of young troops in great windrows marching into the withering

fire of machine guns mounted on swivels behind concrete emplacements. I have seen those "G. I. cans", as the soldiers call them, 240-millimeter shells, come over and tear a hole in the soil big enough to bury an average-sized cottage. I have seen balloons up in the air brought down by some German plane, and as it came down suddenly fired tracer bullets bringing down the balloon bag in flames. I saw some of those things. After the war was over and the heat and passion of controversy had spent itself, these gentlemen, whom they designate as adjutants general of the armies of the world, went in to evaluate the cost; and we found that it cost us approximately \$22,000,000,000, plus \$11,565,000,000 that we loaned our Allies, a debt that is still over there and apparently uncollectible.

We spent almost \$33,000,000,000 to prosecute that war, and when you consider that amount and how generously we gave without quibbling or without niggardliness it seems altogether strange that today there should be any quibbling at all about \$2,200,000,000 to pay the bonus which is a proper cost of the conflict. [Applause.] That bonus is directly chargeable to the war and is an item of war expense. Oh, we paid \$18 to \$20 for shrapnel and high-explosive shells; we paid for rifles and machine guns; we paid for shoes and food; we paid for thousands of Army trucks; we paid for thousands of Liberty motors to be installed in pursuit planes over there in the airplane factories of France; we did not quibble about cost; we proceeded on a cost-plus basis and permitted manufacturers to dig generously into the Federal Treasury, never kicking whatsoever, because ostensibly it was all in the interest of democracy. If it is all right to pay for shrapnel and shell, for trucks and airplanes, for ammunition, and for food and shoes, some of which had paper soles, and all that sort of thing, then is it not in good logic the proper thing to charge personal services in the Army as an item of war expense and do it without quibbling or niggardliness? Is not service the equivalent of and perhaps transcendent to munitions and ammunition and that sort of thing? Of what good are munitions without men to use them?

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. WOODRUFF. The records disclose the fact that we expended something like \$750,000,000 for airplanes and never put a fighting plane on the front.

Mr. DIRKSEN. The gentleman is correct.

Mr. WOODRUFF. That is a sample of the efficiency with which that war program was administered.

Mr. DIRKSEN. The gentleman is correct. Now, there always will be a lot of reluctance, shall I say, about paying bills like the bonus. It has ever been thus. If you want to read something liberal, go back to the records and read the memorandum filed by CARTER GLASS with the select committee of the House on the 4th of October 1919 considering the bonus. Do you know what he said? Why, in the very first line he said: "They are supporting a measure on the floor of Congress that will imperil the fiscal stability and the credit of the United States of America." Do you want to read another splendid memorandum? Read the memorandum filed by Newton D. Baker. He said: "They contemplate paying a bonus which will probably encourage a lot of returned soldiers into idleness." If you want to read anything more, read the statement filed by WILLIAM GIBBS McAdoo and others when we were determining the fiscal policy of the country. Oh, you have the same old hoary argument, advanced for 15 years, that if you pay the bonus you will impair the fiscal stability of the country. Whether times are good or bad, whether it be in adversity or prosperity, it is all the same.

I am very happy that the Governor of the Federal Reserve Board came before the Banking and Currency Committee of the House this morning—and it was an open meeting, I am not telling any tales out of school—and in response to the question of my good friend from Massachusetts, Mr. GIFFORD, the Chairman of the Federal Reserve Board said he was not afraid of a national debt of \$40,000,000,000. If he is speak-

ing for anybody in authority, then we should have no hesitancy or reluctance about paying this bonus, for apparently there is no apprehension about a debt of that size.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. HEALEY. I observe that the gentleman mentioned merely names of prominent Democrats who were opposed to the payment of the bonus.

Mr. DIRKSEN. Mr. Chairman, I do not yield for such a statement.

Mr. HEALEY. I wish the gentleman would include, also, the names of the Republicans who for 12 years have opposed payment of the bonus.

Mr. DIRKSEN. Mr. Chairman, I decline to yield. I have not injected partisanship into this question, and I do not want it to be injected by somebody else.

Mr. HEALEY. The gentleman included only Democrats.

Mr. DIRKSEN. I gave the name of the distinguished Mr. Hurley just a few moments ago. The last thing I want to do is to inject partisanship into this discussion. This bonus should be paid because, I believe, it will be the greatest incentive to peace and the greatest deterrent to war that we can find. In the interest of peace they come in here with such bills as the McSwain resolution, ostensibly to take the profits out of war. That resolution is a lot of tommyrot, and everybody knows it—to permit the President of the United States to establish a date, the prices which obtain on that date not to be raised in case of an emergency or a war, and then to permit adjustments up and down afterwards by the President of the United States, and probably turn control over to a military and naval board. Do not be misled into believing that that will solve the problem of war. It is the sheerest kind of hypocrisy. The only thing we really appreciate is a good, swift jolt in the pocketbook. When you hit the people of any country in the pocketbook they can understand that and begin to regard war as a personal matter. If we will pay this bonus—and sometimes I think it ought to be infinitely larger—we would be more responsive to these rumblings that we hear everywhere on the international horizon which may one day soon project us into war. A kick in the vulnerable spot of the national pocketbook may make us more conscious of the importance of peace. Is not the stage set for it? Think of the internal pressure in our country at the present time.

If the newspapers of Washington came out tomorrow with large headlines to the effect that war is declared, we would forget the bonus, we would forget relief, we would forget unemployment, we would forget the Budget, we would forget the national debt, and the money problems that beset us. In fact, the sudden hysteria of war, monstrous as it may seem, would open up vistas of relief from the problems which now repose on the national doorstep.

There is a pressure not only in this country but in other countries that have similar problems that may plunge us into that thing which could deflect the immediate attention of our people and transpose it to some other subject matter. Consider also the external pressure. Oh, there is Italy sending troops to Abyssinia for the purpose of banishing the conquering lion of Juda and the elect of God for some bit of frippery that took place there in connection with the barbarism of the Abyssinian troops. But that is not the real reason. The real reason is the oil under the ground. Abyssinia is rich in oil and minerals underground. There is the economic external pressure. Japan is interested in Manchukuo. Why? Because they grow cotton there; in fact, better cotton than we grow below the Mason and Dixon's line. You all understand that kind of pressure. Then there is the island of Japan with its 63,000,000 people. They must have an outlet, and there is that ethnical pressure which makes new territory desirable.

We read about the rebellion in Greece. You can look across the entire international frontier, and you will see the external pressure, and finally we find every nation forging the weapons of war. Our own Budget calls for over a billion dollars. Did you notice what happened in England a week ago? Ramsay MacDonald felt that they needed 28

more warships. He said, "Let us raise our armament budget, because we are afraid of the insecurity that exists in Europe."

Spain and France have raised their budgets. Japan is raising her budget. All of the large nations of the world are forging the weapons and getting ready for the spark that may take them as well as ourselves into war.

Mr. Chairman, it is high time that we develop a peace consciousness in order to stop the next war, that, in the words of H. G. Wells, will come before 1940 and be more deadly and disastrous than the conflict of 1917 and 1918.

When we learn to count the total and complete cost of war, when we include every item of expense and learn to appreciate how costly, by continuing, and how ghastly the expense of war really is, then will we have a true conception of the benefits of peace, and so today I advocate the payment of the bonus as an honest and proper element in the expense of the last war, because it may be the instrument by which we come to the appreciation of the benefits and beauties of peace among all mankind and the spirit of good will on earth.

Mr. THURSTON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, it is rather difficult to speak often on the floor of the House without being compelled to admit that sometimes we may appear to be a little partisan, but I rise today to speak in behalf of the textile interests of New England. Certainly we need to protest against present-day conditions, even though we may be powerless to accomplish results by actual legislation. We should certainly keep those conditions ever before the Congress and keep up hope that something may yet be done to remedy them.

By an impressive majority, the voters of my textile city in the last election pinned their faith on the Democratic Party and President Roosevelt. Today, with the unfortunate condition of that industry, I cannot help wondering whether they do not feel disappointed. There was an enthusiastic parade, headed by the mayor, to give expression to the city's hope in, and loyalty to, the N. R. A. All were anxious to conform and do their part under the act, and eagerly hoped for its success. They now seem to be forced to admit that it has failed to relieve the situation. A processing tax has been imposed on our textile mills which we would indeed be willing to pay in order that the southern farmer may prosper if, as was intended, this tax could have been handed on to the consumer. The textile mills have found that under the present condition of the market they have to absorb practically the entire processing tax, which tax is greater than the other Federal, State, and municipal taxes combined and which, in most cases in the textile mills, have more than absorbed their entire profits. It is amounting to about 10 percent of what is paid to labor. National legislators now are confronted with an appeal from the textile interests, especially of New England, to take immediate and effective action.

Formerly our textile industries prospered under our tariff system and believed generally in the principles of the Republican Party. Somehow hope was held out to them that under the N. R. A. we might force our competitors to come to a higher and more equal scale of wages, and that we would have a code of fair competition.

Mr. Chairman, at this time I ask unanimous consent to revise and extend my remarks in the RECORD and to include certain definite statements that may be more convincing than mere informal remarks on this subject.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GIFFORD. Mr. Chairman, I asked for this time today because I might be unable to secure time when the bill authorizing the extension of the processing tax is brought before the House, probably next week. Not only are we greatly disappointed by the lack of anything in the bill to help manufacturers, but we may well fear certain suggested amendments that are likely to be offered, such as the license feature

and the suggested plan of making a lucrative processing tax on one commodity pay and make up the deficiencies in others. After the 2 years' experience which we have had, are we not willing to recognize that the industrial part of our community needs some attention and relief? The Farm Credit Act takes care of your farm mortgages. The intermediate credit bank, your production credit loans, and your seed loans take care of the farmers' expenses of operation. Under the R. F. C. the Government is obligated to the sum of nearly a billion dollars to loans made largely on cotton at 12 cents a pound, thereby guaranteeing a fair price for that product. What have we done for industry? Are there any production loans by the Government for industry to help it carry on its operations?

Is there Government mortgage relief for industry? Yes; but exceedingly small, if we depend upon the R. F. C. to lend only on sufficient and adequate security. Very few loans, Mr. Chairman, have thus far been granted. Having abdicated, we must explain to our people that any remedial action rests almost entirely with the President. We have delegated the remedial power to him. We can do little about the matter. The N. R. A. codes are now presented to the President for approval and their enforcement rests with him. If we desire a code of fair competition whereby industrial plants over the entire country shall pay practically the same wage, we must depend on him and those to whom he delegates the power both to approve and to execute.

When this bill is presented to the House, I assume that if any amendment should be offered in the way of benefit to the industrial sections of the country, such amendments would probably be ruled out of order as not being germane to any particular sections of the bill. Its title recites three purposes: to continue the Cotton Control Act; to exempt a limited quantity of cotton in order to take care of the sharecroppers and the tenant farmers; and, thirdly, to provide for the better administration of the act; and as we look through the act we might wish to find even slight amendments as to a better administration of the refunding of taxes by the Government in cases where manufacturers are entitled to recover.

Months and months go by before many of these concerns can retrieve from the Government that which they have already paid. There are long delays because of the Treasury not having proper blanks to furnish or because the Treasury Department will wait for the Department of Agriculture to pass upon claims or to be supplied with full information upon which to formulate its blanks to be executed. We maintain that many small plants have actually been forced out of business by this failure of reimbursement, while others have even refused to export to Cuba and other places because of the length of time involved and the doubt about the recovery of the money to which they would be entitled by law for goods exported.

It would seem that a part of this processing tax might be granted to labor employed in manufacturing the product. Why give it all to the farmers?

This supersales tax on just a few articles should be distributed, of course, in a general sales tax. Some time the unfairness of it will awaken the people to a realization of how it actually operates. Do you know that bagging has gone from 18 cents to 36 cents a pound? And that even in the southeastern States, where they should be using cotton bagging, they are forced to use paper bags, jute bags, and other similar things, because of the high prices for goods manufactured of their own cotton? These higher prices have brought about a condition whereby, although we are manufacturing 20 percent less of cotton goods, we are constantly increasing the stocks of such merchandise. There is a point, Mr. Chairman, beyond which we cannot go, and that is the consumers' ability to buy. And then we make the futile attempt to assess processing taxes against possible substitutes, such as paper, jute, and the like. These materials are now being used for all sorts of purposes, for which cotton was formerly employed.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. CRAWFORD. I would like to ask the gentleman two or three brief questions. Does the gentleman know that the sugar industry of the country has packed more sugar during the past season in paper bags than ever before in its history?

Mr. GIFFORD. I know it full well, Mr. Chairman. I am in a peculiar position to know, and the dread is that having found so durable these sugar bags and these wheat bags made of paper, they will never go back to cotton. In this lies a real danger to cotton.

Mr. CRAWFORD. I would also like to ask if the gentleman heard the gentleman from Texas [Mr. LANHAM] make the statement a while ago that a great many of the people, perhaps greater than in any other part of the country, in the cotton districts of the South are now on welfare relief; and if this is true, just where are these processing tax funds going?

Mr. GIFFORD. Mr. Chairman, the cotton farmer seems to know how to get relief. In this bill the share-cropper and the tenant farmer are probably to be taken care of. There is to be an exemption of two bales and, of course, the processing tax greatly benefits the larger producers of cotton.

Amusing, indeed, are many of the stories of the processing tax as applied to hogs. One of our historians, James Truslow Adams, a man whose integrity cannot be questioned and upon whose statement one is supposed to be able to place reliance, recently recited many things in an article which I wish I had before me now, to show you how very ridiculous it is in its application, in many instances. We have heard about a man who paid \$1,000 for a New Hampshire farm and who did not intend to raise any hogs, as the former owner had done, but a Government agent called around and said: "This place raised a lot of hogs last year, and if you will decrease your production by so many hogs you will get a check for \$1,100." He said that he did not intend to raise hogs, and this man said, "Don't clutter up our books—you are entitled to it, take it." So, on a farm for which he paid \$1,000 he got \$1,100 for not raising hogs.

Many such stories are told about this processing tax in its relation to hogs.

Mr. NELSON. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. NELSON. I am interested in the gentleman's statement about the farmer who got money for raising no hogs. Can the gentleman give us the name and address of that farmer?

Mr. GIFFORD. I think I could get it, but I am glad to refer the gentleman to James Truslow Adams, for whom, I am sure, he must have great respect.

Mr. NELSON. I would refer my colleague to the fact that that statement has been officially denied by the Secretary of the Department of Agriculture, stating that this story, like others of a similar kind, has been challenged. We have reason to believe there is nothing whatever to such stories and if my colleague can supply the names and addresses of persons who have been so benefited, I shall greatly appreciate it.

Mr. GIFFORD. Mr. Chairman, the story I told came to me from a very reliable party. I shall be pleased to write to him about it, and shall be glad to send the gentleman Mr. Adams' statement, which is even more to the point.

I wonder if the gentleman would care to hear about the farmers around the city of Boston—not real farmers but collectors of swill—and who got large sums for not raising hogs?

Such payments disgust our citizens, especially in view of the price of pork today.

But I did not intend to discuss hogs. I am speaking against this cotton-processing tax, the entire burden of which is placed on an industry that cannot assume it longer and continue to exist.

Is there no interest on the floor of Congress in the matter of giving needed relief to industry? Is it to be all for the benefit of farmers? We desire that they shall receive these benefits. But a plan must be devised under which the consumers of the country will pay, as was originally proposed, rather than have the entire burden continued upon the manufacturer.

We cannot escape the suspicion that New England is at a disadvantage because of a feeling which seems to be running in the minds of some of those who hold key positions in the Government, that the activities of the mills of New England should be transferred to some other section of the country.

I stand here to protest, with all the strength I have, against it. [Applause.]

[Here the gavel fell.]

Mr. GIFFORD. Under permission to extend my remarks I now present a few pertinent quotations from certain of our New England writers on textile matters relating to the processing tax and to a code of fair competition which I hope will receive from the Members of the House the thoughtful consideration which I feel they merit:

The processing-tax plan burdens cotton for home consumption \$105,000,000 at the source. This added cost to the raw material of a manufacturer cannot escape being pyramided through the progress from mill to selling house, bleachery, printer, garment manufacturer, jobber, and retailer. It has been estimated by cost accountants that this increases the cost of a work shirt 11 percent and a pair of overalls 20 percent. If this estimate is correct, this means that the traffic has not only had to bear the needed \$105,000,000, but has had to pass on to the consumer many more millions because of the results of the pyramiding.

There are numerous other objections to this tax. The processing tax is, in fact, a disguised sales tax and confined principally to food and textiles. We are all familiar with efforts in the past to enlist the interest of Congress in the passing of a general sales-tax law. While these proposals never received great support, nevertheless all discussion was prefaced by the demand for exemption of the necessities—food and clothing—from such a tax. Yet the amount which the consumer ultimately must pay in the cost of articles made from commodities which now bear the processing tax is at a rate much in excess of what would be tolerated in the event that a general sales tax were imposed. For instance, on coarse cotton-work garments it is calculated that from 10 to 20 percent of the retail sales price is indirectly attributable to the processing tax.

Processing taxes are refunded on any goods exported, but Washington, in making these refunds, has been slow. One of the largest exporters, who, by the way, operates three mills in Alabama, and who is fighting desperately to salvage some part of this business, from October 1933 to May 1934, had accrued refunds of \$237,225, of which only 5½ percent had been paid by May, and it was not until last month that he got the last of his money. We appreciate the difficulties.

Before the processing tax and N. R. A. cost applied to certain cloth for bag purposes, it was selling for about 18 cents per pound. Today that same bag cloth is selling for 36 cents per pound. This change has come about from several reasons. First because of increase in the price of cotton from 6 cents to 13 cents, and in addition to this because of the processing tax of 4.2 cents, and because of the increase in labor cost, which is nearly double because of N. R. A. and the increased cost of every item of supplies because of N. R. A. costs adding into the figures of the people from whom we buy our supplies.

For evidence of the cumulative effect of all these handicaps upon the farmer, manufacturer, finisher, and consumer one need only to refer to the domestic cotton consumption for the past 2 years. In 1933 we consumed 6,210,000 bales while in 1934 the consumption shrunk to a total of only 5,412,000 bales.

The consumption of cotton in American mills is running at a rate of 20 percent under last year and even though we are spinning that much less cotton our inventories of manufactured goods are increasing tremendously in our mill warehouses.

The cotton manufacturer is constantly exploring every field for new uses, constantly fighting to maintain his present position, but finds himself constantly in conflict with manufacturers of competing substitutes. The paper manufacturer in the conduct of his business is fighting to substitute paper bags, strings, gum tape, window shades, towels, napkins, and other things, for your cotton. * * *

One of the largest flour manufacturers in the country wrote me, We are now doing a great deal of business in the Southeastern States; most of our shipments have been in cotton bags, but paper

bags are being introduced into that territory, and if continued will probably replace some additional 75,000,000 yards of cotton goods per year. Against our will, we are being forced to adopt paper bags, too, and the trade is rapidly switching from cotton to paper. Our sales of flour packed in cotton goods has fallen off to almost nothing since we have lost our Chinese export trade.

The perilous position of the textile workers and textile communities in New England cannot be overemphasized.

Relating to a code of fair competition, as outlined by the President in his code plans of 1933, I wish to insert certain quotations from communications prepared by chambers of commerce and other interested organizations in certain of our textile cities. The four essentials suggested were:

First. To put more men and women at work.

Second. To establish a reasonable minimum wage.

Third. To recognize that the more skilled and efficient workers should rightfully receive fairly graded pay above the minimum wage.

Fourth. To establish a basis of fair competition in business and industry.

Every right-thinking man or woman must recognize that a code to provide fair competition should be written in clear and definite language; that the provisions be so presented that there can be no misunderstanding; and that labor be classified in a definite way. That such a code, in the President's declared spirit of all together, must be made to operate effectively, its provisions followed faithfully.

But when wage scales in the higher brackets of labor are mentioned in indefinite terms, or not mentioned at all—there is bound to be a wide difference of pay and operating cost, according to varying interpretations of the spirit of the code, or in varying recognition of employees.

We submit that such an indefinite code, even though complied with to the letter, cannot justly be labeled a code of fair competition.

Supposedly codes were not planned to put any one section of industry out of business; nor to increase unemployment in any one section; nor to cripple legitimate progress of industry and business in any one section.

We see our industry in New England definitely menaced.

We see continued liquidation of our cotton textile plants.

We see communities in New England in distress; people out of employment and plants permanently closing that have been operating under a code, supposedly of fair competition.

Federal Government is responsible for the suggestion and adoption of the codes—and we support both the Government and the code ideal.

But when in the name of national recovery and the spirit of all together, the cotton-textile industry of our section of the country is worse than threatened, then in the name of our people we urgently seek relief. We request Government relief from the burdens of unfair foreign competition and the cotton-processing tax, an equitable correction of overproduction evils, and by code amendments the elimination of sectional labor cost differentials, and that wage scales in the higher brackets of labor be understandingly defined. * * *

Our critics say we must not blame certain favored sections of the industry (geographically speaking) in the matter of wage differentials for our plight.

We do not.

But we do criticize a code bearing the label of fair competition that carries a wage differential to any one section's advantage, and therefore obviously to other sections' disadvantage.

And that's just what the cotton-textile code does.

In reading over the full report of the Bureau of Labor Statistics, some things caught our eye.

We quote:

"The evidence of this wage study points conclusively to the importance of an examination of the conditions under which the industry has been working quite as much as to the question of enforcement"—and again—"Though industrial relations and the stability of the industry require a still more complete enforcement of the wage provisions of the code," etc. * * *

The Bureau of Labor Statistics Report also says in effect, that in August 1934, in a section of the country other than ours, 44 percent of male help and 58.1 percent of female help were paid less than \$13 for a 40-hour week, which is our code minimum here, and we want to say that does not necessarily mean the code is violated, and we do not make the assertion, but again we ask, is it a code of fair competition?

In the Bureau of Labor Statistics Report the difference in labor cost in various sections of the country is not fully revealed, for the difference in work load is not figured into the difference of wage received, but New England is referred to as the high-wage area.

And so we ask these questions.

Should there be high- and low-wage areas?

Or should a code of fair competition, for an industry, spread over our country, but making identical goods and selling them in the same competitive market, have hours of work, and wage rates for the various classes of workers employed, definitely designated; fair to the industry, fair to the workers, but uniform throughout the country with sectional differentials eliminated?

We say a code of fair competition should, and that the cotton textile code does not.

Mr. SANDLIN. Mr. Chairman, how does the time stand?

The CHAIRMAN. The gentleman from Texas has 1 hour and 23 minutes, and the gentleman from Iowa 45 minutes.

Mr. SANDLIN. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, on the 4th day of February of this year I made some remarks in the House on the urgent necessity of immediate amendments to the Bankhead Act for cotton control. Legislation for that purpose, instead of having been reported from the Committee on Agriculture in the early part of the month of January and considered by Congress before this time, as it should have been, has only reached the House through a report of the committee within the last few days. A rule has been granted for its consideration.

The bill H. R. 6424, introduced by my colleague, Mr. DOXEY, of Mississippi, was reported on the 8th of March from the Committee on Agriculture, and has at last some prospect of receiving consideration by the House of Representatives.

I wish I could be more positive in my statement that it will be considered. But, unfortunately, it appears that there are some gentlemen in the House who do not feel that any legislation should be enacted by Congress at this time changing in any particular the provisions of the Cotton Control Act, although the cotton farmers of the country were assured when they voted for the continuance of the act for the next season that amendments would be brought about. Their attitude is in accord with that of authorities of the Department of Agriculture, who do not wish to risk any sort of congressional consideration of this matter at this time.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. TARVER. Not at this time. One of the amendments promised, and only one, because there were several, either expressly or impliedly promised just before the vote on the Bankhead Act, had to do with the amount of reasonable exemption of tax-free cotton which should be provided to the individual farmer. Such exemption manifestly cannot be provided except by legislation. The Department of Agriculture, the triple A part of that Department, which is handling this problem, have not arrived at a conclusion in their own minds, or had not when their representatives last testified before congressional committees, as to whether or not they have the authority under existing law to provide for the small 2-bale exemption which had been promised by the President of the United States a few days before the vote on the Cotton Control Act was had.

It seems to me that any man who can qualify as a competent lawyer, if he would read section 7 (3) of the Cotton Control Act under which they have this authority, if they have it at all, must necessarily arrive at the conclusion that no such authority exists under the law on the part of these administrative officials, and that no sort of an exemption can be provided for the small farmer or the small farm unless additional legislation is enacted by Congress for that purpose. However, waiving that question, it appears from the testimony of Mr. C. A. Cobb, director of the cotton section, delivered before the Subcommittee on Agriculture of the Committee on Appropriations, which reported the bill now before the House, that these administrative authorities have no purpose to provide for an exemption to the individual farmer, but that their purpose is to provide for a two-bale exemption only to the individual farm. On the individual farm there may be and will be in many cases more than one farmer, so that the small exemption of two bales thus secured, if the policies of the triple A are carried out, will have to be in many instances divided between two or more farmers. Not only that, Mr. Chairman, but I had the pleasure or, rather, the sadness of listening to the testimony of Mr. Cobb before the Committee on Agriculture, which reported H. R. 6424, and I was surprised to hear him say at that time—I do not know whether his statement appears in the hearings or whether the hearings have been published—that no man is a farmer unless he owns land, that the thousands of tenants and share-croppers who consti-

tute the majority of the agricultural population of my section are not farmers. According to the definition of a farmer given by Mr. Cobb, namely, each owner of a farm unit, I was surprised to find that I, who have for many years lived in a city and been engaged in the practice of law, by reason of the ownership or control of five small farms am, in effect, five farmers, but that these tenants and share-croppers who have during these years been cultivating those lands are not farmers at all. It is something which indicates, regrettably, the lack of sympathy for the small farmer which exists on the part of some of those who are in charge of this compulsory program. Their attitude must be corrected by the Congress or the thousands of injustices which were done to the poor tenants and other small farmers in the South during the last year will be repeated and perhaps in a harsher way during the ensuing marketing season.

Mr. Chairman, in view of the fact that there is hope for an early consideration of H. R. 6424, I ask unanimous consent to include in the RECORD at this point, as a part of my remarks, the testimony delivered by Mr. Cobb, director of the cotton section of the triple A, before the Subcommittee on Agriculture of the Committee on Appropriations, relating to the cotton-control program for the present year, and the intention of the administrative authority as to the methods of its enforcement.

The CHAIRMAN. Without objection, it is so ordered.
There was no objection.

OBJECTIVE OF 1935 PROGRAM

Mr. TARVER. Mr. Cobb, you are the director of the cotton section?

Mr. COBB. Yes, sir.

Mr. TARVER. I would be glad if you would give the committee a picture, first, of what is contemplated in reference to the voluntary acreage-reduction program for the present year, and what steps are being taken to carry it on. Give us, with as much brevity as you can, a picture of the program that you have in mind.

Mr. COBB. The objective of the 1935 voluntary program is to further reduce the carry-over, which at the present time is approximately eight and a half million bales, by another million bales, by August 1, 1936. To enable us to do that it would be necessary to achieve a reduction in the basic acreage of approximately 35 percent. Our aim last year was 40 percent, and we actually took out between 38 and 39 percent. This year we will try to bring about a reduction of 35 percent. Payments up to 35 percent will be at the rate of 3½ cents rental per pound of cotton taken out and kept out of production, and 1¼ cents per pound parity payments.

On an average that will represent approximately \$3.60.

Mr. TARVER. You are using for that purpose some contracts that were executed last year which do not have to be renewed, and you are also seeking additional contracts from those who were non-signers last year?

Mr. COBB. The rental benefits I have just referred to will be paid under 1934 and 1935 contracts that are now in force and any new contracts that will be taken this spring.

Mr. TARVER. What opportunity is being afforded to those who did not sign last year to secure the benefits of these contracts for the year 1935?

Mr. COBB. They will be permitted to sign contracts this year.

Mr. TARVER. Is that program being carried on now by submitting such contracts to them for signature?

Mr. COBB. The contract forms are going to the field this week for that purpose.

Mr. TARVER. You expect to give the opportunity to any of these non-signers to join the program within a short period of time?

Mr. COBB. Before planting time. Every producer who has not signed a contract will have the opportunity to sign a contract between now and planting time.

Mr. TARVER. There is one thing which I wonder whether you are giving sufficient consideration to. The expense to the farmer does not begin with planting time. It begins with the time, oftentimes several months before planting time, when he begins the preparation of his land for cultivation. There are many farmers in the South who today are engaged in turning the soil and placing it in proper condition for cultivation.

Ought not steps have been taken, and if they have not been taken, ought they not now be taken as promptly as possible, to afford these men an opportunity to sign these contracts before they have proceeded too far with their preparations for the crop in 1935?

Mr. COBB. Steps are being taken as rapidly as possible to give them an opportunity to sign contracts at the earliest possible date. This should be said, that for a considerable period of time the cotton producers throughout the entire Cotton Belt have known of the essentials of the program, and what, under the contract, they would be able to do in 1935, and they have had, as a source of information, the local committeemen who are entirely familiar with the contract, and the county committeemen who are also familiar with the contract.

Mr. TARVER. You are speaking of the voluntary acreage-reduction contract, but your remarks might be broad enough to be considered to mean that they know what they would be permitted to produce under the Bankhead Act.

I was interested in listening to your remarks before the Committee on Agriculture this morning, and I reached the conclusion that not only the farmers do not know what they will be permitted to do, but you do not know what they will be permitted to do, so far as the enforcement of the Bankhead Act is concerned.

You stated that you had arrived at no definite conclusion with reference to your authority to provide for exemptions. You stated you were hopeful of working out your plan and the amount, but apparently the details of that have not been perfected. There were other features of the problem as to which you expressed hope and confidence as to being able to effect a solution of the difficulties that have arisen in connection with the conditions we have.

But I judged from your remarks that you are not yet ready to present to the cotton farmers of the South a statement of exactly what will be required of them during the present year; is that true?

Mr. COBB. The fact is this, Judge TARVER. When the President made his commitment that there would be a minimum two-bale allotment, we went to work on that basis, and the producers throughout the South do understand, and have since that time understood that there was going to be a minimum two-bale allotment, and we have proceeded on the basis that there would be a minimum two-bale allotment. We have set up our entire program with that in prospect. We think we can do it without additional legislation.

Mr. TARVER. But you are not sure?

Mr. COBB. So far as we are concerned, we are reasonably sure. We are going to do it, and if we get in jail for doing it, we will have to ask you gentlemen to get us out of jail.

Mr. TARVER. But you cannot do it without legal authority to do it.

Mr. COBB. We think we have the legal authority.

Mr. TARVER. Who told you that you have the legal authority?

Mr. COBB. The solicitor, Seth Thomas, would be the authority in that case.

Mr. TARVER. Has he advised you that you have the authority under section 7 (3)?

Mr. COBB. He has not advised us that; we do not have the authority, but he wishes to explore the matter a little bit further.

Mr. TARVER. In other words, he has not yet arrived at a decision?

Mr. COBB. The decision that the cotton section has arrived at is that we are going to make a minimum two-bale allotment.

Mr. TARVER. Whether you have the authority to do so or not?

Mr. COBB. We are going to have the authority. If we do not now have the authority, I take it that Congress wants us to have it, as there seems to be a unanimous agreement that we should have it, and that they will give us the authority. We are going ahead and we will be ready long before planting time to carry the thing out.

Mr. TARVER. You have not any basis for concluding that Congress will be in favor of a two-bale exemption rather than a three-bale exemption, have you?

Mr. COBB. I take it that Congress would give us the authority to go ahead with that amount.

Mr. TARVER. Sometime.

Mr. COBB. Sometime.

Mr. TARVER. Of some type.

Mr. COBB. Yes; of some type.

Mr. TARVER. The section of the Bankhead Act upon which you rely as your authority provides that—

"Upon such basis as the Secretary of Agriculture deems fair and just, and will apply to all farms to which the allotment is made under this paragraph uniformly within the county, on the basis or classification adopted."

It seems clear to my mind that you have no authority under this section to provide for the exemption of a certain type of farm from the provision made applicable to an entire State or to the entire Cotton Belt. There would certainly be a lack of uniformity, and I cannot conceive of any competent attorney who would say you have the authority under this provision.

Mr. COBB. I think under this provision we do have authority, but that is a matter of law which I am not competent to argue.

Mr. TARVER. You speak of a 2-bale exemption in the statement of the President. The statement that the President issued shortly before election on the Bankhead Act was, it would seem, indefinite as to whether or not this exemption would apply to the farmer or to the farm. There are many farms which might have a base average in a 5-year period of 2 bales or less upon which there might be located 2, 3, or 4 families of tenants. An exemption for that farm of 2 bales of cotton to be divided among 2, 3, or 4 tenants would not be a remedy for the distress that has arisen among the small cotton producers of the South in the administration of this act. But you have in mind, I take it, an exemption to the farm alone, without regard to how many families may live on the farm.

Mr. COBB. That is right; our allotment would be 2 bales to the farm, which would work out, not merely as affecting 2-bale producers, but it would affect all producers from 2 bales up to 3 bales. If you would like to know how it works out in that way, I will be very glad to tell you.

Mr. TARVER. Yes; I wish you would.

Mr. COBB. If a 2½-bale producer is the signer of a contract, and he is required to take out 35 percent of his acreage, that percentage of his acreage would reduce his allotment below 2 bales of cotton. If it reduces the allotment below 2 bales of cotton, and

we refuse to give him 2 bales, we would be placed in the position of giving a much smaller producer an allotment of tax-free cotton beyond that of the larger producers.

So you go beyond 2 bales into a brand new field of production in such an allotment limit. How far we would go in that we ourselves do not yet quite know. We are making tabulations on that now. Mr. Gaston can give you more detailed information on that point.

Mr. TARVER. I heard his statement this morning.

You are proposing also to set up appellate procedure; I heard your discussion regarding that and will not ask you to go over that.

Mr. COBB. To set up what?

Mr. TARVER. An appellate procedure for the producers that are dissatisfied with the allocation made by the county committee.

Last year, while I am not sure as to the exact number of complaints which I transmitted to the State allotment board of Georgia for constituents of mine, my opinion would be that they would run in excess of a thousand.

Assuming that that might be a fair average for every congressional district in my State, a total of 10,000 appeals might be expected. It would be humanly impossible for the State allotment board, which you state under your plan would constitute an appellate board under the provisions of the Bankhead Act, to dispose of that large number of appeals, even if they consider only the written records and do not undertake to make an investigation, de novo, as you stated was in contemplation.

And assuming that you did provide appropriate appellate procedure so that all appeals might receive consideration within a reasonable time, we have now arrived at the last week in the month of February. These allocations cannot possibly be made for, I should say, a couple of months; would that be a reasonable length of time for the county committees to act?

Mr. COBB. By the middle of April; that would take care of everybody in the belt.

Mr. TARVER. Appeals that might be instituted, if instituted in the volume which I have indicated as possible, would clog the appellate machinery to the point where decisions by the appellate authority might not be expected in all cases until probably late in the summer.

Mr. COBB. On that point—

Mr. TARVER. (Interposing). In the meantime, the farmer has to prepare his land and plant his crop. He does not know how much cotton will be finally allocated to him. He is proceeding absolutely in the dark.

Do you not think there ought to have been greater speed on the part of your agency in promulgating your regulations which you wish to promulgate under the authority of the Bankhead Act, and in making these allocations?

In other words, Mr. Cobb, I am taking the position that the cotton farmer—this act having been signed and made effective on April 21, 1934—is entitled to know, not only before he plants his crop but before he prepares his land for planting, what allocation has been given him for the year 1935. The program which does not give him that information until long after he has gone to the expense and labor necessary to prepare the ground and plant, and at least partially cultivate his crop, seems to me to be unduly lagging.

Mr. COBB. On that point let me say this: That our program had to be worked out, first, in the light of what the carry-over would be as of August 1, 1935. And it had to be worked out in the light of the consumption possibilities here and the consumption possibilities abroad. We could not get the exact data in time to develop the facts upon which we had to base our 1936 program before the end of the year. We developed those facts as quickly as it was possible, and even then not having full information, and in order to get in the field at the present time we have had to use the best estimates, in some cases, that were possible.

As to the question of the appeals, we have from now until ginning time to correct any problem that may be involved.

When a producer knows what his acreage will be, when he knows what he can get, tax free, under the Bankhead Act—and that his tax-free ginnings will approximate or equal the permitted production on his farm—he will know when he signs his contract, or the day his contract is amended, if it is amended, what his allotment will be.

Mr. TARVER. At that point, when he signs his voluntary acreage-reduction contract, he does not have any idea what will be allowed to market.

Mr. COBB. He will be told what his allotment will approximate, what he is permitted to produce under his contract.

Mr. TARVER. He was told that last year, but it did not turn out to be that way.

Mr. COBB. The allotments were not worked out in connection with the voluntary program last year. That program had been in effect many months before the Bankhead Act became law.

Mr. TARVER. I am surprised by your statement that the farmer does not need to know until ginning time about the results of his appeal.

Mr. COBB. I did not say that.

Mr. TARVER. How can he know, unless he knows in advance that his appeal will be disallowed, what his allotment will be?

Mr. COBB. He knows at planting time that his allotment will be approximately what he has in his contract. If he is not satisfied with that, if he feels like taking an appeal from the decision of the county committee, he has from now until the time they commence ginning to argue the thing out, because the ginning tickets will not be issued or needed immediately.

Mr. TARVER. How about the farmer who does not sign a contract; how will he know anything about it?

Mr. COBB. He knows that his Bankhead allotment will be arrived at in the same manner as if he were under contract. They all know that.

Mr. TARVER. In the light of his experience last year—and I know that is the theory—he would not know that that is an actual fact, by any means, because in many hundreds of cases called to my attention that procedure was not followed.

Mr. COBB. Only a new producer would not know that, but even he will be given an opportunity to know that as early as possible.

Only the man who did not produce cotton last year and who did not last year make application for a Bankhead allotment will be the man who does not know; but it will all be worked out by ginning time at least.

Mr. TARVER. I was interested in your statement before the Committee on Agriculture this morning with reference to your not having had an appellate procedure last year.

I communicated with the office of the Secretary of Agriculture a number of times with regard to the proper procedure in submitting complaints of those who were dissatisfied with the allocations made to them, and was advised that those complaints should be submitted to the State allotment board in Georgia.

The chairman of the State allotment board called me over the long distance phone and advised me to send these complaints to him and assured me that they would have consideration.

I sent to him, as I stated a while ago, perhaps something over a thousand of these complaints, setting out the various reasons why those producers felt that an injustice had been done them.

Not until some months later was I informed that there was no appellate procedure, that nobody except the county committee had anything to do with correcting injustices.

Was that procedure generally followed throughout the South, of advising people to submit complaints, and then thereafter advising them that nothing could be done with their complaints, however justified?

Mr. COBB. There was no machinery set up last year. As I stated this morning, there was no appeals board, and there was no appeal system worked out, and those appeals were settled with the best information and the best judgment that could be used, in the very limited time we had.

I think that in this discussion we will have to keep in mind the fact that the Bankhead Act became a law long after most of the crop had been planted; and, relatively speaking, we had no time in which to get the operation under the Bankhead Act under way and get the details of its operation out to the field. We therefore did not have the time like under most normal circumstances we should have had and that, in my judgment, we must have in the future to make appeals and to work those appeals out in a manner that would do justice to everyone concerned.

Mr. TARVER. Then, why should the people have been advised, as I was advised, that the proper procedure was to submit those complaints to the State allotment boards, when the State allotment boards had no authority to rectify errors?

Mr. COBB. You were correctly advised.

Mr. TARVER. Did those boards have authority to rectify errors?

Mr. COBB. Those boards had authority to rectify errors that could be demonstrated to be errors, but there is a difference between a complaint and a demonstrable error. Now, there were just millions of complaints, very few of which were based on demonstrable error.

Mr. TARVER. Now, I must assume, in view of the fact that they did not correct any of the complaints in the more than a thousand cases, which, according to my recollection, I submitted to them, therefore, in none of those cases was there demonstrable error.

Mr. COBB. Are you sure, Mr. TARVER, that no error that was submitted from your district was corrected?

Mr. TARVER. If any error that was reported in any of those cases was ever corrected, I was never advised to that effect.

Mr. COBB. I would just like to have the definite information on that, because I would like to know more about it, so that we will be able to work it out.

Mr. Gaston is here from the State allotment board, and I will be glad to have him make some statement in that connection.

COTTON CARRY-OVER

Mr. TARVER. I would like to have you give us information with regard to the cotton carry-over from last year.

Mr. COBB. The 1932-33 carry-over, as of August 1, 1933, was 10,600,000 bales.

The carry-over as of August 1, 1934, was approximately 8,500,000 bales. As of August 1, 1933, the carry-over was 10,600,000 bales. That was the world carry-over of American cotton.

Mr. TARVER. As of this time?

Mr. COBB. For this year, Judge TARVER, to give the complete story, as of August 1, this year, the carry-over will be approximately 8,500,000 bales.

Mr. SANDLIN. You mean as of August 1, 1935?

Mr. COBB. That is as of August 1, 1935, it will be 8,500,000 bales.

Mr. SANDLIN. The carry-over at that time will be approximately 8,500,000 bales?

Mr. COBB. That is right. That is the prospect.

ALLOCATIONS UNDER PRESENT PROGRAM

Mr. TARVER. Now, about the time that the vote was had on the Bankhead Act, a statement was given to the press by the Secretary of Agriculture, indicating that he thought the crop for 1935 should be fixed at about 13,000,000 bales.

I assume, of course, that the opinion expressed by the Secretary of Agriculture was based upon information given to him through your agency; and I would like to know what new facts came to the attention of the Department between the time of the issuance of that statement and the time that the crop was fixed at ten and a half million bales, which caused the reduction of two and a half million bales from the amount which had been previously indicated by the Secretary of Agriculture as the probable fixation for 1935.

Mr. COBB. I do not recall, Judge TARVER, that the Secretary made precisely that statement, that—

Mr. TARVER. I am not sure I recollect it in detail, but that is my recollection, substantially, of what was in the news item I saw in the papers. Of course, the Secretary may not have been responsible for that.

Mr. COBB. There was this discussion, which I think perhaps you have in mind: That, if we did not take out a greater percentage of reduction than that written into the contracts, 25 percent, that there might be in prospect a yield that would run around 13,000,000 bales.

Mr. TARVER. Was the opinion not also expressed that 25 percent would be sufficient percentage to take out of production?

Mr. COBB. No, sir. I do not know of anybody who had made that statement authoritatively.

Mr. TARVER. I think that the news item I saw stated that the opinion was expressed that 25 percent would be sufficient. I will not be positive in that statement, because I do not have the news item before me.

Mr. COBB. I think that the Secretary said that that was the maximum that we could take out under the contract, that we could require under the contract; and it would be something like the result.

Mr. TARVER. I am receiving hundreds of letters from constituents in my district who state that they have been refused the privilege of renting lands from the landlords for the present year, by reason of the fact that the landlords have decided to produce what cotton is allocated to their farms by themselves, and to use hired labor; and that, while they are not dissatisfied with their relationship with the tenants, yet, for this reason, they have found it impossible to rent them any land for 1935; and that, due to this fact, these tenants, by the hundreds, have been put in the bread lines and on the relief rolls; and they are, as you will readily understand, in very distressful circumstances.

Now, would it not be possible to effect some change in the operations under the Bankhead Act by which there might be an allocation of cotton, at least partly, to the man instead of altogether to the land, so that there might be some inducement to the landlords to continue to rent some of their cotton lands to these tenants, and thereby afford them a means of making a livelihood for themselves and their families?

So long as the allocation is altogether based upon the land, it puts a premium on the conduct of unconscionable landlords in ousting their tenants in order to receive these benefits for themselves alone.

Mr. COBB. Our examinations, Judge TARVER, do not bear out the statements that thousands and thousands of tenants are being dispossessed by their landlords in order to obtain these benefits.

We had a similar statement from North Carolina, only they claimed that it was 10,000, I believe. When the report was run down, we found that there was something less than a thousand of those men who had been growing cotton in 1933. On the whole, I think there will be more tenants on the cotton farms this year than last because of the increased number of tenants in the Cotton Belt. Our examinations, almost without exception, indicate that there will be a net increase rather than a net decrease in the number of tenants on cotton farms.

Mr. TARVER. That condition does not exist in my section. I made the statement a while ago that I have had tenants communicate with me along the lines indicated, advisedly. I know whereof I speak; and, so far as my section is concerned, your statement that there will be more tenants on the cotton farms this year than there were last year is not well founded.

Mr. COBB. You do not believe that is true, that there are more tenants?

Mr. TARVER. No, sir. Is it not possible to accord a 50-percent consideration to the man and 50-percent consideration to the land in making these allocations of cotton?

Mr. COBB. I might say, Judge TARVER, that the administration has sympathetically explored that possibility, and we have found no way administratively to handle allotments on such a basis, no administrative answer to the problems that would arise under that sort of scheme.

Mr. TARVER. Would it not be just as easy for your county committees to estimate the 5-year base average of the man as it is for your county committees to estimate the 5-year base average of the land? They have to depend entirely upon the statements made to them by the farmers anyway in fixing the allotment.

Mr. COBB. That could be done after a fashion, Judge TARVER, but you would have this, and your section would lose by it. If the history went with the man, then the man that had—those who have these millions of acres of land, that they would like to bring into cotton, could bring in these producers, who have cotton history on all lands, and in that way open up a vast new acreage that would destroy the result of our program.

Mr. TARVER. If the total amount of production was limited to a certain stated amount, I do not see how that consequence would follow.

Mr. COBB. They could go outside, to the noncooperating land. That is the first big problem.

Mr. TARVER. But if the benefit of the tax-exemption certificates issued by the Government was only for 10,500,000 bales, it would not make any difference what land was in cotton, because any cotton produced in excess of 10,500,000 bales would not have the benefit of the tax exemption.

Mr. COBB. But then you would be taking it away from the man who has cotton history and giving it to the man who has no cotton history. The land is the only fixed basis for reaching a decision, and when you move away from a fixed basis for a decision, why, you introduce problems for which we have been entirely unable to find an answer.

Mr. TARVER. I have seen so much distress during the past year on the part of men who had received allocations of 70, 150, 250 pounds of cotton. At times the allocations were justified; that is true; and they had been fixed under the machinery that was provided.

I have been very deeply interested in the making of some effort, either through your agency or through Congress, to remedy that condition. We must realize that these men who are suffering are not, as a rule, influential men. They, as a rule, do not have the influence with the county committees that the more prominent farmers and landowners have, although they may be in a very great minority, and although there may be, instead of thousands, a much smaller number of them. Whether large or small in number, they are entitled to protection.

Mr. COBB. We have a great deal of sympathy for their position.

Mr. TARVER. If there is policy of the Government, it seems to me, that fails to take into account their situation and brings about the imposition on them of great and severe hardships—that lack of sympathy ought to be corrected in some way.

Mr. COBB. The Agricultural Adjustment Administration is most sympathetic with those particular individuals that you have in mind; and it is for that reason that we felt it desirable to make a minimum allotment, although it involves administrative difficulties that are almost insuperable.

Mr. TARVER. That minimum exemption does not help the tenant farmer. The minimum exemption, as you contemplate it, applies to the land only and it does not in any way benefit the tenant farmer, who represents the majority of the farmers of my district. They are not materially helped by that. The landlords will get all the benefit of that—the men who own the land. And the man who owns no land, but yet has, throughout his life, made his living by raising cotton, will be cast into outer darkness, unless some provision is made to allocate at least a part of the benefits to the man.

Mr. COBB. A bale of cotton including seed last year, after the tax was paid on it, was worth approximately \$60; and that is to be compared to a bale of cotton including seed that was worth approximately \$37 in 1932 and \$56 in 1933. So that, after they, with purchased excess certificates, paid their taxes on their cotton, they still had a better bale of cotton by some \$4 than they had in 1933 without this program and the Bankhead Act. I cannot quite see how a man can be ruined when he is enjoying the resulting better opportunities due to increased income, whether he is a tenant or whatever his classification may be.

Mr. TARVER. He also has to pay very much higher prices for his meat, on account of the hog-processing tax; and he has to pay much higher prices for his bread, on account of the corn- and wheat-processing taxes. He has to pay higher prices for all other necessities of life, because of the increase which has occurred in the value of industrial products. So that, after all of these things are taken into consideration, the 8 cents per pound to which you made reference will have dwindled very materially.

EFFORTS BEING MADE TO CORRECT INJUSTICES

I wish to make it clear that I feel that great benefits have been enjoyed through the operation of the Agricultural Adjustment program; and the remarks that I am making are not made in an effort to discredit that program, but because I feel that there are features of it which are unjustifiable and which ought to be corrected, for the common good.

Mr. COBB. We recognize that, Judge TARVER, and just as practically, just as rapidly, as we know how to find the ways and means to correct these injustices, we are attempting to do that.

Now, let me say further, about your tenants—

Mr. TARVER. May I say further, in that connection, just at this time, I think that, so far as these mistakes in allocation, to which I have made reference and which I am sure have existed by the many hundreds, if not thousands, in my district alone—they are not on account of the fault of any administrative agency. I feel that most of our county committees have done the best they could to be fair, but they have not found it humanly possible to arrive at the correct facts. They have not the facilities. One farmer comes in and reports his production for the 5-year base period at twice as much as he has actually produced; and I am sure that has been done in many instances. The committee has no authority to call witnesses and determine the facts. So they make an allocation to him on the basis of his report. Another man comes in and makes an honest report on his production for that same period and he receives an allocation of half as much in proportion on the basis of his honest returns.

When the county committee has made all the allocations, a report is then made to the State board, which, in effect, says to the county committee, "You have allocated cotton-exemption certificates in excess of the total amount allocated to your county, by 17, 20, or 25 percent. Therefore, we will cut down every allocation by

17 or 20 or 25 percent, as the case may be." In some cases in my district that figure ran as high as 30 percent; and the result has been to inflict a terrible hardship on the man who has made an honest report, although the man who has made a dishonest report still gets a larger allocation than he is fairly entitled to receive. In my judgment, it is not humanly possible to fully correct that.

Mr. COBB. Do I understand you to say that our troubles grew out of the dishonest reports on the part of your constituents down there?

Mr. TARVER. It is not in my district alone but throughout the Cotton Belt, in part due to the dishonesty of some of them; and you have got them in every State. You are from Georgia, and you know we have some of them down there. We have honest men and dishonest men, just like there are everywhere else in the world. Therefore, it is necessary to take that into account, and it adds to the difficulties of the situation.

Now, you did not work out a plan last year, and I believe that it was not humanly possible to work out a plan, by which you could arrive at justice in all of these cases. But I did hope that you would be able to work out something better for this year, which would correct many of these injustices.

Mr. COBB. We think that we are doing that. We recognize that there have been inequities. We recognize that there have been injustices, and some of them grew out of the very thing that you have been talking about.

I want to say this in connection with the matter of dishonest reports, that most of this is due to a memory bias and not absolute dishonesty. When producers have no actual figures to go on, a memory bias actually pushes their estimates above the point at which their figures would rest if they had actual, accurate figures. We realize that and we have done the best that we could to make proper correction, under almost insuperable difficulties. We have time this year that we did not have last year, and we are now doing all we can to correct these errors. Our people know something about it this year, which they did not know last year; and, knowing something about it, there is not only an earnest desire but an honest attempt to correct these injustices; and many of them will be corrected.

I did want to say this about the tenant situation a while ago, that many of the tenants got the free use of the Government land this year, to produce their corn and other crops that you were talking about a while ago.

Mr. TARVER. A great many of them did not. A great many of the farmers who signed the acreage-reduction contracts refused to let the tenants have the use of these lands. Some tenants did not in fact have the use of the land and it did not seem to be possible to do anything about it in these cases called to my attention.

Mr. COBB. In some of the cases it was not possible to do anything about it; but generally, I think, those who have signed contracts have carried out their contracts with reasonable faithfulness. This year we are making a second rental payment, as we did last year. If these tenants are being dispossessed, as you say they are, then, when these farmers come to swear to their compliances in the middle of the summer, they are going to have to state the truth about them, or else they and their neighbors who make up these communities will have to swear to deliberate falsehoods. Our compliance system will, in a measure, correct the difficulties you point out; and, as a result of that, we think there is going to be a minimum movement of tenants.

I think those of us who are familiar with the system know that there is a normal movement of tenants every year. Now, under this program, I think that most of that movement is credited to the program rather than to the normal movement of tenants.

PROBLEMS CONCERNING THE MANAGING-SHARE TENANT

Mr. TARVER. I wish to discuss a provision in your contract which requires a payment to managing-share tenants of one-half of the rentals received from the Government. There has been in some instances a disposition on the part of some of the landlords to avoid their responsibilities in that matter.

As stated in the contract, the managing-share tenant is the man who furnishes his own stock and equipment, and many tenants of that character in my district have been refused by their landlords participation in the rental benefits received under the cotton acreage reduction contract. Now, when that matter has been called to the attention of the Agricultural Adjustment Administration, relief has been afforded in only a very few instances.

But what I have in mind, however, is not so much what was done last year along that line as what may be done this year. A farmer, for example, may have rented to his neighbor's tenant for this year and may have contracted with him that he should only plant a certain number of acres in cotton. That farmer in a great many instances will claim that no cotton was taken from this tenant's crop for rental to the Government. He was rented 5 acres of land; that was the first contract with him, for planting in cotton, and he has been permitted to plant that; and therefore he is not entitled to receive any rental benefits.

What will be the policy of the Agricultural Adjustment Administration and what consideration will they give to such an instance as that?

Mr. COBB. I think you would have to put that in writing, Judge, probably to get it clearly before us. If I understand the question, the same definition for a managing-share tenant will be used this year as was used last year, which is to this effect, that a managing-share tenant is a tenant who furnishes the livestock and the implements and manages the operation of the farm; which means—as if he were the sole owner.

Mr. TARVER. Well, suppose he only has part of the farm rented and suppose that no land has been actually taken from his crop, because he was only rented a certain number of acres for planting in cotton, would he get an allowance?

Mr. COBB. I think that I would have to have that plotted, so that I could get it.

Mr. TARVER. I do not think that any adequate steps have been taken to protect the interests of the managing-share tenant arising under these contracts. The landlords are always, at least they are usually, men of greater influence than the tenants on their farms; and the administration of these matters is left to the county committees; and injustices frequently result; and there ought to be some method of appeal from the decisions of the county committees in such matters.

Mr. SANDLIN. Is it not a fact that the Administration is compelled to, in a large extent, depend upon the honesty and integrity and fair-mindedness of the local people?

Mr. TARVER. I think that is necessarily true.

Mr. SANDLIN. And is it not extremely difficult for the Administration here in Washington to handle such problems?

Mr. TARVER. It is very difficult for the Administration in Washington to handle such problems. But, while possible mistakes occur, there ought to be some power to remedy those mistakes.

Mr. SANDLIN. You have to depend on folks to tell you the truth about it and act fairly. If those folks are not truthful and honest you cannot do it.

I would like for Mr. Oscar Johnston to put into the record, before he goes, a statement showing by whom this surplus cotton was sold.

Mr. COBB. I just want to say this before we close, that I would like to have Judge TARVER understand, as well as the rest of you, that we are entirely sympathetic with any suggestion in the world that will help us to administer the program more equitably and more fairly, in any manner that will do more quickly and more effectively the thing that we have set about to achieve, and that is to increase the purchasing power of the farmer.

Mr. THOM. Outside Judge TARVER's district, is there a lot of complaint of distress growing out of the cotton-reduction program, in the way of unemployment of hired hands and losses to croppers and tenants, and so forth?

Mr. COBB. We have not been able to discover it in the examination that our workers have made and that the relief workers have made in Mr. Hopkins' department.

I will say this: That at the present time we are engaged in making a check-up of every cotton-growing community in the Cotton Belt to see exactly what truth there is in these statements.

Mr. THOM. Was not a survey of that made by Mr. Hoover, of the Duke University? I think I read a synopsis of a survey that he had made as to the displacement of workers resulting from the cotton-reduction program and that it was slight.

Mr. COBB. I believe his conclusion was that there had been no great displacement.

Mr. TARVER. Did you see a report made by some Government agent in which she compared the conditions in Arkansas to those resulting in Belgium when the Germans were going through that territory—of people who were out on the roads and had no homes?

Mr. COBB. I did not see those reports and, if there have been cases of that kind—

Mr. TARVER. There are said to have been right in that territory.

Mr. COBB. I do not think they have, and, at any rate, I think we are getting into something that does not relate to the cotton-reduction program—

Mr. TARVER. Wait a minute. All I know is, as Will Rogers says, what I see in the newspapers. Now, I have been reading where in Arkansas there has been a threat of serious rioting due to the discontent of the sharecroppers.

Mr. COBB. In every case where we have made an examination there has been an increase rather than a net decrease in the number of tenants.

Mr. TARVER. Have you given any particular consideration to the Arkansas situation?

Mr. COBB. What particular situation or area do you have in mind?

Mr. TARVER. I have no particular area in mind. All I have in mind is the newspaper report which I have seen.

Mr. COBB. All I can give you is actual facts that have been reported; and with regard to the actual facts, they do not bear out the proposition that there has been a net decrease in the number of tenants.

Mr. TARVER. My questions have been directed to the general situation in the South, with which I am more or less familiar, and not entirely to the situation in my district; and all I have been asking is with no other view than to contribute something to the solution of certain serious problems that undoubtedly exist.

Mr. THOM. When I asked the question, I had in mind your testimony that certain conditions existed in your district; and I made a very fair inquiry as to whether that was the general condition outside of the district to which you referred. I am interested in correcting any condition that unfavorably affects your farmers.

Mr. COBB. Mr. J. Phil Campbell has made a very wide survey throughout the South in connection with the rural relief people, and the only single case that would apparently indicate any net displacements of tenants is in your State, Mr. SANDLIN, and I think that probably some hundred or more tenants in the entire State are displaced, though I do not know that that is a fact.

STATISTICS ON COTTON HOLDINGS

Mr. SANDLIN. Mr. Johnston, will you please put into the record a statement showing cotton held under this surplus measure, and by whom?

Mr. JOHNSTON. The surplus as of August 1, 1934, being the beginning of the present cotton-marketing fiscal year, and using 478-pound bales, was, in round figures, 10,600,000.

Up to January of this year, and giving consideration to the ginnings, and related only to the cotton in America—and that I just gave you was the world carry-over—the carry-over was 7,547,700 bales.

The production of the ginnings from the current crop of 1934 up to January 16, 1935, was 9,380,000 bales, which makes a total supply at that time of 16,928,000 bales.

There have been exported from the United States, up to that date, 2,864,000 bales.

There have been consumed, in American mills, of American cotton, 2,612,000 bales.

There were reported on hand in consuming establishments 1,149,000 bales.

That gives a net stock of cotton on hand of 6,626,000 bales.

Of the Government-financed cotton, in the producers' pool, there were on hand for the month of January 1935, 1,552,000 bales. That is in the 1933 cotton-producers' pool, under the management of the manager of the cotton pool, under the direction of the Secretary of Agriculture.

Mr. TARVER. How much was there in the pool?

Mr. JOHNSTON. There were 1,552,000 bales.

The legal title to that cotton is in the Department of Agriculture. The beneficial interest in that cotton was in approximately 450,000 or 400,000 producers, to whom there had been advanced 4 cents per pound. The cotton had been sold to them at 6 cents per pound, on credit, and a lien retained by the Secretary to secure the collection of 6 cents. Four cents additional had been borrowed against the cotton and advanced to the producers, so that there was a total lien of 10 cents per pound; and since that time 2 cents per pound additional has been borrowed.

From that there had been deducted 2 cents carrying charges from February 1, 1934, to October 1, 1933, amounting to \$2.40 per hundred; and the difference of \$7.60 per hundred, most of it, about 90 percent, has been remitted, and the balance of 10 percent is now in the process of being remitted, as they send in their certificates under the 10-cent loan.

Cotton, of which we hear a good deal is the 1933 crop, against which the Government advanced 10 cents per pound by way of a loan to the producer.

There were 109,800 bales under that law.

Under the 12-cent loan of 1934, against which the Government, through the Reconstruction Finance Corporation, has advanced 12 cents per pound, there were 3,941,000 bales.

That gives a total of cotton in the pool, upon which the Government holds a lien on account of loans, of 5,602,000 bales.

That left a total of free cotton in America, for the open market, against which there are no liens, of 4,699,000 bales in January 1935.

There is an apparent supply aggregating 11,901,000 bales of American cotton in America to carry over for the next 9 months until the 1935 crop comes into existence.

Mr. THOM. What is the gold price of cotton in London now?

Mr. JOHNSTON. Have you a figure on that? It's about 7½ cents. I think that will be as close as you can get to it.

Mr. TARVER. If there are no further questions, we thank you.

Mr. TARVER. Mr. Chairman, I call the attention of Members of the House, and especially those from the cotton-producing sections of our country, to the fact that we are going to have to make a fight if we even secure the privilege of having the House pass upon this proposed legislation. Our only chance for the immediate future will be for this House to complete the bill which it now has under consideration tomorrow, and then remain in session on Saturday. I know that the Members of the House like to have a Saturday holiday, but I certainly hope that in view of the distressful condition of thousands of the cotton farmers of this country, and on account of the millions of people who are interested in this question, the House may be willing for 1 week-end to forego its Saturday vacation, to meet here for the purpose of considering necessary amendments to the Cotton Control Act.

Mr. MOTT. Mr. Chairman, will the gentleman now yield?

Mr. TARVER. Yes.

Mr. MOTT. Does the gentleman recall the information or the statement sent out by the Secretary of Agriculture to the cotton growers at the time of the plebiscite taken for the purpose of indicating whether the cotton growers were in favor of the continuance of the Bankhead Control Act, and whether the Secretary of Agriculture stated at that time to those farmers that small farmers—those raising un-

der a minimum amount—would not be affected by the operation of the Bankhead cotton bill?

Mr. TARVER. I will not undertake to quote the Secretary of Agriculture in detail, but I do recall that county agents throughout the South, in expressing to the farmers themselves the purposes of the administration with regard to the continuation of this act, clearly indicated to the farmers that legislative amendments would be adopted by the Congress which would take care of the unfortunate situation of the small farmer, the tenant farmer and share-cropper; and the failure of Congress to enact legislation in accordance with the promises made apparently with administrative authority would be, in my judgment, a serious breach of trust.

Mr. MOTT. That was my understanding. Will the gentleman answer this, if he knows?—Is it not a fact that it was largely upon this statement given out to the cotton farmers by the Agricultural Department that the vote resulted in favor of a continuance of this legislation?

Mr. TARVER. Except for the assurance of the President with reference to the 2-bale exemption, which the farmers construed to mean an exemption to the farmer and not to the farm alone, except for the assurances which were issued by Secretary Wallace and by the thousands of county agents throughout the South as to the correction of injustices brought about in the administration of the Bankhead Act, no question exists in my mind that the farmers of the South would never have authorized the continuance of the act another year.

Mr. MOTT. That was my understanding.

Mr. TARVER. Now, do not misunderstand me. I am in hearty accord with the efforts of the administration to be of assistance to the farmers of the country, not only the cotton farmers but the wheat farmers, the hog farmers, and all other farmers. I desire that the program shall be successful, and I think that in many respects it has been successful, but I think these manifest errors which have resulted in cruelties to the small cotton producers of the country, to the tenants and share-croppers especially, should be corrected, and that those who are endeavoring to bring about their correction are the real friends of the administration.

Mr. MOTT. The gentleman has stated the facts to be as I thought they were. Would the gentleman answer this question?—In the gentleman's opinion, did the Secretary of Agriculture have any authority to promise or to represent to the small cotton farmers of the South that the Congress of the United States would take any action on that bill by way of exempting them?

Mr. TARVER. Of course, no administrative official of the Government is authorized to make any promise as to what may be done by the legislative branch, but having made the statements to which the gentleman refers, it does seem to me that the Secretary of Agriculture should be interested in doing anything that lies within his power to see that the promise made to those cotton farmers is given full credit by the Congress, and that the Congress does enact legislation along the lines which he indicated would be followed.

Mr. MOTT. I want to say that I am in favor of helping those small cotton farmers. I voted against the Bankhead cotton bill in the first place, because I thought it was wrong, and I am still opposed to it, but I think the Secretary of Agriculture is to be condemned for making statements to those small cotton farmers, telling them what the Congress of the United States would or would not do.

Mr. TARVER. The only thing in which I am interested at the present time is in the bringing about of some legislation which will relieve the distressful conditions in the South affecting so many of our people. The matter has been too long delayed. In many sections of the South the farmers are already beginning planting of the cotton crop for the present year. Before long, planting will have begun in all sections.

Those men are entitled to know, even before they begin the preparation of their lands for planting, just what they may

depend on for the year 1935, and at the time that Mr. Cobb appeared before the Subcommittee on Agriculture of the Appropriations Committee, of which I am a member, he was not himself in possession of the details of the program contemplated for the present year. Although the public press indicates that he may have come to a definite conclusion concerning that program since that time, he has delivered no statement to any committee of this House indicating that such conclusion has been reached. So he himself is in doubt even as to his authority to provide for a 2-bale exemption to each farm, and the doubt ought to be legislatively dissolved so that the cotton farmers of the country will be advised as to just what is expected of them, and it ought to be done at the earliest possible moment.

[Here the gavel fell.]

Mr. SANDLIN. Mr. Chairman, I yield 8 minutes to the gentleman from Ohio [Mr. THOM].

Mr. THOM. Mr. Chairman, as a member of the subcommittee of the House Appropriations Committee dealing particularly with the supply bill for the Department of Agriculture, I desire to address myself to a discussion of the new role which the Department now plays in its treatment of agricultural problems.

In approaching this task, it is well to make plain that I am not a farmer, although I live in a district where agriculture is practiced with a high degree of intelligence and where farm lands create much wealth, if not much profit, to the individual farmer. As to farming methods, therefore, I cannot speak. My interest in agriculture arises because, as a city-bred man, I have discovered that there is an interrelationship between the farm and the industrial city, and that the unemployed who fill our cities owe their plight in part to a steady decline over a period of years in the values of farm products and the consequent decrease in the purchasing power of the 30,000,000 people directly or indirectly dependent upon the farms.

In the dark days of the early part of 1933, when the effects of the depression had almost destroyed the courage of the American people, I left my home to enter the Seventy-third Congress with a distinct feeling that the first essential legislative step was to increase the prices of farmers' staple crops. In all of the surveys of the economic situation that came to my notice, there seemed to be substantial agreement that the tide would turn as soon as the basic crops showed an upward movement of prices. This idea I readily embraced, and freely joined in support of any legislation that seemed to move toward that end. Crop prices have risen, and I believe that the most encouraging element in our business situation at this moment is the improved status of agriculture. In the spring of 1933, as soon as wheat began rising, all processors who were users of great volumes of raw materials immediately sensed that in order to protect themselves they must enter the markets and purchase ahead for future manufacture. This gave an entirely new tone to the business atmosphere. Now on all hands we see agricultural buying reviving such industries as supply farm needs.

Now, the part the Department of Agriculture has had in bringing about the improved status of agriculture reflects, it seems to me, an entire change in its outlook. Until the old Farm Board experiment was undertaken, the Department was concentrating its energies and thought on production. It was pursuing the idea of the classical economist that the increase of wealth was the prime and only consideration. This idea had come down from the days when the Malthusian theory was prevalent that hungry human mouths would increase faster than food production, with the cruel corollary that production could be balanced with consumption by an occasional war that would reduce the sum total of human beings. This doctrine, due to the scientist, inventor, and skill of the agriculturist, had long ago been knocked into a cocked hat, and of course I do not wish to imply that the Department of Agriculture had embraced it in these later days. But nevertheless it was concerned only in increasing agricultural production.

With the conclusion of the World War, the problem of increasing agricultural production was no longer a source of

concern. Plowing up of 50,000,000 additional acres of land in the United States to feed and clothe the Allies in the World War left us at the end of this conflict with huge farm surpluses over and above our normal domestic needs. The excess supplies were stored up in our bursting warehouses without customers in sight, because our foreign buyers, once released from war, returned to their normal business of supplying their own food. Moreover, the nations that had in the past absorbed our surpluses were now afflicted with overindebtedness, and they set out purposely to encourage farming by the payment of bonuses and by the guaranty of prices so as to make themselves self-sufficient so far as food was concerned.

Under the law of supply and demand, the inevitable happened. The great surpluses of cotton, wheat, and hogs drove the farmers' prices to such levels that agriculture was headed straight for national bankruptcy. We, therefore, had this contrast: that in the Malthusian days the problem was to cut down consumption, and now we were presented with the need of curbing production.

The Department of Agriculture, with a promptness and a most commendable courage immediately with the accession of the Roosevelt administration into power, proceeded to apply the doctrine of a balanced production and consumption in order to cure the ruinous-price situation. The agricultural agent, curiously enough, long trained to promote production, suddenly found himself assigned to the opposite task of reducing or controlling production.

This altered program instantly provoked bitter charges that an attempt was being made to provide an economy of scarcity—a baseless charge, for at all times it was intended that we should have a sufficiency of farm staples for our own use, plus an amount adequate for available foreign markets and for carry-over against the next crops.

Another criticism was that we had entered upon a program of subsidizing the farmer and that the farmer should, by means of his own efforts and initiative, extract himself from his bankrupt situation free of any guiding help from the Government. His prices, the critics said, should follow the law of supply and demand uninterfered with by any crop-allotment schemes. Now, the irony of it all was that this last criticism proceeded chiefly from the mouths of those wedded to the doctrine of a protective tariff, under which this country had operated during almost its whole existence, and by the mechanics of which the prices of thousands of industrial products were artificially increased through the exclusion of foreign competition. Moreover, the cotton farmer, the hog and wheat producers, by reason of surplus crops, had at all times to accept in the domestic market the London price and then found themselves compelled to buy their industrial products in a protected market where artificial price fixing had long been practiced. In all good conscience, if we set up a national policy to insure labor a higher wage in industry, what inequity could there be if we attempted by crop-allotment plans and the imposition of a rental payment in lieu of a tariff tax to increase the wage of the farmer by giving him a fair price? There was but one set of men, absolute free-traders, who deny the usefulness of a protective tariff, who were on solid ground when they objected to any control of farm prices. They at least were logical and obviously fair as between industry and the farm, for their plea was an open market for both without any Government protection for either.

Many managers of industry exhibited particular antagonism to the crop-restriction program. It had escaped their consideration that with the advent of the depression and the loss of their customers these industrial managers themselves forthwith reduced their output any way from 20 to 80 percent as a means of maintaining their prices. All the while it was the farmer who kept on producing and who supplied the food which has carried us through the depression and saved us from possible revolution. He reduced his production during the 1929-33 period by 6 percent and suffered a price reduction of 63 percent.

It is rather fashionable for some of my colleagues to assail, in and out of season, the efforts of our governmental administrators, and oftentimes they forget their real and lasting achievements. I want here and now to applaud the Department of Agriculture for leading us out of the bitter days of 1933, when in the farm regions of the Middle West a judge was threatened in the exercise of his usual duties incident to mortgage foreclosure, and when judicial sales of mortgaged property were thwarted by arrangements to depreciate bidding. Only a quick rise in prices and the relief that came through the Farm Credit Administration altered a situation that promised a break-down of our system of judicial administration. A despairing agricultural population had lost patience with the depths of their degradation and with failure of the industrial cities to recognize the unfair basis on which they had been operating. Members who have sat on the floor of the House of Representatives can well recall the bitter speeches that came from the Representatives of agricultural sections. They have since died out because of the efficacy of the agricultural-adjustment program.

I believe it is one of the triumphs of our society that it was possible to organize the millions of cotton, wheat, and hog farmers in such a brief space of time in order that they might take advantage of crop-allotment programs. At the outset the task of having these thousands of producers understand the programs inaugurated by the Department of Agriculture and have them go through the process of signing up contracts seemed to be almost insurmountable. However, this was accomplished without appreciable friction and undoubtedly will stand as the greatest cooperative effort on the part of the American farmer since the founding of this country. The county councils organized to supervise crop-allotment programs have been in effect a revival of the New England town meeting idea, and out of these gatherings the farmer has at last realized that he must look beyond the confines of his farm to ascertain how and where his bountiful crops may be disposed of. Heretofore he has been occupied with the severe drudgery of farm work and has failed to understand his market problems.

There are weak spots in some of these agricultural programs, especially with reference to cotton; but, on the whole, the immediate need of an increased scale of farm prices has been achieved until we have such an outstanding business commentator as Roger Babson, under date of January 26 last, telling us in his weekly business review: "The highlight of 1934 was the recovery on the farm." He is opposed to crop-allotment plans, but rejoices in their effect. His attitude is typical of a lot of confused thinking on the subject. What is best, the American people now see that so long as the income of the American farmer is curtailed so long will his class and those dependent upon him remain outside of the market for factory products. Whether we shall continue to insure a fair price for farm products through the present methods of control is more than can be prophesied, but, as far as I am concerned, so long as we maintain a protective tariff, I propose to help see that the farmer is not a victim of its workings. Time only will tell whether the American farmer can recover his foreign markets and thus do away with the artificial acreage control now in existence. [Applause.]

Mr. SANDLIN. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, in all of our well-meant efforts to promote recovery I believe we are overlooking one of the greatest factors of potential importance, and that is the necessity of doing something in a sound and constructive way, more than has yet been done, or devised, to revive the multiplied thousands of small and medium-sized business and manufacturing concerns that are now prostrate and idle. If we can do something to bring about stabilized normal business through an extension of Government credit to those concerns the battle, in my judgment, will be nearly won.

The honest-to-goodness business man and the honest-to-goodness manufacturer are, to my mind, two of the most "forgotten men" of the present day. If, while we are helping so many others, we can help them to get on their feet, reemployment will start, and we shall soon have signs of a real recovery sweeping over the country.

Through the leadership of President Roosevelt, great principles of social justice and social security have been forged, or are in process of being forged, into our social structure, and there they will remain forever, to confer ceaseless blessings on our own and future generations, such as the elimination of child labor, the shortening of the work week, the abolishment of evil cutthroat practices in business, the protection of innocent investors from the rapacity of blue-sky swindlers, the granting of old-age pensions to make life sweet and peaceful when the evening shadows fall. If to these splendid social achievements we may now add a revival of business and industry through proper encouragement, it is not painting an impossible picture to envision a new era of prosperity and happiness that will encompass all that we have hoped for in our fondest dreams.

To bring this about I believe we must adopt something more effective than any authority we have so far delegated to the Reconstruction Finance Corporation. We all remember the statesman who gave expression to the sententious utterance, "The way to resume is to resume." The way to put out loans to business and industry is to put them out. They should be put out in such a way that the effect may be Nation-wide and simultaneous, and they should not be put out in dribbles by the slow and ineffective methods that have so far been followed under the rigid lending requirements of the Reconstruction Finance Corporation.

Under a bill I have introduced today I am presenting for the consideration of the House a plan to which I have given much thought, and which I believe if approved would be a call to the colors to American business and industry to take over the task of finding employment for the millions now idle, and I would like to see it substituted for the gigantic public-works bill which, after passing the House, has encountered difficulties in the Senate.

Under the bill I have introduced, 40,000 business firms and manufacturers throughout the United States would receive loans in the average amount of \$50,000, and a fund of \$2,000,000,000 is appropriated for that purpose, to be loaned through the Reconstruction Finance Corporation. No loan would be made in excess of \$200,000. Loans would run for 5 years at 5 percent interest, with privilege of renewal for 2 years.

The bill provides that within 10 days after the passage of the act the chairman of the Reconstruction Finance Corporation shall summon to a conference at Washington, D. C., the officials of business and industrial organizations and accredited spokesmen of business and industry for the purpose of receiving advice and working out a plan to spread these loans over the country in a way that would restore normal employment as soon as possible. Under the terms of the bill loans shall be made on the basis of the applicant's willingness and demonstrated capacity to furnish employment.

The purpose of the bill is indicated by its title, "A bill to relieve unemployment and to promote recovery by a system of loans to business and industry." Business firms and manufacturers all over the country are starving for working capital. My bill proposes to lend that capital to them on their distinct pledge that they will resume operations and take up the labor slack.

My bill would really accomplish what we had in mind last June when Congress passed the bill appropriating \$300,000,000 for loans to industries. That law has proved a disappointment partially on account of the rigid way it was administered. Of the amount appropriated, only \$7,647,487.82 has been disbursed, and not a dime has been disbursed in the State of Indiana and other States.

Under this new bill money would flow out to revive the life stream of business and industry. Workingmen who are sick and tired of having no jobs, or synthetic jobs which are here today and gone tomorrow, would get what they are longing for—real jobs. The whistles would blow and the furnaces

would roar as in former years. This is a workingmen's bill, but it is more than that. By saving \$4,000,000,000 it would save the country from a heavy debt burden and a large recurring annual interest charge and would hasten the day when the Budget can be balanced.

It is not a bill in the interest of big business in any sense or degree. On the contrary, the beneficiaries would be 40,000 small and moderate-sized business concerns, the purpose being to diffuse the benefits of Government loans throughout the entire country and into every small city and small town and village. I estimate that \$2,000,000,000 distributed in these loans would at once give employment to 4,000,000 or 5,000,000 people and would furnish the priming that the pump needs to bring about speedy recovery and prosperity on a Nation-wide scale.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. CHRISTIANSON. I am very much interested in what the gentleman is saying; but what machinery does he provide for the determination of who shall be entitled to receive these loans?

Mr. LUDLOW. The thought I had in mind is that the Reconstruction Finance Corporation would be the agency of the Government, but it would be under obligation first of all to confer with hard-headed business men who know what business is and how to effectuate the purposes of this act in a conference here to mature and work out a plan for the distribution of this money on the basis of starting normal Nation-wide operations and thus bringing about reemployment.

Mr. CHRISTIANSON. I fear that if the Reconstruction Finance Corporation, in the administration of the gentleman's bill, and its agents would be as hard-boiled as they have been in passing out loans from the \$300,000,000 fund which was provided a year ago the gentleman is too optimistic in assuming that the small business man would derive very much benefit.

Mr. LUDLOW. In justice to the Corporation, let me say that I believe it has felt that it did not have authority under former acts to exercise any liberality. Now, let us give it a law under which it can function. In order to safeguard against the very possibility which the gentleman anticipates, I have tried to make the language of the proposed act specific, so that it would be mandatory rather than permissible on the part of the Reconstruction Finance Corporation.

Mr. CHRISTIANSON. I hope the gentleman has succeeded in that effort.

Mr. LUDLOW. To illustrate how it would operate, I will cite the fact that last summer some gentlemen came to Washington to ask for a loan of \$150,000 from the Reconstruction Finance Corporation for working capital for a manufacturing plant at Connersville, Ind., which had physical property worth \$500,000. The visitors brought with them actual orders for goods which would have enabled them to pay off the loan and make a nice profit. From the public-welfare standpoint, their application had a tremendous appeal to me, as they promised to employ 1,400 men and take them off of the relief rolls. The application was rejected because the company could not show that it had been "in the black" during the last few years.

Mr. CHRISTIANSON. If it had been in the black during the last few years it would not have needed a loan?

Mr. LUDLOW. That is absolutely correct. In that event it need not have come to Washington for any funds. If \$150,000 asked for by the Connersville firm would have given employment to 1,400 as promised, the sum of \$2,000,000,000 by the same ratio would give employment to nearly 19,000,000.

A change from Government public works to a revival of private enterprise must come soon or there will be danger that the country will be hopelessly sunk in debt. In order to match Government hand-outs, States and cities and other political subdivisions have been mortgaging the future for generations to come. In grabbing for the Government's dollars they are overlooking the fact that they are sinking themselves in a bottomless bog of debt.

I have fixed the interest rate on these Government loans to industry at 5 percent because the Government can easily borrow money at 3½ percent and the extra 1½ percent will cover all administrative costs and leave a handsome margin besides. In other words under my proposal the Government makes no gifts of the taxpayers' money. It simply extends the credit of the Government to enable business and industry to resume operations and to employ people in regular jobs.

The text of my bill is as follows:

Be it enacted, etc., That in order to relieve distress caused by widespread unemployment and Nation-wide prostration of business, industry, and agriculture, there is hereby appropriated the sum of \$880,000,000 from unobligated moneys in unexpended balances of appropriations heretofore made. The President is authorized and directed to designate the balances to be drawn upon and the amount to be drawn from each in order to effectuate the purpose of this section.

Sec. 2. There is hereby appropriated out of any money in the Treasury not otherwise appropriated the sum of \$2,000,000,000 as a fund from which the Reconstruction Finance Corporation shall make loans for working capital to business concerns and manufacturing industries. The plan of lending said sum of \$2,000,000,000 shall be based, as nearly as practicable, on an average loan of \$50,000 to 40,000 business and manufacturing firms, and the aggregate of loans of any one firm under this act shall not be in excess of \$200,000.

Sec. 3. Within 10 days after the approval of this act the Chairman of the Reconstruction Finance Corporation shall summon to a conference to be held at Washington, D. C., officials of recognized national and State business, manufacturing and other industrial organizations, and outstanding leaders in the business and industrial world. The purpose of said conference shall be to assist officials of the Reconstruction Finance Corporation in devising a systematic plan for the lending of said fund of \$2,000,000,000 in such a way as to aid in restoring normal employment throughout the country as soon as possible. Loans shall be made on the basis of the applicant's willingness and demonstrated capacity to furnish employment. Loans shall be granted whenever there is reasonable assurance that the applicant will be able to repay the amount borrowed. Loans shall be for a period of 5 years at 5-percent interest, with the privilege of renewal for 2 years if the conditions of the loan are meanwhile satisfactorily complied with.

Sec. 4. Coincident with the approval of this act all public works financed in whole or in part by the United States Government (except construction for exclusively Federal purposes) shall be suspended and said public works shall not be resumed except insofar as may be necessary to carry out existing commitments or to salvage works partially constructed.

Mr. THURSTON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. ENGLEBRIGHT].

Mr. ENGLEBRIGHT. Mr. Chairman, on page 9 of the report on the pending Agriculture Department and Farm Credit Administration appropriation bill for the fiscal year 1936, under the title "Farm Management", is set out an allocation of \$50,000 for the operation of the Institute of Forest Genetics, near Placerville, Calif., an existing institution heretofore maintained by private funds, which the Agriculture Department is acquiring by gift.

In 1925 the Institute of Forest Genetics was established by James G. Eddy, of Seattle, Wash., a public-spirited lumberman, who realized the need of an experiment station for the purpose of propagating and developing higher and more useful types of timber. He had faith that genetics could develop trees along the lines of the success of the remarkable work of genetics with plants and animals.

In setting out to improve forest trees Mr. Eddy simply applied to trees modern scientific knowledge of how, by selection and hybridization, superior strains of plants and animals have been developed for hundreds of years. The changes the institute expected to bring about and has brought about in pine trees, for example, are just as attainable as the changes that have been brought about in the development of the present highly improved varieties of fruit trees, grains, and vegetables from the original, inferior wild strains. Timber trees are subject to the same fundamental laws of heredity as is every other living thing. They can be hybridized; there are wide variations between species; and the institute has demonstrated that there are great variations within a species.

Just as certain varieties of fruits have been developed for their shipping qualities and other varieties for local canning, it will be possible to breed different improved strains of timber trees for different uses. Structural work demands wood

of great strength. Planing mills want wood that is easily and quickly worked. Box manufacturers want wood that takes nails without splitting. The wood-pulp industries are interested in length and quality of fiber. There is a general need for trees that will resist insects and disease and in arid regions there is special interest in ability to withstand drought.

The location of the station was made after very careful research, and is located in the foothills of the Sierra Nevada Mountains near Placerville, Calif., where a moderate climate, deep and uniform soil, and water supply permit the growing of trees from practically all latitudes. It has now growing in its arboretum the most complete collection of pine trees gathered together in any one place in the world, having a total of over 100 species in variety. The institute searched the entire Northern Hemisphere to bring together this collection of pine trees. Foresters everywhere gave willing cooperation. The New York, Madrid, Moscow, and other famous botanic gardens lent their aid. United States consuls joined in the quest for exotic species. India, Palestine, Spain, China, Guatemala, the Canary Islands—40 countries in all—sent seed of their native pines. For most of the species, seed was obtained not from one source only but from five or six different places within the natural range of the species, so that a comparison of geographic strains might be made.

In the first important planting, 58 species were put to the test. In the following year there were 87 species growing side by side in one nursery. Never before has there been a species test of timber trees that approached this one in comprehensiveness or in scrupulous attention to details. Every effort has been made to have conditions of environment uniform. Annual height, diameter, and branch measurements of the individual trees were taken and systematically recorded, and at the end of 2 years vigorous and normal trees of each species were selected for transplanting to the arboretum, where their development is followed year after year.

So striking are the differences noted in vigor and habit of growth that it is already apparent that general application of even the elementary principles of seed selection will be of incalculable value in the Nation's reforestation program. Progeny of certain individual trees have been found to grow so much more rapidly than the average that it is safe to predict substantial reductions in the growing time of a planted forest as the result of scientific selection of seed sources. Vigorous trees located through the progeny tests provide a seed source of immediate value, and to provide superior seed in large quantities for future reforestation, plantations of rapid-growing strains will be established in localities where there is no danger of pollination from unselected trees.

The Institute of Forest Genetics near Placerville, Calif., is the only station of its kind in the world, and its location in the United States is of great value to our problem of reforestation. Through the use of Mr. Eddy's personal fortune, the work that the station has been carrying on up to date represents an investment of over \$250,000. No profit has been derived from this station. It was started and has been operated purely from a scientific viewpoint and as a contribution to hitherto unsolved problems relating to the genetics of timber trees.

Since its beginning the United States Forest Service has been greatly interested in the work and states that the institute has been successful in developing important rapid-growing and hardy types of pine and other trees. We have hundreds of experiment stations dealing with the genetics of agricultural crops, yet this is the only station of its kind dealing solely with the problem of forest trees. Due to the collapse of the personal fortunes of the public-spirited men who have been carrying on this work, the station last year would have been closed, with a complete loss to the scientific world of all of the living and growing records and new species of trees that have been developed, had it not been for an allocation of funds from the Public Works Administration. Private enterprise cannot carry on this work with the breadth and scope necessary to fit the needs of the Nation in its program of reforestation. The station should

be operated and the experimental work continued under the United States Forest Service.

The originators of this valuable work are willing to turn over to the United States Government, without any compensation, their entire grounds, buildings, and nurseries in order that the work may be continued. The taking over of this station by the Federal Government and the provision of an appropriation to carry on the work is an important step in this Nation's program of reforestation and will prove an investment that will return to the country many thousandfold the small amount required for this work. It was my privilege to appear before the Appropriations Committee and bring the matter to their attention and urge that the Institute of Forest Genetics at Placerville, Calif., be taken over by the United States Department of Agriculture and operated for the good of all of the people of this country. I am, therefore, happy to explain to the House the purpose of the \$50,000 included in the present appropriation bill, and the valuable results that will accrue therefrom by the Government taking over this experiment station.

This station is the only one of its kind in the world so far as I know, and its location in the United States is of great value in connection with the question of reforestation and the preservation and growth of timber for posterity. Through the use of Mr. Eddy's personal fortune he collected from all over the world species of pines, and his investment in the station at present is about \$250,000. No profit has been derived from this station. It was started and has been operated purely from a scientific viewpoint.

The United States Forest Service has always been greatly interested in the work of this station and states that the institute has been successful in developing important rapidly growing and hardy new types of pine timber and hardwood timber.

Mr. BUCKBEE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. AMLIE].

Mr. AMLIE. Mr. Chairman, I wish to recur at this time to the speech made earlier in the afternoon by the gentleman from Arkansas [Mr. FULLER]. I sometimes feel that the House does not sense the change that is taking place in public psychology. I suppose in my district that of the people who have voted for me during the last three elections, at least 75 or 85 percent voted for President Roosevelt in 1932. I notice a very distinct change in my correspondence coming from the district during the past 6 weeks. With very few exceptions at this time the people who write to me express the most profound discouragement about the national administration and its program.

I want to talk about the thing that I feel is in the mind of the public. About a year ago I was very much interested in trying to get Federal funds for a survey of this country's potential producing capacity. The funds were made available for a survey which was known as the "national survey of potential products capacity." This agency, with some 70 engineers, carried on a survey which lasted for about 8 months; and the conclusion they reached was that where we actually produced an income—that is, in terms of goods and services—of about \$90,000,000,000 in 1929; that had we operated our plants at approximate capacity, we could have produced an income of about \$135,000,000,000 during that year. The people are aware of this fact; they are thinking in terms of potential abundance. They realize that a national income in terms of goods and services of about \$135,000,000,000 a year would give an average income of about \$4,400 for the average family in this country. They are watching Congress to determine what is being done to bring about this abundance that they fully believe is possible; and I want to say that I have every degree of confidence in the validity of the survey made by this group.

The results of this survey and the method used in arriving at these results are fully set forth in a book entitled "The Chart of Plenty" recently published by Mr. Harold Loeb, director of the survey and his associates, Mr. Walter Polakov, Mr. Felix Frazier, and others.

We, as legislators, are confronted with the fact that today the people are rapidly becoming aware of this potential abundance. They are demanding not that goods be de-

stroyed but that goods be produced. They are demanding that they be given an opportunity to contribute their efforts toward the production of goods. This is the challenge which confronts us and the gentleman from Arkansas will discover that people have but little sympathy with the idea of finding a solution for our problem by achieving an artificial scarcity in the necessities of life. The American people are rapidly awakening to the fact that this is the fundamental program of the present administration. The people who have gathered together in this independent progressive group believe that the solution for our difficulties is not to be found in the field of the creation of artificial scarcity, but only in the operation of our production plant at full capacity.

About a month ago—February 8—Senator BLACK, of Alabama, made a speech in the Senate which, in my opinion, contained so much significant information that I paid to have reprinted several thousand copies for distribution in my district.

This speech is largely based on the findings of the National Survey of Potential Products Capacity and also on the studies of the Brookings Institute on America's Capacity to Consume. Senator BLACK, in his speech, pointed out that since the depression began we have produced goods and services to the value of \$405,000,000,000 but that if we had operated our production plant to approximate capacity we could have produced during this same period goods and services to the extent of \$692,000,000,000. In other words, we have failed to produce since the depression began about \$287,000,000,000 in terms of goods and services. This is approximately 50 percent more than the total valuation of everything in the United States at the present time.

[Here the gavel fell.]

Mr. BUCKBEE. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. MAVERICK].

Mr. MAVERICK. Mr. Chairman, this morning the House was regaled with some oratory from the gentleman from Arkansas [Mr. FULLER]. The gentleman got up here and referred to certain other gentlemen who have associated with certain other people in a discussion of economic principles, and it seems that he objects to the people with whom we associate and the people that we listen to. I do not know whether he mentioned me directly or not; however I did attend a meeting of several gentlemen who discussed economic principles; in fact, it was the same group he mentioned. So I desire that the RECORD show that I was included.

He referred to that group in one portion of his speech as similar to Coxey's army and he used other similar and uncalled-for epithets. What could he possibly accomplish by this silly harangue? He made an attack which I consider a particularly cowardly attack, because it was made principally upon certain new Members of the House. I want the gentleman to know, and I do not think he is the spokesman for the Democratic Party, that I can take care of myself in any part of the United States. [Applause.]

Mr. Chairman, I noticed particularly that the gentleman did not mention Mr. HUEY LONG who at this time seems to be the most particular critic and enemy of the Roosevelt administration. Why did he not attack HUEY LONG? Why, because HUEY LONG would go over to the State of Arkansas and skin him alive like he has done other people. [Applause.] That is the reason he did not attack HUEY LONG and other people.

I have never made a personal attack on any Democrat or on the Democratic Party since I have been a Member of the House. Of course, I have not been here very long. I will never attack a Democrat unless he attacks me or some group of persons with whom I associate, and I think that I have the right to associate with whom I please. I have a right to study, attend open forums, discussion groups, lectures—and to improve my mind if I want to.

As a particular example of the courage of the gentleman from Arkansas, one of the men he attacked was the blind Member of Congress from Pennsylvania, Mr. DUNN, who was not here at the time he made the attack. Then he

says about one of the other Members, Mr. Scott, of California:

I think he knows, as does every Democrat whose name I have called, that he could not possibly have been elected except on the coattail of Franklin D. Roosevelt.

Now, I think that is not only not the truth in the case of every Member of the House on the Democratic side, but I think it is rather improper and crude language. He seems to be the spokesman of the administration; that is to say, he has elected himself to speak for the administration. I do not believe that he represents this administration any more than I do, and I do not think he has any higher standing with Mr. Roosevelt than I have, although I doubt if Mr. Roosevelt has ever heard of either one of us. [Laughter.]

Then the gentleman from Arkansas said:

Whoever heard of a hopeless minority ruling anything, anytime, anywhere in the world.

I will tell you of a hopeless minority that led this country, and I refer to the founders of our Republic—Thomas Jefferson, George Washington, Benjamin Franklin, and the other patriotic men who were responsible for the establishment of this Republic and the creation of this great country. I can name any number of them. Among those who belonged to a hopeless minority was Franklin D. Roosevelt himself, and with him we finally ran the Republicans out. Mr. BYRNS, our distinguished Speaker, was a member of a hopeless minority. Now he is Speaker of this House. I could go on and give you a list of hopeless minorities that would take all day long to read, including great philosophers, scientists, soldiers, sailors, statesmen, martyrs, and religious leaders, and among the religious leaders, the humble Carpenter of Galilee. But I am not a member of a minority. I am a member in good standing of the majority.

Mr. Chairman, while I am on this subject I want to say that I was elected to Congress to serve my district. I did not come here to be loud-mouthed; I did not come here to talk all the time, but I think it is necessary on this occasion to say something. I have followed the workings of Franklin D. Roosevelt all the way through, and for every progressive thing that Roosevelt stands for I am with him. I have not heard the gentleman from Arkansas get up here and denounce the Power Trust. I have not heard him get up here and defend the Rayburn bill. I have not heard him say anything about the conservation of the national resources and the natural resources of this Nation. I have not heard the gentleman say anything progressive since I have been a Member of this House.

[Here the gavel fell.]

Mr. BUCKBEE. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. MAVERICK. Mr. Chairman, as a demonstration of his great standing with the Democratic Party I quote the following. When Mr. SANDLIN, of Louisiana, explained to the gentleman from Arkansas that the time was short, he said: "I will get time from the Republicans."

Of course, I cannot criticize him for that, because I have a little Republican time, too. "Yes," he said in an irate manner, "if the gentleman cannot give me time, I will get time from the Republicans." Then Mr. SANDLIN stated: "If the gentleman has not sense enough and the courtesy to understand my position, I will not try to explain further."

Now, that was a Democrat talking. Mr. FULLER then begged the Republicans for 10 minutes—and got 5. Of course, I cannot say anything about the Republicans; so that with the additional time granted it will come with good grace.

The gentleman from Arkansas further stated: "The Members whom I have mentioned are false gods and nothing but camp followers." I have not seen anything in the RECORD where he was in the Army or where he was even a camp follower in any army. He at least gave us the credit for being camp followers, but he is not even as good as a camp follower.

He said to Mr. Scott, a new but intelligent and courageous Member from California: "You got here on Roosevelt's

coattail. You will not come back if you do not go down the line with him."

Now, that is brave talk. That is what they call "muy bravo" down in our part of the country. "Muy gallo" means rooster—one that struts around just like this. He talks about the new Members in that way.

The gentleman from Arkansas, who is "muy gallante", states further: "On Saturday Mr. BOILEAU is going to have a meeting." I had not intended to attend that meeting, but if I am invited or if I can get in I will do so.

Mr. LUCAS. Will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from Illinois.

Mr. LUCAS. Do I understand from the remarks of the distinguished gentleman from Texas that he took the gentleman from Arkansas [Mr. FULLER] seriously this morning?

Mr. MAVERICK. Well, I am really a little bit ashamed of myself—I should not have taken him seriously. [Laughter.]

It is utterly ridiculous for anyone to state that because a Democrat favors liberal legislation, or happens to associate with Farmer-Laborites, Progressives, Republicans, or members of any other party, that he is helping a third-party movement. When anyone says that, he is aiding a third-party movement and not the person who tries to inform himself on his legislative duties. Franklin D. Roosevelt is a liberal and a progressive—and the fact that the progressives of the Northwest adopted the name "progressive" as the label of their party does not make a progressive Democrat a member of the Progressive Party.

When Franklin D. Roosevelt was a member of the Legislature of New York, I believe a senator, he gained his position by being an independent thinker and a courageous man. He maintained his position as a Democrat, and yet he was not a rubber stamp and did not do "what he was told." His career is a brilliant one, because he has always been a courageous man and because he has stood on the side of the people.

Certain reactionaries have attached themselves to the Roosevelt kite, and think they can fly high with Mr. Roosevelt, but all they are doing is trying to pull the kite down. What I would like to see is the Roosevelt kite fly high in the brilliant sunlight of truth and not be dragged down by reactionaries.

Now, Mr. Chairman, I want to say these final words: The Roosevelt administration and the Democratic Party came here with a promise to the people of America. They did not come here to hear dog fights, either over the radio or in this Chamber. I think it is undignified to have dog fights in this Chamber; and, of course, we cannot filibuster in this branch of the Congress; but I am going to mention the name of the gentleman from Arkansas once, and I am not going to mention him again after today, but if he mentions me I shall take care of myself.

When the Democrats came to Congress, and I want the older Members to pardon me if I say this, because I am not lecturing you—at least, when I came to Congress I came here to help in putting into effect the liberal things that Roosevelt professes to be a part of the program of the party, and in all these liberal things I expect to follow Mr. Roosevelt and the Democratic Party. I expect to follow him on the Tennessee Valley Authority and on all those progressive statements he has enunciated—to the horror of some of my Republican brethren. I expect to follow him in the reforestation program, and I expect to follow him in the power program and in the abolition of holding companies. I shall tell how I stand, and there will be no question about it. I stand with Roosevelt, and I am not saying this for the reason I want to curry favor with Mr. Roosevelt or with the administration. The Democratic Party was put in because the people had faith in Roosevelt and the Congressmen whom they elected. [Applause.] What do we want to do? Do we want to waste time talking about all kinds of multifarious issues that have not anything to do with the economic problems of this country?

[Here the gavel fell.]

Mr. SANDLIN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MAVERICK. Do we want to waste all our time talking about things that do not concern us?

I say to you that the Democrats, as well as the Republicans, have the duty to get down to fundamental legislation and put the unemployed back to work. [Applause.] We cannot stand around here for the rest of our lives, and have personal controversies, and waste time. Now, so far as I am concerned, I am willing to call this a draw and not say anything more about it, and get down to the really necessary legislation so desperately needed for the welfare of the people.

I have about a minute left if anyone wants to ask me a question.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. Yes.

Mr. DUNN of Pennsylvania. Is it not a fact that the gentleman from Arkansas [Mr. FULLER] has also built himself up an organization? He practically controls a great deal of patronage, and many of his relatives are on the pay roll.

Mr. MAVERICK. I understand that is true, and also there is an implied threat there. So they threaten to take my patronage away from me! That would be terrible—to take all the patronage I have away from me! [Laughter and applause.]

Mr. HOEPEL. Mr. Chairman, will the gentleman yield? Mr. MAVERICK. I yield.

Mr. HOEPEL. Is it not true that the gentleman from Arkansas [Mr. FULLER] is a banker and speaks for the international bankers the same as Hugh Johnson?

Mr. MAVERICK. I think we are giving too much attention to the gentleman from Arkansas [Mr. FULLER], and I will not answer that question. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. THURSTON. Mr. Chairman, I yield 1 minute to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I ask unanimous consent to insert as a part of my remarks very valuable information contained in this material and a letter from the Department of Labor, and one from the Department of Commerce that deals with Japanese competition of industry in the cotton and woolen trades and textile machinery.

I wonder how many Members realize the tremendous competition that Japan has given the United States in the matter of looms. They have invented a remarkable loom that competes to our disadvantage in the textile industry. We view with great alarm Japanese competition, which is proving so detrimental to American trade. Something must be done to prevent it.

Following is the matter referred to:

DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, February 15, 1935.

HON. EDITH NOURSE ROGERS,

House of Representatives, Washington, D. C.

MY DEAR MRS. ROGERS: In compliance with your request, I am submitting the following production figures for cotton and woolen goods in Japan:

Cotton cloth produced in Japan, 1929-32:

Year:	Yards
1929.....	1,548,249,000
1930.....	1,208,422,000
1931.....	1,404,668,000
1932.....	1,532,851,000

Woolen goods produced in Japan, 1929-33

Year	Muslin	Serge		Worsted goods
		For Japanese clothes	For foreign clothes	
	Yards	Yards	Yards	Yards
1929.....	165,572,608	28,081,652	19,553,971	6,877,099
1930.....	154,455,043	31,596,444	20,067,431	5,371,316
1931.....	161,762,860	39,267,238	21,513,041	7,214,227
1932.....				9,719,498
1933.....				8,276,644

Source: The Japan Year Book, 1933, pp. 550-581.

Wages in the textile industry in Japan, according to the most recent data available, are given below:

Occupation	Average wage per day	
	Japanese currency	United States currency
	Yen	
Silk reelers, female.....	0.67	\$0.20
Cotton spinners, female.....	.74	.22
Silk throwers, female.....	.77	.23
Weavers, female:		
Cotton, motor.....	.68	.20
Silk, hand.....	.80	.24
Hosiery knitters:		
Male.....	1.55	.47
Female.....	.75	.23

These figures on the textile industry in Japan were taken from the June 1934 issue of the Monthly Labor Review, page 1470.

Please be assured of our readiness to be of service to you.

Cordially yours,

ISADOR LUBIN,
Commissioner of Labor Statistics.

DEPARTMENT OF COMMERCE,
BUREAU OF FOREIGN AND DOMESTIC COMMERCE,
Washington, February 12, 1935.

HON. EDITH NOURSE ROGERS,

House of Representatives, Washington, D. C.

MY DEAR MRS. ROGERS: In response to your telephone request made to Mr. Carman yesterday I am pleased to enclose tabulations showing total Japanese exports of cotton piece goods for a number of years, and also the United States figures covering imports of cotton cloth from Japan.

I am also sending a digest of a rather comprehensive report on the Japanese cotton industry which makes reference to Japanese development of the long-draft spinning frames and the Toyoda high-speed loom. It is reported that this loom is capable of being operated at speeds considerably higher than looms now used in this country or Great Britain. Great Britain is said to have imported several thousands of these looms which are now set up and operating in England.

I trust that this material will be useful to you and if at any future time I can be of assistance do not fail to call upon me.

Very truly yours,

CLAUDIUS T. MURCHISON, Director.

The following paragraphs are abstracted from a very comprehensive report "The Cotton Industry in the Nagoya Consular District", submitted by Vice Consul Joseph E. Newton, Nagoya, under date of October 19, 1934:

"The focal point of the cotton industry in central Japan is Aichi Prefecture, of which Nagoya is the leading city. Aichi Prefecture and Osaka Prefecture, together, produce about half the Japanese output of cotton textiles, production being about equally divided between the two prefectures. The importance of Aichi Prefecture as a textile center is little known because the local industry was developed by Osaka capital and companies, and the products are exported largely through Kobe and Osaka. The spinning mills in the Nagoya consular district are mainly branch plants of the great Japanese spinning companies and have almost completely automatic machinery installed. Most of these operate their own weaving sheds in addition to supplying yarn to the important local weaving industry, which consists of numerous small weaving establishments. Nagoya is the center of textile machinery manufacture in Japan, and the Toyoda products (which will be discussed later in this report) are well known.

Cotton spinning mills in the Nagoya consular district are among the most modern in Japan, as many were built recently. It appears that the large new mills have almost entirely substituted Japanese machinery for foreign; in the older and in the smaller mills the spinning machinery is largely British.

The spinning machinery made locally covers a long and varied range of products. Mention may be made of a certain Simplex fly frame manufactured in Nagoya. Its characteristic feature is the application of a high-draft system to the fly frame. A saving in cost is said to be effected through the elimination of one or two preliminary processes by the use of the Simplex fly frame.

The big mills spend from their plentiful reserves for new spindles, and 1933 saw the heaviest additions in the history of the industry. Installations are all the most modern in design and consist almost entirely of high-draft ring spindles. The two greatest spinning and weaving machinery manufacturers in Japan are the Toyoda Model Loom Works and the Toyoda Automatic Loom Works, located in Kariya, Aichi Prefecture, and Nagoya, respectively. These firms reported orders already accepted as totaling 1,200,000 spindles and orders being negotiated for an additional 800,000 in October 1934. Japanese-made machinery in recent years has been exported to Asiatic and other countries, where it is competing seriously with foreign products.

Practically all of the larger weaving mills are equipped with automatic weaving machinery, the most prominent installations being the products of the afore-mentioned Toyoda Model Loom Co., Nagoya, and the Toyoda Automatic Loom Works, Kariya. The Toyoda looms are made in 38-, 42-, 44-, 50-, and 58-inch widths.

The average local girl operative is reported to tend from 30 to 40 of these automatic looms, running at the rate of 190 to 210 picks per minute for the 38-inch width.

In some mills the 38-inch loom is run as fast as 250 picks per minute and the 44-inch loom as high as 220 picks per minute. On 55-inch looms Toyoda-trained girls average 205 to 210 picks, but ordinary hands working 20s to 60s yarn average a little over 190 picks per minute. Other excellent looms are manufactured by the Hiraiwa Machine Co., the Okuma Iron Works, and the Nogami Loom Factory, all of Nagoya. Winding, warping, sizing, and other machinery also is made in Nagoya.

In the medium-sized mills modern and old equipment may be found side by side. Many of these mills are little more than expanded household shops and lack the capital to invest in good machinery, but the tendency is to eliminate many of these mills and to equip the remainder with modern automatic machinery. However, thousands of hand looms still are used in the domestic shops, although in some homes there are common power looms which are surprisingly modern and efficient, these looms being installed by larger weaving mills or rented out by jobbers, who take the output of the particular domestic workshop.

The leading feature of the cotton industry in the Nagoya consular district is its progressive "rationalization", which takes two directions: One aim is to cut down production costs by improved management and machines, and the other is to control production through trade associations. Under the control of the Japan Cotton Spinners' Association, spinning is carried on in comparatively few establishments, which are well capitalized and have large reserves and which eliminate commissions paid to middlemen by engaging not only in spinning but in weaving and finishing. Since spinners make their major profits from the sale of yarns, they are said not to stress profits on the fabrics produced in their subsidiary weaving mills. The thorough-going unification of spinning and subsidiary weaving is reported to effect considerable savings.

Japanese exports of cotton piece goods, 1928-34

Year	1,000 square yards	Value in 1,000 yen
1928	1,418,798	352,218
1929	1,790,560	412,707
1930	1,571,825	272,117
1931	1,413,780	198,732
1932	2,031,722	288,713
1933	2,090,228	383,215
1934	2,569,000	-----

NOTE.—The figures given for 1928 to 1933, inclusive, are from official foreign trade statistics and the 1934 total was received by radiogram from Agricultural Commissioner O. L. Dawson, Shanghai, by the Bureau of Agricultural Economics. Value for 1934 not available to date—Feb. 12.

United States imports of cotton cloth from Japan

	1922		1923		1924	
	Square yards	Value	Square yards	Value	Square yards	Value
Cotton cloth:						
Unbleached	12,499	\$8,349	213,195	\$40,947	47,016	\$7,560
Bleached	625,347	172,536	589,700	107,529	209,012	32,004
Printed, dyed, or colored	8,843,179	2,207,762	9,974,589	1,735,162	8,979,264	1,402,223
Total	9,481,025	2,388,647	10,777,484	1,883,638	9,235,292	1,441,787

	1925		1926		1927	
	Square yards	Value	Square yards	Value	Square yards	Value
Cotton cloth:						
Unbleached	59,682	\$8,444	31,117	\$3,952	104,772	\$11,470
Bleached	266,789	38,648	372,779	47,623	356,634	29,634
Printed, dyed, or colored	5,051,216	744,217	1,862,875	277,742	1,400,821	218,861
Total	5,377,687	791,309	2,266,771	329,317	1,862,227	259,965

	1928		1929		1930	
	Square yards	Value	Square yards	Value	Square yards	Value
Cotton cloth:						
Unbleached	48,004	\$4,408	2,103	\$546	817	\$100
Bleached	186,541	23,005	176,308	17,517	47,624	5,042
Printed, dyed, or colored	1,475,569	229,032	1,038,473	170,505	967,068	113,539
Total	1,710,114	256,445	1,216,884	188,568	1,015,509	118,681

United States imports of cotton cloth from Japan—Continued

	1931		1932		1933	
	Square yards	Value	Square yards	Value	Square yards	Value
Cotton cloth:						
Unbleached	-----	-----	455	\$121	-----	-----
Bleached	100,266	\$11,554	51,397	3,629	256,624	\$12,184
Printed, dyed, or colored	669,942	94,787	737,392	52,941	859,089	66,324
Total	770,208	106,341	789,244	56,691	1,115,713	78,508

	1934	
	Square yards	Value
Cotton cloth:		
Unbleached	-----	-----
Bleached	6,043,845	\$252,215
Printed, dyed, or colored	1,243,172	110,986
Total	7,287,017	363,201

United States imports of cotton piece goods from Japan

Year	Unbleached		Bleached		Printed, colored, etc., or woven figured	
	Square yards	Value	Square yards	Value	Square yards	Value
1928	48,004	\$4,408	186,541	\$23,005	1,475,569	\$229,032
1929	2,103	546	176,308	17,517	1,038,473	170,505
1930	817	100	47,624	5,042	967,068	113,539
1931	-----	-----	100,266	11,554	669,942	94,787
1932	455	121	51,397	3,629	737,392	52,941
1933	-----	-----	256,624	12,184	859,089	66,324
1934:						
January	-----	-----	3,930	242	26,418	2,240
February	-----	-----	72,529	3,684	13,929	1,636
March	-----	-----	266,215	11,035	67,320	6,060
April	-----	-----	482,056	18,024	55,286	5,561
May	-----	-----	641,681	23,691	182,251	17,976
June	-----	-----	179,948	6,868	132,225	13,832
6 months	-----	-----	1,646,389	63,544	477,429	47,325
1931:						
July	-----	-----	295,603	12,903	90,940	8,442
August	-----	-----	332,360	12,416	56,312	5,294
September	-----	-----	589,432	23,740	93,870	9,525
October	-----	-----	372,311	14,917	194,703	15,919
November	-----	-----	812,507	35,748	114,836	8,145
December	-----	-----	1,995,243	88,947	215,082	16,336
Year	-----	-----	6,043,845	252,215	1,243,172	110,986

Mr. THURSTON. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman, I had intended to make a response this afternoon to the statement made by the gentleman from Arkansas, but the gentleman from Texas who just preceded me was doing so splendidly that I asked my colleague in charge of the time to yield to him 4 minutes of the time that had been promised me. Then, too, the gentleman is not in the Chamber at this time. For that reason I am going to defer my reply to the gentleman from Arkansas.

Let me only say now, while I am on my feet, that if the remarks of the gentleman from Arkansas were meant to be a threat, it could not affect any of those who are named in this group except those upon his own side of the aisle, and I have seen enough of them, who have spoken to me, to know that if he is trying to threaten them, he is attacking the wrong group. He will soon discover that.

Mr. SCOTT. Will the gentleman yield?

Mr. KVALE. Yes.

Mr. SCOTT. Is there anything in party principles which says that a member of one party cannot attend a meeting where Members of the opposition party are in attendance?

Mr. KVALE. The gentleman and I are in agreement. The gentleman from Arkansas I think would not feel hurt in the least if I characterized him as a reactionary. The gentleman from California, on the contrary, would.

As far as meeting the personal reflection and abuse and ridicule and epithets of the gentleman are concerned I shall only say now, that as a progressive in politics since 1920, I have become well accustomed and completely indifferent to such treatment, and it cannot hurt me at all.

Mr. MORITZ. Will the gentleman yield?

Mr. KVALE. Certainly.

Mr. MORITZ. There is no harm in discussing liberal economic principles, is there?

Mr. KVALE. Why, of course not. This, as I see it, is only an effort to serve as Members of this body in an effort to get us off dead center and overcome our inertia and begin to consider some of the liberal legislation we were led to believe was contemplated by the new deal.

Mr. MORITZ. And our people send us here to look after liberal legislation, do they not?

Mr. KVALE. That is my understanding.

Mr. SCOTT. Does the gentleman consider the fact that because I signed the Patman petition it is putting me in a veterans' bloc?

Mr. KVALE. I would not so regard it.

Mr. MAVERICK. The gentleman's picture was mentioned in this speech, and is it not a fact that in order to elevate the gentleman and add a handsome man to the picture I went up there and stood with him? [Laughter.]

Mr. KVALE. That is correct; nor did we get permission from the gentleman from Arkansas to do it.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BUCKBEE. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. BUCKLER].

Mr. BUCKLER of Minnesota. Mr. Chairman, I have been trying for several days to get a few minutes to address this House, and I happen to have gotten 5 minutes through the graciousness of the Republicans, and that is not long enough to make a speech. I would not have attempted to appear today under the circumstances, but I do so because my name was mentioned by the gentleman from Arkansas—FULLER, I understand his name is—who called me a radical, which I resent. I claim that the gentleman from Arkansas should not have taken advantage of me here in the House today, because I have just as much right to my belief as he has. He has mentioned these Democrats as affiliating with the Farmer-Laborites. Why have not the Democrats a right to affiliate with the Farmer-Laborites? I am a Farmer-Laborite, and I am proud of it. We have affiliated together as a progressive group to right these conditions. We affiliated together to give the farmers more of the wealth they produce and to give the laboring men more of what he produces. They are the two classes in this Nation that have produced the wealth of the Nation.

Mr. MORITZ. Mr. Chairman, will the gentleman yield?

Mr. BUCKLER of Minnesota. Yes.

Mr. MORITZ. And is it not true that the State the gentleman comes from is the birthplace of progressiveness?

Mr. BUCKLER of Minnesota. Yes; Wisconsin and Minnesota. We have to get away from the reactionaries, no matter whether they are Republicans or Democrats. I have been a Democrat perhaps longer than Mr. FULLER. Not only have I been a Democrat longer than he but I have been a progressive Democrat, and I joined the Farmer-Laborite Party because it is progressive. Conservatives such as Mr. FULLER have ruined the Democratic Party. They are reactionary, and I want to defend the progressive Democrats on this side because they had the courage and guts enough to come out for the farmer and stand up for the farmer. I say again that it is such party members as he who have ruined the Democratic Party, and it is such reactionary partisans who have put the Republican Party in the minority.

I am a farmer, was born on a farm, and still live on a farm, and I am not ashamed of it. I belong to the class that produce the wealth of this Nation and have none, and then he calls me a radical. Mr. FULLER may perhaps be more of a radical than I am. Am I a radical because I own 1,280 acres of land and farm it and farm it with my own hands?

The farmers are no more radical than any man. The farmer has not done half as much to bring this country to destruction as has a reactionary such as the gentleman from Arkansas, and we have to protect the farmers of this Nation. Again, I resent his calling me, a farmer, and the other farmers of this Nation, radical. We are not radical, but we demand a part of the wealth that we produce. You understand, my friends, Mr. FULLER has not produced any wealth, as far as I can find out, for a long time, but he stands here and wants to cut off the hand that feeds him and the rest of this Nation. He never produced any wealth. The people that produce the wealth of this Nation are the farmer and the laboring man, and you cannot deny it. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BUCKLER of Minnesota. I wish I had more time to discuss this matter, but I will try to get time on another occasion. I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to state that I invited Mr. FULLER here to listen to my speech, but he did not accept the invitation.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SANDLIN. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Chairman, a great deal has been said in the course of this debate with regard to the work that has been accomplished by the present administration and by the present and preceding Congress.

I fear that when we are too close to an object it is difficult for us to give it its true appraisal. Sometimes I believe we find a more proper estimate of values when the perspective permits us to see the entire operation.

I reside close to the international boundary, and north of my district is one of the districts that has representation in the Canadian Parliament. Down here there is a lot of talk about the failure of the experiments of the new deal; we hear a great deal of talk about foreign nations and how well they are coming along with the experiments they are undergoing; we do hear some criticism of the innovations being tried out by Italy, Germany, Russia, and other nations; but to find out how we are progressing, whether or not we are on the right road, and what the other fellow really thinks about us is something, of course, that is rather difficult to ascertain. The Dominion of Canada is becoming a forum where the new deal is receiving more attention even than it is receiving in this country. The district north of mine is rife with political discussion in which the name of President Roosevelt and the new deal takes paramount importance. I believe that all the candidates for election to Parliament in that particular district will laud the new-deal policy of the President of the United States. I am saying this not in a spirit of partisanship, but for this reason: I believe the American economic plan will prove to be the best plan for the solution of the world's economic ills.

This plan of ours, the work of the administration, the Congress, the contribution of the Democratic, Republican, and Progressive Parties, is by far the best plan in operation in any nation on earth today. We copy neither after the Nazi, the Fascist, and Communist. Here our people enjoy personal, political, and religious liberty. There they deny not only the right of private property, in some instances, but races and creeds are denied liberties that are theirs in the United States under our form of government. Mr. Chairman, in this country we are developing a new economic order to meet the social revolution that is taking place throughout the world. It is thoroughly an American plan and in keeping with the fundamental principles of our Constitution. The proof that the American method of approaching a solu-

tion of this question is by far the best and most lasting can be found in the developing political campaign in that nation to the north of us, the Dominion of Canada.

Mr. THURSTON. Will the gentleman yield?

Mr. MEAD. No. I do not have time. I only have 10 minutes. If the gentleman would give me some time, I will be glad to yield.

Mr. THURSTON. I have yielded too much already.

Mr. MEAD. There are two great political parties in Canada. Mr. R. B. Bennett, who is Prime Minister, is the leader of the Conservatives, the so-called "Reactionary Party." His party is in power at this time. Up until a few months ago it looked as though he did not have a chance to be reelected. Mr. Mackenzie King is leader of the Liberals, the party that is similar to our Democratic Party; it is the Progressive Party.

Mr. Mackenzie King was almost conceded the election up until a short time ago. In a series of speeches delivered recently on the radio by the Conservative Mr. Bennett, who came out for a program that is in most part identical with the program of our own new deal we find the situation has changed considerably. Mr. Bennett recommends unemployment insurance, health insurance, a revised system of old-age pensions, Federal enforcement of uniform minimum wages, and uniform maximum working time per week, the termination of child labor, amendment of the income-tax law to correct inequalities as between earned and unearned income, legislation to prevent stock watering and to prohibit no-par-value stock, regulation of concentration in production and distribution, the prevention of unfair trade practices, and appointment of an economic advisory council. This program has put the Conservatives back in the running again.

This program is extraordinary only when viewed in the light of being fostered by the Conservative or Capitalistic Party of the Dominion of Canada.

If my distinguished colleague from the State of New York [Mr. SNELL], whom we respect very highly, would take the floor of this House and denounce the attitude of the Republican Party and embrace, with all the enthusiasm which he can when he wants to, the tenets of the new deal, the progressivism of President Roosevelt, it would not be any more astounding to our population than was the pronouncement of Mr. Bennett to the members of his party in the Dominion of Canada.

Not only that, but listen to his utterances on the radio:

Capitalism must change to meet the changed conditions of the New World if it is longer adequately to serve you.

He was speaking to his own people, to his own Conservative Party.

The profit motive has served the people these many years and it will continue. But could you leave it unrestrained, uncontrolled, free to do as it pleases? That is license.

We must now have a social ideal as distinguished from what we conceived to be individual right.

I am for reform, and reform means Government intervention. It means Government control and regulation. It means the end of laissez-faire. There can be no permanent recovery without reform.

It sounds as though the President of the United States was delivering that talk. You can find all the economic political philosophy underlying the principles of the new deal in Mr. Bennett's speech. You can find our social security program, our securities legislation, and our N. R. A. policies.

You can find there, Mr. Chairman, a replica of the new-deal program that has been adopted by this Congress and by this administration. Not only is the new deal proving itself an effective instrumentality for the defeat of the depression in Canada, but we have a leading English statesman, former Premier Lloyd George, starting out on a campaign to win a victory for his party in England, and his platform is a new-deal program. Not only in England and Canada, but in France as well the new deal is receiving the attention of political leaders, and the time will come when other nations will adopt the economic policies of the United States just as they adopted, after 1776, the political form of government of the United States. [Applause.]

Mr. THURSTON. Mr. Chairman, I yield 4 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, we are discussing, or going over, a 1,700-page report covering the needs of the agriculture of the country, and I think it is timely that I rise to tell you something about a bill I introduced in the House on January 3—calendar day, January 4—H. R. 2899, a bill authorizing the appointment of a commission to study the farm dollar.

I am very sorry I have but a few minutes in which to discuss the farm dollar. You will recall that a famous Democrat once said:

Destroy our farms, and grass will grow on the streets of every city in the country.

We are in the throes of the greatest economic depression this country has ever known. More than 5 years have elapsed since it began. Today there are more families on relief in my State than at any time during the duration of the depression. In July 1933 there were 9,833 families on relief in Nebraska and on January 24, 1935, 16 months later, there were 52,607 families on relief, with a total of 210,607 people getting relief. That gives us something to think about—210,607 people out of a total population of 1,330,000. Now, let us add to that total the State employees, county employees, city employees, school employees, and the population of our 17 State institutions. That does not leave many of us to dig up the wherewithal to meet the situation. The facts are we are not meeting it. What little property and income the rest of us have left is being slowly but surely confiscated.

Nebraska is purely an agricultural State. What industries we have are very definitely tied into the processing of farm produce. When the farmer is hurt in Nebraska every citizen in the State feels the pain. Our farmers in Nebraska are hurt. They are hurt in every agricultural State in these United States.

Farming occupies 50 percent of our total population in the United States. Add to this the people employed in processing agricultural products and you have a major proportion of the population dependent upon farming. I mention these facts to show that if prosperity is to be restored that it must be through a restoration of purchasing power to that great majority of our citizenry.

We have tried to restore that purchasing power by various methods. While I do not say that they have all been miserable failures, it must be conceded that the agricultural people are still without the needed buying power to start the wheels of commerce. Once you restore ability to consume articles to that large majority and you will have given the momentum that will reopen closed factories, put unemployed on the pay rolls at living wages, and your relief problem will disappear like a snowball on the Fourth of July.

This, then, is the problem we have to face. How shall we restore the buying power of the farmer? How can we best do it?

I represent, in the third Nebraska district, one of the finest agricultural districts, not only in the United States, but in the whole world. The soil is as fine as any known. It is annually visited by abundant rains with only periodical exceptions. It is very close to three great primary markets—Omaha, Sioux City, and Kansas City. Yet these farmers find themselves fighting for their very existence. Why should this be true? I say to you gentlemen that this is due to a cause that has been entirely neglected during the time efforts have been made to solve our economic ills, and that that cause can be remedied by equalizing and stabilizing the farm dollar. I have introduced a bill, H. R. 2899, which aims to accomplish that very thing. I am asking this Congress to pass that bill so that we can start at the place we should have started in the beginning—the restoration of purchasing power to the majority of the people. This can and will be accomplished by the establishment of an honest farm dollar.

Since 1920 the farmer has been doing business with a depreciated dollar. The ratio between what the farmer has to sell and what he has to buy is so great that the only way

he can compensate for this difference is to buy less of the particular commodity than he would normally do. This cut in his consumption left factories and businesses with vast amounts of unconsumable goods on their hands and was the most definite factor in bringing us to our present situation.

We have been told that the amount of gold in the dollar can be regulated to accomplish the same end. I must take issue with all those who so affirm. What the farmer needs—and he is the large majority in this country—is a dollar, so adjusted and so regulated that when he produces by the sweat of his brow an honest dollar's worth of produce that he may then take that produce to market and secure for it an honest dollar's worth of the materials he needs. This he has not been able to accomplish. To reach this end is the purpose of the bill I introduced. If you will give the farmer 100 cents for his dollar he will in turn use those 100 cents and buy the many things he now needs but cannot now buy because he does not have them.

It must be recognized that the farmer is not only a capitalist but also a laborer. His produce costs him time, labor, and a reasonable return on his investment. What he is entitled to have is a dollar so fixed and so determined that when he goes into his field and does an honest day's work that he will receive for that work a reasonable wage and a reasonable return on the use of that investment which is required before he has that field in which to work and the materials with which to work it. That can be fixed by the United States Government under its power to regulate the currency. Money is only a medium of exchange. When it is so adjusted that it does not accomplish a fair exchange it fails to perform its natural functions. We have multitudes of figures and statistics which we can use to determine what is a reasonable price for his day's labor. We can determine what is a reasonable return on his investment, taking into consideration a fair depreciation. We can also from our figures determine what the materials are which the farmer has to purchase.

The purpose of my bill, H. R. 2899, is to restore the farmer to his normal place as the largest consumer of manufactured goods in the country. When you do this it will be necessary to start the factories going to manufacture the goods he needs. These cannot now be purchased by him. It is elemental that business stagnates when conditions are such that the future does not offer the business man some assurance that he can stock his shelves with wares and merchandise and expect by the dint of his industry to translate that merchandise into a fair return. The farmer finds himself in that same stagnation today.

He cannot be lifted out of that stagnation by bribing him to destroy his surplus. There is not now and I say there probably never will be any real farm surplus. The real trouble is poor distribution. My plan will do away with this maldistribution. It will enable the farmer to get his goods in the hands of those who need them. It will enable him to get those things which he so badly needs. And when he goes into the store to buy those things someone will be occupied in selling him what he has to have. And someone will be employed in transporting those materials to that store. Before that someone will be engaged in a factory preparing them for him. Before that someone has been engaged in bringing the raw material to the factory. Someone has been working in the mines or in the forests gathering the raw material. I could go on almost indefinitely mentioning the different labor that he can call into play to get these things to him.

When the farmer's dollar was at par, or a little above as it was back in 1919 and 1920, we were experiencing one of the great eras of the United States. Your farmer never has been a hoarder. He buys to the extent of his means. That buying always produces prosperity not for the farmer alone but for the whole country.

The farmer has been always the builder of the Nation. He has been patient and long suffering in the most trying of conditions. He is the most loyal of citizens and a conservative at heart. He will endure conditions as long as it is humanly possible for anyone to endure hardships and trials. Unless we immediately take steps to remedy the situation the

farmer as such faces the setting sun. Destroy our agriculture and you have destroyed the Government itself. Keep the farmer prostrate and we will stand in the twilight of the Republic. No nation ever lived long after it reduced its farmers to the status of peasants and serfs. The United States of America cannot hope to reverse this inexorable law of nations. Let us then see to it that this wrong is righted; that the farmer is again restored to his proper place as the cornerstone of the Republic. This we can accomplish if we will restore his purchasing power. This can be restored if we will so legislate that he will be given an honest dollar for his toil and for his investment. This is all the farmer needs and all he wants. You who represent manufacturing districts will be the most immediate beneficiaries of this procedure. Your factories will again begin to hum. Your railroads will again go to work. Your idle millions will no longer line up at the relief offices for charity and doles. Mortgage foreclosures and the loss of homes will cease. The terrific burden of taxation will be lifted from the backs of all and this Nation, the last great hope of the lovers of liberty and the oppressed, will go forward to a new age of prosperity and happiness such as the world has never known.

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a short bill I have introduced touching the farm problem.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The bill referred to follows:

A bill to authorize and request appointment of a commission to study the "farm dollar"

Be it enacted, etc., That the President is hereby authorized and requested to designate a special commission, he to fix the number of members thereof and to select the members from among representatives of existing agencies of the Federal Government and/or otherwise, in his discretion, for the purpose of conducting an inquiry into the material factors contributing to the disparity between the prices commanded by agricultural commodities and the prices of commodities which must be purchased from the proceeds of the sales of agricultural commodities, with resultant impairment of the purchasing power of the so-called "farm dollar."

SEC. 2. That upon the completion of such inquiry and investigation to determine the causative factors, the said special commission shall formulate a report of its findings, together with recommendations of ways and means to restore and maintain an equitable and a stable purchasing power of the "farm dollar", legislative and/or otherwise.

SEC. 3. That the said special commission shall complete its investigation and submit its report and recommendations to the Congress as promptly as practicable.

Mr. SANDLIN. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, a great many people believe that the appropriations for the Agricultural Department are very large. The facts are, however, that this bill which carries a total of \$126,566,000 contains but \$28,242,750 of direct benefits to agriculture. Fifty-eight percent of this amount is for public roads and the remainder is for items of benefit to the public, such as the Weather Bureau, meat inspection, tuberculosis eradication, Forest Service, Biological Survey, and Food and Drug Administration. The amount carried in this bill for direct benefit to agriculture, therefore, is much less than what it would cost to build a battleship.

The other table which I will insert in the RECORD gives a concrete picture of the amounts recommended in this bill: Appropriations for 1935; Budget estimates for 1936; amount recommended by the committee; the committee recommendations compared with the 1935 appropriation, increase and decrease.

This table shows that of the total set-up for expenditure in 1936, 58 percent, or \$73,408,963, is for road funds and for payments to States, including payments to States on account of experiment stations, extension service, cooperative forestry activities, payments to States out of forestry receipts, and Federal-aid highways, and construction of roads on public lands. The remaining ordinary activities comprise 42 percent of the whole, of which 19.68 percent is for work which is of general public benefit, leaving but 22.32

percent of the whole, or \$28,242,750, to be expended for the more direct benefit of agriculture.

Item	Amount	Percent
Payments to States for agricultural experiment stations, extension work, and special forestry activities, including forest-fire prevention; also funds for Federal-aid highways and forest roads and those accruing from national-forest receipts and from private contributions for forestry purposes.....	\$73,408,963	58.00
Ordinary activities:		
(a) Of benefit to the general public:		
Weather Bureau.....	\$3,429,204	
Meat inspection.....	5,355,135	
Tuberculosis eradication.....	2,631,616	
Forest Service (exclusive of forest roads and trails, allotments to States for forest-fire cooperation and for distribution of forest-planting stock, and amounts derived from national-forest receipts and as contributions from private cooperators).....	9,818,165	

Item	Amount	Percent
Ordinary activities—Continued.		
(a) Of benefit to the general public:		
Biological Survey.....	1,945,184	
Food and Drug Administration (exclusive of amount for enforcement of Insecticide Act).....	1,735,457	
Total item (a).....	\$24,914,761	19.63
(b) Of more direct benefit to agriculture (being the remaining services).....	28,242,750	22.32
Total.....	126,566,474	100.00

The following table sets forth, summarily, the amounts recommended in the accompanying bill, together with the Budget amounts set up under the permanent annual appropriations, as compared with the 1935 appropriations and the Budget estimates for 1936.

Group	Appropriations for 1935	Budget estimates for 1936	Amount recommended by committee for 1936	Committee recommendation compared with 1935 appropriation increase (+) or decrease (—)	Committee recommendation compared with 1936 budget estimates, increase (+) or decrease (—)
1. Ordinary activities:					
(a) Of primary benefit to agriculture:					
Annual appropriations.....	\$22,654,280	\$27,694,446	\$28,242,750	+\$5,588,470	+\$548,304
Permanent appropriations.....	34,490			-34,490	
Total, item (a).....	22,688,770	27,694,446	28,242,750	+5,553,980	+548,304
(b) Of general public benefit:					
Annual appropriations.....	18,462,982	24,404,761	24,164,761	+5,701,779	-240,000
Permanent appropriations.....	3,000,000	750,000	750,000	-2,250,000	
Total, item (b).....	21,462,982	25,154,761	24,914,761	+3,451,779	-240,000
Total, ordinary activities.....	\$44,151,752	52,849,207	53,157,511	+9,005,759	+308,304
2. Payments to States (exclusive of road and forestry receipt funds):					
Annual appropriations.....	10,044,915	10,057,011	10,057,011	+12,096	
Permanent appropriations.....	4,676,096	4,686,096	4,686,096	+10,000	
Total, item 2.....	14,721,011	14,743,107	14,743,107	+22,096	
3. Forestry receipts and special funds:					
Annual appropriations.....		2,007,500	2,007,500	+2,007,500	
Permanent appropriations.....	2,754,900	1,016,500	1,016,500	-1,738,400	
Total, item 3.....	2,754,900	3,024,000	3,024,000	+269,100	
Total, items 1-3.....	\$61,627,663	70,616,314	70,924,618	+9,296,955	+308,304
4. Road funds (including forest roads and trails):					
Annual appropriations (regular).....	9,530,000	55,641,856	55,641,856	+46,111,856	
Annual appropriations (emergency).....	112,500,000		(9)	-112,500,000	
Total, road funds.....	122,030,000	55,641,856	55,641,856	-66,388,144	
Total, items 1-4, above:					
Annual appropriations (regular).....	60,692,177	119,805,574	120,113,878	+50,421,701	+308,304
Annual appropriations (emergency).....	112,500,000			-112,500,000	
Permanent appropriations.....	10,465,486	6,452,596	6,452,596	-4,012,890	
Total, Department of Agriculture, exclusive of Agricultural Adjustment Administration.....	\$183,657,663	126,258,170	126,566,474	-57,091,189	+308,304
5. Agricultural Adjustment Administration:					
Advances under sec. 12 (b), act of May 12, 1933 (payable from processing taxes).....	831,022,428	570,000,000	570,000,000	-261,022,428	
General expenses, act of May 25, 1934 (Jones-Connally Act).....	150,000,000			-150,000,000	
Total, Agricultural Adjustment Administration.....	981,022,428	570,000,000	570,000,000	-411,022,428	
Grand total, Department of Agriculture.....	\$1,164,680,091	\$696,258,170	\$696,566,474	-468,113,617	+308,304

¹ Includes \$2,354,893 for grasshopper control.

² Includes \$2,500,000 for chinch-bug control (H. Doc. 94) and \$490,000 for screwworm control (H. Doc. 87).

³ Exclusive of \$1,746,837 for 5-percent salary adjustment (to 95 percent).

⁴ Includes \$3,562,426 for salary adjustment (90 to 100 percent).

⁵ The bill includes an allotment for this purpose of \$100,000,000 of the appropriation provided in H. J. Res. 117.

I shall take no more of the time of the Committee now, but when the bill is read for amendment, if there is any explanation of any portion of the bill that I can give I shall be pleased to do so.

Mr. Chairman, I reserve the balance of my time.

Mr. THURSTON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, first, on behalf of the members of the subcommittee having this bill under consideration, I want to express our appreciation of the patience and the perseverance of the able chairman of the subcommittee, the gentle-

man from Louisiana [Mr. SANDLIN], who was patient almost beyond mention. When you observe the printed volume containing the hearings held by this committee, and find that they constitute a volume comprising almost 1,700 pages, covering a period lasting about 5 weeks, you will have some measure of the time and industry the subcommittee devoted to its subject; but, of course, this is the most important subject with which a legislative body can deal, that which concerns the production of food. While clothing and shelter are also highly important, yet the subject concerning the production of food should command first consideration from

the people of our country. A sound agricultural policy will do more to reestablish normal conditions in our country than any other action which might be taken.

Although this bill carries a total of nearly \$140,000,000, yet the greater portion of it is devoted to highway purposes. For agriculture exclusively only about \$28,000,000 is provided, and when we break that amount down further and take out \$8,000,000 allotted to forestry, it leaves something less than \$20,000,000 for agriculture.

When we know that a first-class battleship or a first-rate cruiser costs more than \$40,000,000, then we can measure the limited appropriations devoted to this great subject.

Mr. Chairman, because of the demand made today for time by Members, of course, it will be impossible thoroughly or adequately to analyze the bill that we now have under consideration. There are, however, a few items to which I should like to direct the attention of the House.

First, it is manifest to everyone who will examine the hearings on this subject, or the bill under consideration, that there is a duplication of administration on the part of the Department of Agriculture and the Department of the Interior.

In many instances the activities and the work of these two branches of the Government coincide if there is not duplication, and it would be a fine constructive piece of work if the executive branch of this Government would bring about a consideration of this subject to the end that useless activities could be eliminated. The President now has the authority to make such a consolidation.

There is another subject which I believe should claim the attention of the Members, particularly those from the agricultural States, and that is the apparent effort to erect or construct a superexperimental station at Beltsville in nearby Maryland, and the constant increases of support and likewise funds for expanding the buildings and personnel there makes it apparent that there is a well-organized effort gradually to increase the functions of this experimental station. Mr. Chairman, I contend that experiments relating to tobacco, corn, cotton, wheat, livestock, or dairying could best be made and conducted in the regions where these products are produced rather than to make experiments in a section of the country where the plant life can only grow through the aid of fertilizers. How much more sensible it would be if these experiments would be confined in the main to the agricultural stations and experimental stations that we have established in each State throughout the country rather than to have them tried out here, where we do not have the facilities, the soil, or the personnel properly to make the investigation.

Just a few words about the policy regarding public roads. We all know that the main arteries of commerce, excepting the railroads, are the highways in our country which have been paved or provided with a hard surface. A considerable portion of the funds to be allocated in the public-works program is going to be used for the construction of overpasses in order to eliminate grade crossings. Much may be commended in regard to this subject, but an overpass costs from \$50,000 to \$100,000, whereas a paved road can be built for about \$15,000 to \$20,000 per mile, or a secondary road may be built at a cost of \$2,000 or \$3,000 per mile. This program could be expanded so that many miles of permanent highways for the public could be provided unless too great a proportion is diverted to the purpose mentioned. The gentleman from Missouri [Mr. CANNON] made some remarks in committee upon this subject which should claim the attention of the Members who are in favor of an expansion of the farm-to-market highways in this country.

There is another subject, not highly important, but one that is of some interest to the Members, which I wish to discuss. That is, we made more farm bulletins available to each Member, increasing the annual allotment from 5,000 to 10,000 bulletins. When we reach our offices each morning we find them almost inundated with booklets, pamphlets, papers, and circulars from the executive branches of the Government, which, of course, proves that

they have greatly expanded and increased the sums that they have available for their purposes, whereas the meager, few publications available to the Members whether it be a wall map, an agricultural year book, or a farm bulletin, have been sharply diminished, notwithstanding the increased attention that is now being given to agriculture and all related activities. So this slight increase at a very modest cost was included in this measure.

Mr. Chairman, we are bringing in a bill here in which we have made some deductions and some changes from the recommendations as made by the Budget and the Department of Agriculture, and, of course, the recommendations made to the Budget were made by persons employed in the Department of Agriculture. I cannot believe that they should have the last word, or that they are endowed with all the wisdom pertaining to a sound agricultural policy. So far as I am concerned, I am willing to receive and accept the views of Members who come from the different regions of this country as to what would be the best policy to apply in a fruit section, for instance, or in a section where tobacco and cotton or corn and wheat and other important products are now being produced.

[Here the gavel fell.]

Mr. SANDLIN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. THURSTON. Mr. Chairman, last year the most devastating situation that ever faced the agricultural section of this country was brought about through a drought that extended over a great portion of the upper Mississippi Valley and because of a lack of moisture the preceding year, with almost no rainfall during the growing months of the year 1934, the fall or autumn found this great granary of the country with a limited production of grain and foodstuffs to the extent that some entire counties and some considerable areas in the States in that region did not produce as much as 5 or 10 percent of the normal output of grain and forage for livestock. This brought about a very perplexing situation to our people. A fine and constructive piece of legislation was passed yesterday when loans to the extent of \$60,000,000 were made available to the farmers who need funds in order to purchase seed and grain for the coming crop year.

The hearings upon this subject show that in the main the States which have had fairly adequate crops in the past have repaid the sums that were advanced from time to time on these seed and crop loans; and if these farmers can be financed this year in these respects the net result will be a benefit to the consumers of this country, because it is manifest that a restricted or small crop will continue to bring unduly high prices to the consumers of this country. So this is a mutual arrangement, and profit will not only inure to the farmer and to the grower of grain and foodstuffs but this benefit will likewise be reflected to the consumers.

Then, because of lack of a heavy rainfall, which usually decimates insect life, great quantities of a bug known as the "chinch bug" appeared in the same region. Countless billions of these insects infested this area and the sight was almost beyond description. As they moved forward to a field, whether it had growing wheat or oats or corn, within a few days the vegetation on such land was withered and, as a result, between the drought and these insects, the corn and small grain production in this area was reduced from 10 percent to as high as 80 or 90 percent. Therefore, a modest appropriation of \$2,500,000 is carried in this bill to supply the farmer with funds so that he can purchase the crude oil to place around the crops before the bug develops into a fly, which will act as a barrier and protect the grain in the section where this scourge prevailed last year. Now that these funds will be available at a time prior to the crop season, it is expected and believed that good results will come from this appropriation.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. THURSTON. Yes.

Mr. SNELL. Is there any way of telling whether you will have them again this year or not?

Mr. THURSTON. No definite statement, I believe, can be made in that respect, but those who have studied this question for years say it will probably depend upon one factor more than any other. If we should have an adequate or heavy rainfall, it is very likely these insects will not materially affect the crops this coming year, but no one I have heard of, or read about, cares to appear as an expert on this question.

Another item carried in this bill in which there is a rather heavy increase, which possibly is justified in view of developments, is for the Farm Credit Administration. Because of the inability or lack of desire upon the part of the investing public in our country, particularly the life-insurance companies and farm-mortgage loan concerns, limited funds are available for farm-loan purposes, and because of this situation the demand upon the Federal land banks, not only for primary loans but secondary loans to finance the farmer and his undertaking, has increased very heavily, and correspondingly the personnel in charge of this additional burden must necessarily be increased.

I know we all feel that every time we create a Government agency, no matter what function it may operate, at the next session of the Congress those in charge come to the Congress asking for additional employees. This is the general rule, and it is my experience that it is a rare instance where any branch of the Government is willing to reduce or materially limit its field of activities. [Applause.]

[Here the gavel fell.]

Mr. SANDLIN. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. CITRON].

Mr. CITRON. Mr. Chairman, there has been a great deal said here about the decline in the foreign and domestic textile market for American textile goods, and various reasons have been advanced for this.

It has been said in some places that American capital has been going into Canada and other foreign countries. Other reasons given are concerned with the processing tax and the declining cost of electric power in various sections of our country. There are many other reasons given, and I believe this matter is so important that it would bear investigation and study, and for this reason I am introducing a bill whereby the President shall appoint a commission of five, who are duly representative of this industry, to study the whole subject and find ways and means whereby it can be improved, and then bring back a report to the Congress.

New England, particularly, has witnessed the decline of this industry, one of the most important to this section of the country.

I submit some interesting statistics concerning this industry.

In 1919 there were 28,451 establishments manufacturing textiles and their products in this country, with an average number of wage earners for the year of 1,610,003, and producing \$9,210,933,000 worth of products. In 1931 there were 23,750 establishments, 1,420,808 workers, and the products were worth \$5,849,032,000.

As for textile-mill products, the following are interesting statistics: In 1923 there were 7,816 establishments, 1,164,638 wage earners, and \$5,527,558,000 for the worth of their products. In 1931 there were 6,111 establishments, 886,979 wage earners, and the value of their products was \$2,964,558,000. (Statistics taken from U. S. Department of Commerce, Statistical Abstract of United States, 1934.)

I believe this industry should be given study. Allegations and charges as to its condition and the cause of its illness are of no value, but a thorough examination and diagnosis of its illness may show us the necessary remedies. I hope Congress has the opportunity to consider this whole subject.

A bill to create a commission to study and report on certain phases of the textile industry in the United States

Be it enacted, etc., That a commission is hereby created to be known as the "Federal Textile Commission" (hereinafter in this act referred to as the "Commission") to be composed of five members to be appointed by the President. Two members of the Commission shall be representative of the interests of textile

workers, two members shall be representative of the interests of manufacturers of and dealers in textile goods, and one member shall represent the public. The President shall select a chairman from among the members of the Commission. Any vacancy in the Commission shall be filled in the same manner as an original appointment. The members of the Commission shall serve without compensation, but their actual necessary traveling and subsistence expenses, while engaged in the performance of their duties under this act, shall be paid from funds appropriated for the purposes of this act.

Sec. 2. The Commission shall study the present condition of the textile industry in the United States with a view to ascertaining the causes of the decline in the domestic and foreign market for products of the American textile industry and to devising means by which such markets may be restored. The Commission shall, as soon as practicable but not later than _____, report its findings and recommendations to the President and to the Congress. Upon making its report to Congress, the Commission shall cease to exist.

Sec. 3. The Commission, with the consent of any board, commission, independent establishment, or executive department of the Government, may avail itself of the use of information, services, facilities, officers, agents, and employees thereof, in carrying out the provisions of this act.

Sec. 4. For the purposes of this act, the Commission may act as a whole, by committee, or otherwise, at such places in the United States or elsewhere as it deems advisable, and is authorized to hold hearings, administer oaths, and provide for the attendance and testimony of witnesses or the production of books, papers, documents, or other evidence, or the taking of depositions before any designated individual competent to administer oaths.

Sec. 5. The Commission is authorized, without regard to the civil-service laws and the Classification Act of 1923, as amended, to employ and fix the compensation of such officers and employees as it deems necessary to the performance of its duties. The National Park Service of the Interior Department shall provide the Commission with adequate space in one of the public buildings in the District of Columbia.

Sec. 6. The Commission is authorized to incur such expenses, not in excess of amounts appropriated therefor, as it deems necessary in carrying out this act, which shall be allowed upon vouchers approved by the Commission.

Sec. 7. There are authorized to be appropriated such sums as may be necessary to carry out this act.

Mr. SANDLIN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman and gentlemen of the Committee, in view of what was said this morning by the gentleman from Arkansas [Mr. FULLER] I want to presume upon your time for a few moments in order that I may demonstrate to you briefly how much the Democratic administration owes to Wisconsin, both to its support by its leaders and in addition to the ideas we have furnished to the present administration.

Far more distinguished men than the gentleman from Arkansas can ever hope to be, have been satisfied to take from Wisconsin much of her progressive program.

In that connection I want to give you briefly some of the outlying things that Franklin D. Roosevelt has taken from the Wisconsin program and used for the new deal.

Phil La Follette was the first Wisconsin Governor to recommend a State-wide old-age-pension system. Franklin D. Roosevelt now recommends such a plan for the whole United States.

Phil La Follette was the first Wisconsin Governor to recommend a public-power development to cheapen electricity on the farm and the home and for manufacturing and for business men. He brought to that service one David Lilienthal, and President Roosevelt took that same David Lilienthal out of the State and made him one of the Commissioners of the T. V. A., and adopted the same program that we have adopted in Wisconsin for the national program in the development of electricity for the home, for the farm, and for the factory.

Phil La Follette was the first Wisconsin Governor to recommend and to establish minimum-wage law for labor to cover the entire State. Franklin D. Roosevelt used the identical same machinery to protect labor in public-works program.

Phil La Follette was the first Governor of any State to recommend and obtain a State labor code giving legal sanction to labor's right of organization. This code was later adopted by Congress for the whole United States under title of the Norris-LaGuardia Act.

Franklin D. Roosevelt used this code in setting up the N. R. A. bargaining power for labor.

Phil La Follette was the first Governor of any State to recommend unemployment insurance, and Roosevelt now recommends such an act for the whole United States.

Phil La Follette recommended reforestation for the State of Wisconsin. The President has recommended the same policy for the entire country.

Phil La Follette, when Governor, recommended the establishment of forestry camps to take young men, unemployed, up to the age of 30, and give them out-door self-respecting work and President Roosevelt has followed the same policy for the Nation, namely, the C. C. C. camps.

Phil La Follette, when denied Federal funds by Hoover, frankly stated that higher income taxes would have to bear the relief as long as the Federal Government under Hoover adopted the policy of not one dollar for relief. Franklin D. Roosevelt, as Governor of New York, adopted the same policy in New York State, and later pursued the same liberal policy of relief as President of the United States. In short, the Roosevelt progressive national policies are almost exactly the same policies recommended and pursued by Phil La Follette when he was Governor. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SANDLIN. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN of Pennsylvania. Mr. Chairman, I thank the Chairman of the Committee for granting me 3 minutes, but that is insufficient time in which to answer the gentleman from Arkansas [Mr. FULLER] for the attack he made on me today on the floor of the House. I shall rise to a question of personal privilege tomorrow.

Mr. SANDLIN. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The Clerk read the first paragraph of the bill.

Mr. SANDLIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 6718, the agricultural appropriation bill, and had come to no resolution thereon.

ORDER OF BUSINESS

Mr. MILLARD. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. FISH] be allowed to address the House for 15 minutes on Monday next after the reading of the Journal and the disposition of the business on the Speaker's table.

The SPEAKER. The Chair announced a few days ago that owing to the pressure of business he would ask that all such requests be made the day before or the day of the address. The Chair requests the gentleman to withhold his request.

ACCEPTANCE OF STATUES OF CAESAR RODNEY AND JOHN M. CLAYTON

Mr. LAMBETH. Mr. Speaker, by direction of the Committee on Printing, I offer the following Senate concurrent resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

Senate Concurrent Resolution 5

Resolved by the Senate (the House of Representatives concurring), That there be printed with illustrations and bound, in such form and style as may be directed by the Joint Committee on Printing, 2,200 copies of the proceedings in Congress together with the proceedings at the unveiling in the rotunda of the Capitol, and such other matter as may be relevant thereto, upon the acceptance of the statues of Caesar Rodney and John M. Clayton, presented by the State of Delaware, of which 200 shall be for the use of the Senate, and 500 for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of Delaware.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer and shall procure suitable illustrations to be published with these proceedings.

The SPEAKER. The question is on agreeing to the resolution.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. LAMBETH. Yes.

Mr. SNELL. Is it usual to have illustrations in these publications?

Mr. LAMBETH. The only illustration is a picture of the statues. That is customary.

Mr. SNELL. This is the usual resolution?

Mr. LAMBETH. Yes.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ST. PATRICK'S DAY

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point an address delivered today by the gentleman from New York [Mr. O'CONNOR] and broadcasted over the National Broadcasting System and associated stations at 1 o'clock. The occasion was a luncheon of the Cosmopolitan Club of Washington, at which 17 speeches, each speech being limited to 17 words, were made in an anticipated celebration of St. Patrick's Day. Naturally, the substance of most of the distinguished speaker's remarks lauded the great accomplishment of the reverend saint in driving the snakes out of Ireland.

Mr. O'CONNOR's speech was, in full, as follows:

Would that St. Patrick be reincarnated right here. He could lead a similar drive in public life.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I think that address should be printed.

The SPEAKER. Is there objection?

There was no objection.

TEXTILES, COTTON, AND NEW ENGLAND

Mr. CITRON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a copy of the resolution which I have introduced for a study of the textile industry.

The SPEAKER. Is there objection?

There was no objection.

Mr. CITRON. Mr. Chairman, under leave to extend my remarks concerning H. R. 6721, a bill to study the textile situation, I submit further interesting data about this industry, particularly of importance to my own State of Connecticut and the other New England States.

I have looked into this subject and have found that this industry means more to New England than any other single industry.

It is generally considered that the general economic depression began about 1928 and was in full effect by 1931. In New England textile manufacturing was long considered as the basis of its industrial prosperity. Its output exceeded that of other industries; its great number of workers, though not so well paid as in some other industries, found steady employment; and the gross wages and expenditures maintained the large purchasing power of this region.

Even before the World War, changes in this industry were in evidence, and readjustments were taking place. Artificial substitutes, shifting of capital, overcapacity to produce, due to expansion during war days, changes in domestic and world markets, differences in styles and tastes as to the finished goods, world effects upon the cotton-growing of the South and wool-growing of the West, were all some of the many factors that became in evidence as the textile industry, particularly in New England, reached a state, such as now exists, that may necessitate radical relief. Before the general

economic depression the trend in the textile industry, particularly the textile-mill industry, or what is called the primary textile manufacturers, engaged in spinning, weaving, and processing fabrics from the raw yarn or fiber—was downward.

I submit some interesting data for studies and comparisons at this point:

Manufactures in the United States¹

	Wage earners (average for year)	Wages	Based on census figures for total in the United States, value of products ²
1914 ³	6,895,000	\$4,067,000,000	\$23,975,000,000
1919 ⁴	8,998,000	10,460,000,000	62,000,000,000
1921 ⁴	6,947,000	8,202,000,000	43,653,000,000
1925.....	8,382,000	10,727,000,000	62,718,000,000
1929.....	8,839,000	11,621,000,000	70,435,000,000
1931.....	6,523,000	7,186,000,000	41,350,000,000
1933.....	6,055,735	5,261,576,029	31,358,840,338

¹ Figures taken from the U. S. Department of Commerce Statistical Abstracts of the United States.

² Based on estimates of 16 general groups of industries.

³ Factories, including establishments with products valued at less than \$5,000 and over \$500.

⁴ Excluding establishments with products valued less than \$5,000. After 1921 the census did not include establishments with products valued less than \$5,000.

⁵ Preliminary figures.

TEXTILES AND THEIR PRODUCTS

Considered as one of the 16 general groups of industries, this group consists of, first, textile-mill products, such as cotton goods, silk and rayon goods, woolen goods, and so forth; second, wearing apparel; and, third, other articles made from purchased fabrics.

Textile-mill products in the United States¹

	Wage earners (average for the year)	Wages	Value of prod- ucts
1914.....	950,880	\$404,608,000	\$1,935,344,000
1921.....	993,557	896,373,000	3,896,449,000
1925.....	1,110,209	1,066,262,000	5,342,617,000
1929.....	1,096,163	1,052,971,000	5,043,171,000
1931.....	886,979	744,568,000	2,964,558,000
1933.....	954,757	651,110,000	2,673,216,000

¹ In New England this particular division is predominant. (See tables I, II, and III.)

Raw cotton grown in the United States¹

	Bales (500 pounds gross)	Farm value
1928.....	14,477,000	\$1,302,040,000
1930.....	13,932,000	659,047,000
1931.....	17,095,000	883,000,000
1932.....	13,001,000	424,000,000
1933.....	13,047,000	633,266,000

¹ Source: Bureau of the Census, Cotton Production and Distribution, Bulletin 171, p. 5.

In 1932 production dropped off from 1931, 35 percent, and the value dropped off for aggregate only 12 percent. In 1933 production over 1932 increased by about thirty-six one-hundredths of 1 percent, but the value by 49 percent.

Cotton exports from the United States¹

	Quantity (ex- cluding linters), in thousands of running bales	Value (includ- ing linters), in thousands of dollars
1925-7.....	10,927	\$922,737
1928-9.....	8,044	820,105
1932-3.....	8,419	339,940
1933-4.....	7,534	312,692

¹ Source: Bureau of the Census.

COTTON MANUFACTURES—PRODUCTION, EXPORTS

Consumption of cotton by New England mills decreased from 2,397,000 bales in 1920 to 678,000 bales in 1932, but increased to 985,000 bales in 1934.¹

Based on the consumption of 2,049,000 bales in 1923, the consumption of cotton by New England mills in 1934 amounted to 48.1 percent.

The consumption of cotton by Connecticut mills decreased from 137,000 bales in 1910 to 52,000 bales in 1932, but increased to 59,000 bales in 1934. The 1934 cotton consumption by Connecticut mills amounted to 47.2 percent of the 1923 consumption of 125,000 bales.

The total number of active spindles decreased from 36,260,000 in 1923 to 27,742,000 in 1934, a decrease of 8,518,000. The maximum number of active spindles in New England amounted to 18,388,000 in 1921, although the maximum number in place amounted to 18,390,000 in 1923. The number of active spindles in New England mills decreased from 18,388,000 in 1921 to 8,557,000 in 1934, a decrease of 9,831,000. The active spindles in Connecticut mills decreased from 1,362,000 in 1920 to 839,000 spindles in 1934, a decrease of 523,000. For details, see table IV.

Many assertions have been made as to the condition of our textile industry and methods for improvement. It is needless to reiterate them. Claims merely prove the need for further factual findings and remedial suggestions based on these findings. Foreign exchange, gold and silver, tariffs, embargoes, trade relations, retaliatory tariffs, exports, quotas, improved machinery, fixed charges, labor costs here and abroad, substitute materials and goods, movement of capital, processing taxes, all are factors to be considered. While the total imports of textiles in 1934 were about the same as 1933, the progressively increasing share from Japan and the extremely low prices of Japanese products have become a potential menace to the industry. Do tariff walls present a sufficient barrier to the influx of merchandise made under wage levels and standards of living which are far below those of all other textile-producing countries, or can relief be granted in the form of quotas based on the average of years prior to 1933?

When the textile-manufacturing industry in the Northeast is depressed, the cotton- and wool-growers and the farmers are affected; and when the latter find their industry depressed, their purchasing power drops and in turn affects the manufacturers. This whole subject is not sectional, it is national in scope.

¹ Source: Bureau of the Census.

TABLE I.—Textile manufactures of the United States: Principal industries, showing number of establishments and wage earners, wages paid, and value of products

	Number of establishments						Number of wage earners					
	1914	1919	1923	1927	1931	1933	1914	1919	1923	1927	1931	1933
Textiles and their products—total (a, b, and c).....	23,364	28,473	26,763	26,843	23,750	19,266	1,505,912	1,610,067	1,715,293	1,694,416	1,420,808	1,474,325
Textile-mill products (a).....	5,942	7,159	7,816	7,244	6,111	5,648	950,880	1,052,327	1,164,638	1,119,733	886,979	954,757
Wearing apparel, etc. (b).....	14,953	18,778	16,904	15,486	13,837	10,642	510,595	507,700	499,413	501,656	472,168	482,857
Other articles (c).....	2,469	2,536	2,043	4,113	3,802	2,976	44,437	50,040	51,242	73,027	61,661	56,712
Details of (a):												
Cotton goods.....	1,179	1,288	1,375	1,347	1,140	1,057	379,366	430,966	471,503	467,595	339,962	378,823
Knit goods.....	1,622	2,050	2,323	1,869	1,705	1,574	150,520	172,572	194,244	190,283	178,011	185,699
Silk and rayon goods.....	902	1,369	1,598	1,648	1,211	1,087	108,170	126,782	125,234	127,643	109,225	110,322
Woolen and worsted goods.....	799	852	851	759	621	568	158,692	166,787	194,552	154,361	119,537	129,199
Dyeing and finishing textiles.....	507	628	713	743	666	625	48,467	55,985	63,414	73,851	67,003	66,309
Hats, wool, and fur felt.....	254	216	184	151	147	126	22,567	19,958	18,672	18,009	15,627	14,116
Cotton small wares.....	108	164	228	220	174	172	6,598	9,396	16,387	14,958	12,826	13,237
Cordage and twine.....	105	120	121	116	117	110	15,769	17,622	16,382	15,084	11,087	11,145
All other textile-mill products.....	574	620	423	391	329	329	67,329	61,655	64,250	57,948	43,101	45,902

TABLE I.—Textile manufactures of the United States: Principal industries, showing number of establishments and wage earners, wages paid, and value of products—Continued

	Number of establishments						Number of wage earners					
	1914	1919	1923	1927	1931	1933	1914	1919	1923	1927	1931	1933
Details of (b):												
Clothing:												
Women's.....	5,564	7,711	7,046	7,588	7,046	5,350	168,907	165,649	133,195	154,459	173,890	159,832
Men's, boy's (except work).....	4,830	5,258	4,607	3,562	2,945	2,219	173,747	175,270	194,820	146,099	121,964	119,233
Work.....				556	468	558				40,612	33,088	55,291
Shirts.....	792	896	934	907	781	585	51,972	39,603	51,672	57,216	57,755	53,815
Millinery.....				1,148	1,134	834				33,311	26,612	22,574
Furnishing goods, men's.....	3,767	4,913	4,317	534	573	363	115,969	127,178	119,726	25,183	24,034	16,676
All other wearing apparel.....				1,191	890	1,291				44,786	34,825	35,425
Details of (c):												
House furnishings, not elsewhere classified.....	370	467	452	548	914	708	6,935	7,853	8,708	11,691	14,195	14,677
Bags, other than paper not made in textile mills.....	138	216	169	181	189	169	9,358	10,756	11,548	11,164	11,985	10,543
Embroideries.....				1,069	732	547				8,964	5,561	4,652
Linoleum.....	18	21	7	7	6	5	14,428	15,414	6,261	5,364	2,895	2,821
Waste, processed ¹	79	98	88	118	132	124	3,082	2,810	2,745	3,494	3,153	3,036
All other.....	1,850	1,734	1,327	2,190	1,829	1,423	20,634	23,207	21,980	32,350	23,872	29,983
	Wages (thousands of dollars)						Value of products (thousands of dollars)					
	1914	1919	1923	1927	1931	1933	1914	1919	1923	1927	1931	1933
Textiles and their products (total) (a, b, and c).....	675,782	1,481,183	1,743,798	1,759,958	1,238,179	1,017,301	3,444,810	9,210,933	9,462,282	8,950,473	5,849,032	4,811,213
Textile-mill products (a).....	404,606	910,048	1,122,752	1,099,735	744,568	651,110	1,935,344	5,481,884	5,527,557	4,933,282	2,964,558	2,673,218
Wearing apparel, etc. (b).....	250,114	526,955	568,139	578,152	433,473	322,813	1,297,273	3,198,147	3,443,940	3,391,881	2,488,861	1,797,518
Other articles (c).....	21,063	44,180	52,908	82,071	60,138	43,377	212,195	531,159	490,785	625,310	395,613	343,475
Details of (a):												
Cotton goods.....	146,130	355,475	396,603	380,910	219,680	216,384	676,569	2,125,272	1,901,126	1,567,401	805,792	861,170
Knit goods.....	59,758	125,200	168,272	188,163	149,589	132,030	258,913	713,140	848,177	816,620	585,677	498,350
Silk and rayon goods.....	47,109	108,226	126,549	140,054	97,409	74,110	254,011	688,409	761,322	750,124	422,772	290,573
Woolen and worsted goods.....	75,953	168,109	222,985	173,822	117,583	101,888	379,484	1,065,435	1,062,559	817,979	496,243	457,830
Dye and finishing textile.....	24,872	57,190	72,525	91,697	76,577	58,423	109,292	323,938	366,623	406,047	322,187	278,942
Hats, wool and fur felt.....	12,671	21,031	23,536	25,045	17,928	13,199	39,295	89,485	83,896	107,992	65,048	44,939
Cotton, small wares.....	2,825	7,162	15,957	15,333	11,617	10,059	11,525	40,897	73,223	64,820	41,991	38,890
Cordage and twine.....	6,996	14,700	15,148	13,674	8,627	7,373	59,762	133,366	88,283	89,172	47,557	38,714
All other textile mill products.....	30,487	60,117	80,877	71,037	45,558	37,644	158,018	342,749	342,348	313,127	177,291	163,723
Details of (b):												
Clothing:												
Women's.....	92,574	195,296	176,446	211,350	189,187	127,418	473,888	1,208,543	1,406,684	1,494,401	1,292,253	846,300
Men's and boys' (except work).....	86,828	197,822	207,252	184,613	115,041	92,266	458,211	1,162,986	1,016,722	932,182	551,416	445,220
Work.....				29,946	20,452	26,071				147,289	88,569	135,336
Shirts.....	19,170	25,834	37,943	42,998	33,152	26,113	95,815	205,327	241,331	241,650	166,840	119,717
Millinery.....				40,788	32,565	20,313				209,495	144,575	77,347
Furnishing goods.....	51,542	108,003	118,263	22,070	17,339	9,521	269,359	621,291	617,210	145,474	98,918	55,659
All other wearing apparel.....				40,387	25,737	20,481				221,390	146,290	117,969
Details of (c):												
House-furnishings, not elsewhere classified, not made in textile mills.....	3,306	6,444	8,454	10,947	12,047	9,787	26,453	60,212	69,333	87,677	86,821	84,723
Bags, not of paper.....	3,789	7,757	9,361	9,548	9,111	6,977	79,049	214,060	151,676	162,950	104,991	92,115
Embroideries.....				10,962	6,330	3,874				32,419	20,224	12,194
Linoleum.....	2,604	16,518	8,376	8,177	3,595	2,800	17,602	52,673	52,527	47,442	22,984	19,093
Waste, processed.....	1,239	2,225	2,468	2,853	2,049	1,686	17,959	30,684	33,701	33,377	16,344	14,708
All other articles.....	10,125	21,236	24,249	39,584	27,006	18,253	71,132	173,530	183,548	261,445	144,249	117,578

¹ Includes asphalted felt base floor coverings.² Includes oakum 1914, 1919, and 1923.

TABLE II.—Textile industries of Connecticut

	Number of establishments						Number of wage earners					
	1914	1919	1923	1927	1931	1933	1914	1919	1923	1927	1931	1933
All industries, including textiles.....	4,104	4,872	3,130	2,877	2,811	2,410	226,264	292,672	263,232	240,806	192,151	183,322
Textile-mill products:												
Cotton goods.....		47	48	35	28	20		15,647	14,865	12,639	10,165	9,667
Cotton small wares.....	50	5	16	18	15	15	15,466	108	3,049	2,733	2,163	1,977
Cotton lace goods.....		5	5	6	4	(¹)		728	866	459	(¹)	(¹)
Knit goods.....	25	21	25	15	12	14	2,904	2,649	2,154	1,367	993	1,230
Silk and rayon goods.....	44	41	39	35	37	36	10,668	11,254	12,404	9,183	9,662	8,527
Woolen goods.....		35	36	29	28	27		5,351	6,153	5,938	3,739	4,813
Worsted goods.....	53	9	12	11	10	10	7,350	2,447	2,643	3,055	2,350	2,028
Felt goods, wool, hair, and jute.....		3	4	4	3	3		334	372	309	148	233
Hats, fur-felt.....	58	41	40	34	36	26	5,461	4,580	4,946	5,548	5,649	5,565
Cordage and twine.....	10	9	14	13	13	12	316	348	442	332	268	235
Dyeing and finishing textiles.....	12	16	16	20	20	21	1,764	1,918	2,524	2,551	2,074	2,459
Wearing apparel made from purchased fabrics:												
Clothing (except work clothing), men's, youths', and boys', not elsewhere classified.....	20	69	27	16	16	16	391	611	925	878	791	759
Clothing, work, men's.....				3	3	(¹)				74	65	(¹)
Clothing, women's.....	19	60	49	48	73	55	1,337	2,058	1,702	2,404	3,964	4,506
Shirts.....	8	10	13	19	23	22	914	582	1,303	1,823	2,891	3,148
Furnishing goods, men's.....			6	11	12	7			476	870	953	876
Suspenders, garters, etc.....	17	15	6	7	6	5	3,142	3,426	137	286	366	334
Hats, caps, except felt and straw, men's.....	9	10	8	9	5	4	94	137	72	83	37	74
Corsets and allied garments.....	21	19	19	17	16	18	7,298	5,616	4,542	3,138	2,813	2,814
Millinery.....	7	10	11	5	(¹)	5	117	139	204	(¹)	(¹)	73
Other articles made from purchased fabrics:												
Awnings, tents, sails, covers.....	20	29	22	26	22	17	39	68	91	91	91	67
Hat and cap materials, men's.....	15	15	11	13	18	13	400	682	516	1,025	662	618
House-furnishing goods, not elsewhere classified.....	5	8	8	8	10	(¹)	1,233	874	825	806	989	(¹)
Total recorded textiles.....	393	477	437	402	410	346	58,894	59,557	61,211	55,592	50,863	50,006

¹ Not separately recorded.

TABLE II.—Textile industries of Connecticut—Continued

	Wages paid					
	1914	1919	1923	1927	1931	1933
All industries, including textiles	\$125,220,000	\$324,682,000	\$314,828,741	\$304,503,907	\$199,370,228	\$157,607,614
Textile-mill products:						
Cotton goods		14,783,982	15,285,494	13,140,400	8,768,767	7,023,626
Cotton small wares	6,982,000	78,390	3,094,312	2,965,290	1,952,966	1,558,033
Cotton lace goods		785,638	884,995	533,832	(1)	(1)
Knit goods	1,295,000	2,220,926	2,153,216	1,421,319	767,699	1,050,135
Silk and rayon goods	5,606,000	11,523,047	14,724,636	11,400,520	10,208,016	7,048,732
Woolen goods		5,955,985	7,764,231	7,265,284	3,842,183	4,288,824
Worsted goods		2,611,470	2,938,032	4,397,185	2,873,823	1,848,169
Felt goods, wool, hair, and jute	3,731,000	304,621	458,931	369,691	183,102	215,810
Hats, fur-felt	3,057,000	5,099,015	6,021,731	7,998,771	7,520,836	5,732,462
Cordage and twine		225,948	298,130	272,771	198,432	135,324
Dyeing and finishing textiles	923,404	2,233,708	3,084,828	3,255,786	2,267,287	2,019,583
Wearing apparel made from purchased fabrics:						
Clothing (except work clothing), men's, youths', and boys', not elsewhere classified	143,560	658,573	1,207,668	832,984	683,069	512,403
Clothing, work, men's				61,609	44,281	(1)
Clothing, women's	464,991	1,316,631	1,441,233	2,222,707	2,725,383	2,127,575
Shirts	404,936	408,474	1,031,094	1,392,598	1,935,531	1,673,507
Furnishing goods, men's	1,395,131	3,831,721	110,043	344,080	695,492	576,522
Suspenders, garters, etc.				278,848	324,952	262,398
Hats, caps, except felt and straw, men's	55,610	178,642	89,133	117,341	41,101	55,345
Corsets and allied garments	2,793,764	4,155,629	3,659,741	2,804,576	1,986,970	1,774,973
Millinery	42,830	74,323	133,415	(1)	(1)	72,059
Other articles made from purchased fabrics:						
Awnings, tents, sails, covers	23,469	60,714	98,000	106,516	104,201	66,233
Hat and cap materials, men's	160,395	610,700	466,000	806,086	790,989	410,097
House-furnishing goods, not elsewhere classified	573,137	808,210	811,000	696,459	743,043	(1)
Total recorded textiles	27,759,002	57,432,345	66,100,043	63,276,656	48,682,133	38,451,824

	Value of products					
	1914	1919	1923	1927	1931	1933
All industries, including textiles	\$545,472,000	\$1,392,432,000	\$1,288,280,767	\$1,284,738,563	\$797,483,537	\$634,704,835
Textile-mill products:						
Cotton goods		101,551,071	61,067,126	49,177,763	23,257,366	20,140,993
Cotton small wares	30,809,000	415,773	13,629,323	13,460,110	7,054,074	5,447,317
Cotton lace goods		3,087,539	2,890,180	1,474,993	(1)	(1)
Knit goods	5,222,000	9,832,776	8,748,653	5,181,152	2,267,434	3,853,033
Silk and rayon goods	30,592,000	68,053,429	74,674,044	47,408,321	36,785,232	23,243,435
Woolen goods		32,357,090	30,795,995	27,841,649	12,783,797	15,072,433
Worsted goods	17,129,000	18,928,293	14,810,086	22,103,275	11,662,438	9,613,273
Felt goods, wool, hair, and jute		2,528,675	3,191,492	2,182,222	1,204,124	1,337,299
Hats, fur-felt	9,476,000	23,152,468	22,594,263	37,758,465	23,708,649	17,576,993
Cordage and twine	666,093	1,932,997	1,925,357	1,863,103	897,957	644,421
Dyeing and finishing textiles	3,503,139	8,350,098	12,205,833	11,779,105	8,967,647	8,923,233
Wearing apparel made from purchased fabrics:						
Clothing (except work clothing), men's, youths', and boys', not elsewhere classified	483,793	2,709,511	3,907,130	3,231,540	1,738,699	1,635,232
Clothing, work, men's				172,330	87,945	(1)
Clothing, women's	1,596,888	7,425,967	5,447,528	8,191,746	7,496,331	8,088,531
Shirts	2,144,356	3,292,180	6,095,400	5,727,994	5,436,449	5,473,836
Furnishing goods, men's	6,434,933	16,965,529	1,978,233	5,370,032	4,768,422	3,245,705
Suspenders, garters, etc.			916,452	2,123,297	1,726,673	1,334,433
Hats, caps, except felt and straw, men's	238,165	898,545	443,618	633,758	193,049	262,534
Corsets and allied garments	12,935,805	20,674,864	19,460,413	15,198,789	13,168,122	11,126,467
Millinery	285,278	851,793	1,151,636	(1)	(1)	280,561
Other articles made from purchased fabrics:						
Awnings, tents, sails, covers	113,081	289,503	487,000	479,179	430,083	286,804
Hat and cap materials, men's	1,593,895	4,931,487	2,487,000	5,803,465	3,830,794	2,309,310
House-furnishing goods, not elsewhere classified	3,818,969	4,673,198	5,594,000	4,940,384	5,085,015	(1)
Total recorded textiles	127,092,398	332,403,787	294,501,742	272,192,662	174,611,355	139,945,002

¹ Not separately recorded.TABLE III.—Trend of production, 1923-33
[1933 as compared with 1923]

	Percent of 1923 figures							
	Total United States				Connecticut			
	Number of establishments	Number of wage earners	Wages paid	Value of products	Number of establishments	Number of wage earners	Wages paid	Value of products
Textiles and their products (total)	72.0	86.0	58.3	50.8				
(a) Textile mill products	77.0	82.0	58.0	48.4				
Cotton goods	76.9	80.3	54.6	45.3	41.7	65.0	45.9	33.0
Knit goods	67.8	95.6	78.5	58.8	56.0	57.1	48.8	44.0
Silk and rayon goods	68.0	88.1	58.4	38.2	92.4	68.7	47.9	31.1
Woolen and worsted goods	66.7	66.4	45.7	43.1	74.0	77.8	57.3	55.7
Dyeing and finishing textiles	87.7	104.6	80.6	76.1	131.3	97.4	65.5	73.1
Hats, wool, and fur felt	68.5	75.6	56.1	53.6	65.0	112.5	95.2	77.8
Cotton small wares	75.5	80.8	53.3	43.1	93.8	64.8	50.4	40.0
Cordage and twine	90.9	68.0	48.7	43.9	85.7	36.4	45.4	33.5
Felt goods, wool, hair, and jute								
Cotton lace goods	77.8	71.4	41.6	47.8	75.0	62.6	47.0	41.9
Other textile-mill products								

¹ 1927 = 100.

TABLE III.—Trend of production, 1923-33—Continued

	Total United States				Connecticut			
	Number of establishments	Number of wage earners	Wages paid	Value of products	Number of establishments	Number of wage earners	Wages paid	Value of products
Textiles and their products (total)—Continued.								
(b) Wearing apparel, etc., made from purchased fabric.	63.0	92.7	56.8	52.2				
Women's clothing	75.9	120.0	72.2	60.2	112.2	270.0	147.6	148.5
Men's clothing (except work)	60.3	89.6	57.1	57.1	84.7	88.5	45.7	43.9
Men's clothing (work)	62.6	104.1	68.8	49.6	169.2	241.6	162.3	89.8
Shirts					116.7	184.0	107.6	165.3
Men's furnishing goods					45.5	38.2	54.0	25.1
Millinery					83.3	243.8	238.5	145.6
Suspenders, garters, etc.	57.6	62.4	42.5	40.7	50.0	102.8	62.1	59.2
Men's hats (except felt and straw)					94.3	62.6	48.5	57.2
Corsets and allied garments								
All other wearing apparel								
(c) Other articles made from purchased fabrics.	145.7	110.7	82.0	68.4				
House furnishings, not elsewhere classified	72.4	77.7	52.9	54.4				
	156.6	168.5	115.6	122.2				
			89.4	96.6				
Hat and cap material					(2)	(2)	(2)	(2)
Awnings, tents, sails, covers, etc.	142.6	98.8	75.6	60.7	118.2	119.8	88.0	92.9
					77.3	60.3	50.9	39.3
						73.6	67.6	58.9

¹ Approximate.² Not separately recorded.

TABLE IV.—Cotton spindles of the United States, total, New England and Connecticut (thousands), cotton consumed and exports

Year	United States		New England		Connecticut		Cotton consumed (thousand bales), excluding linters			Exports of domestic cotton (United States)	
	In place	Active	In place	Active	In place	Active	United States ¹	New England ²	Connecticut ³	Total (thousands of bales)	Value (thousands of dollars)
1890		14,384		10,934	939	934	2,518	1,502			
1900		19,472		13,171	1,064	1,001	3,873	1,909			
1910	28,929	28,267		15,735	1,282	1,279	4,622	1,995	137		
1915	32,841	31,964	17,526	17,101	1,335	1,320	5,597	2,149	133		
1920	35,834	35,481	18,543	18,287	1,393	1,362	6,420	2,397	136		
1921	36,618	36,047	18,734	18,388	1,389	1,351	4,803	1,614	95	6,184	
1923	37,409	36,260	18,930	18,054	1,367	1,326	6,666	2,049	125	5,656	
1925	37,929	35,032	18,333	15,975	1,239	1,163	6,193	1,639	96	8,051	
1927	36,696	34,410	16,872	14,995	1,167	1,121	7,190	1,675	104	7,540	
1929	34,820	32,417	14,549	12,537	1,105	1,055	7,091	1,448	111	8,044	847,409
1931	32,673	28,980	12,168	9,655	1,074	900	5,253	937	75	6,760	420,972
1932	31,709	27,272	11,374	8,566	1,067	855	4,866	673	52	8,708	339,940
1933	30,893	26,895	10,810	8,205	975	871	6,137	884	58	8,419	342,699
1934	30,942	27,742	10,582	8,557	957	839	5,700	985	59	7,534	421,409

Source: Bureau of the Census, Cotton Production and Distribution.

¹ 1926 equals 10,927 bales.² 1923 equals 100 percent; 1934 equals 85 percent; 1927 equals 100 percent; 1934 equals 79.3 percent.³ 1923 equals 100 percent; 1934 equals 48.1 percent.⁴ 1923 equals 100 percent; 1934 equals 47.2 percent.

FIFTY-FIFTY DIVISION OF REGULAR ARMY OFFICERS

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of officer material for the Army as coming from the Officers' Reserve Corps, and to include a letter from Major General Rivers, retired, and extracts of letters from other Reserve and Regular officers.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I wish to state briefly some of my views with reference to the source of officer material for the Army. For several years practically all commissions have gone to the graduates of the Military Academy. There is now considerable sentiment from certain quarters to increase the number of cadets at the Military Academy at West Point so that there may be a larger number of graduates and, therefore, a sufficient number to fill all vacancies caused by retirement, death, resignation, discharge, and other causes from the Regular Army. If this should come about, it would, in my judgment, be unfortunate, because detrimental to the higher interests of the Army and of the country as a whole.

INDIVIDUALISM, NOT GOOSE STEP, IS SECRET OF AMERICA'S GREATNESS

The genius America calls for is individuality, initiative, and variety of views and talents. I do not discount the value of the education, both general and in elementary military science at the Military Academy. It is undoubtedly a thorough school in the academic branches. Of course, it is also very elementary so far as military education is con-

cerned. All persons who have studied educational problems agree that no school nor college nor university can give ability, talents, or personality to the students. Some of the greatest men our Nation has produced never went to college, and at least one President of the United States never went to the most elementary school. Yet Andrew Johnson was a man of fine education and of unswerving principle. In like manner, many of the greatest soldiers in American history never received any elementary military training in any sort of military school. Some of the greatest scientists never went to any technical school. Some of the greatest journalists never went to any school of journalism. Many of the greatest lawyers never attended any law school. So that schools are not essential but only helpful.

SCHOOLS CANNOT CREATE, BUT MERELY HELP TO DEVELOP MEN OF CHARACTER AND ABILITY

So that I cannot concur in the sentiment indulged by some that merely because a young man graduates at the Military Academy he possesses independent inherent qualifications to make him a great officer if the opportunity arises. I can agree that every graduate has in himself the potentialities of a General Lee, or of a General Grant, or of a General Pershing, or of a General Liggett, or of a General Bullard. I have often visited the Military Academy, and I admire the sternness of the discipline, the rigidity of the courses of study, and the thoroughness of instruction. But I also visited many other schools, and much is to be said in favor of the system of election of studies inaugurated

in America by Thomas Jefferson at the University of Virginia. I am persuaded that the system of election assists in the development of individuality and initiative and independent thinking and planning.

DO NOT PERMIT INTELLECTUAL INBREEDING—CROSSBREEDING PRODUCES A BETTER TYPE

Furthermore, consequently, I am contending with great earnestness that not over one-half of the commissioned officers of the Regular Army should be graduates of the Military Academy, and that the other half should be selected from the graduates of our high-grade military schools and colleges and from the recently commissioned reserve officers from the R. O. T. C. units in our various colleges and universities. There are being commissioned from these several sources each year approximately 7,000 second lieutenants in the Reserve Corps. In addition to these there are some very fine young men in the National Guard who would like a chance to apply for a commission in the Regular Army. Furthermore, I am thoroughly convinced that there should be an open door to the enlisted men of the Regular Army to obtain commissions. From these sources we obtain such valuable officers as Maj. Gen. James G. Harbord and Maj. Gen. Preston Brown, and many others whom I could mention. To say that these officers are not the equal of the average officers graduating from the Military Academy is to assert something in the face of the manifest facts. Only about 40 percent of the officers now in the Regular Army are graduates of the Military Academy and I am willing to increase this percentage up to 50 percent, but I refuse to agree that a larger percentage than one-half of the Regular Army officers should be graduates of the Military Academy.

THE HUMAN PROBABILITIES ARE AGAINST THE THEORY OF ABSOLUTE SUPERIORITY OF WEST POINT GRADUATES

My argument is based upon a simple mathematical proposition. I assert that it is against the human probabilities that every one of the graduates of the Military Academy, being about 250 a year, is superior in natural ability and in leadership and in personality and in education to all of the 7,000 graduates of our good military schools and colleges and R. O. T. C. units. Surely there are at least 250 out of the 7,000 who are equal in the essentials of leadership and character and education to the 250 graduates from the Military Academy. If by law we make it possible for these recent graduates in the R. O. T. C. units to obtain commissions in the Regular Army, then all who wish such commissions will apply for same. All these applications will be considered carefully by the War Department. If only 2,500 such reserve officers apply for commissions each year, then if the War Department selects 10 percent of that number, to wit, only 250 to equal the average class of the Military Academy, then they will be rejecting the applications of 90 percent of those who apply.

Surely out of the 2,500 who apply they can find 250 that have the necessary qualifications to make first-class officers in the Army. I do not believe that any person who is familiar with such good military schools as Virginia Military Institute, Culver Military Academy, The Citadel at Charleston, S. C., and the R. O. T. C. units in so many of our State universities and in our land-grant colleges and in our private and denominational universities and colleges will assert that none of these young men graduating in these institutions is the equal of the lowest graduate in the Military Academy. If any Member of Congress is willing to take a position that the graduates of these various private military schools and State colleges and R. O. T. C. units are inferior in the qualities necessary to make an officer in the United States Army to the most inferior graduate of the Military Academy, then I shall be greatly surprised.

LEAVE THE DOOR OF OPPORTUNITY OPEN TO EVERY YOUNG MAN IN AMERICA TO BECOME AN OFFICER IN OUR ARMY

Since this is the fact, if we will offer these young Reserve officers the prospect of a commission in the Regular Army, they will take greater interest in their studies while in the R. O. T. C. course. It will, therefore, improve these various units. It will stimulate the young men to greater interest in military matters. It will, therefore, help all of the 7,000

and not merely the 250 who may get commissions. All of the 7,000 will during the 4 years of training be thinking of the prospects of getting a commission in the Army. But it will do more than this. There are enrolled in the various R. O. T. C. units in 228 institutions and colleges annually about 100,000 young men. It is true that only about 7,000 of these graduate each year. But 93,000 others have obtained military training. Whatever influences have operated to improve the 7,000 will also improve the other 93,000. Therefore, my suggestion will stimulate interest in each one of the 100,000 young men in the R. O. T. C. units. We are investing annually just about as much money in these young men as we are expending all told upon the Military Academy at West Point. While it costs about \$15,000 to graduate a young man at the Military Academy, it costs the Federal Treasury an average of less than \$1,000 to graduate a young man in one of the R. O. T. C. units. If we can get 250 young men costing us less than \$1,000 apiece equal to the 250 graduates of the Military Academy each year that have cost us \$15,000 apiece, then why should we practically double the expense of training officer material when we can get just as good officers without the increased expense?

A GENEROUS RIVALRY BETWEEN TWO GROUPS WOULD HELP ALL OFFICERS IN ARMY

Furthermore, this variety of education for the officers of the Army will benefit the Army. Modern military science calls for a great variety of talent and training. It would be unwise to drill all officer material through the same groove. There would spring up a sort of intellectual inbreeding that would stagnate progress. Furthermore, upon a 50-50 basis, as suggested, there would undoubtedly be a generous rivalry between the two groups in their work and training and fighting. Each group would have the stimulus of competition to provoke ambition and arouse energy. Every officer in the Army who reads these remarks will silently confess that when he was commissioned a second lieutenant he was unfit for the responsibilities of the office. Every officer who has attained the rank of general will freely confess that the study and effort put forth by him after he was first commissioned is what accounts for his advancement, and not the education that he received prior to his commission. The officer who thinks that he is thoroughly educated when commissioned a second lieutenant, and puts forth no more effort and energy and simply drifts upward with his classmates, will never become a general officer. This is why I am strongly in favor of the class B provisions of the law and in favor of their strict enforcement.

I am opposed to selection for promotion, because it would undoubtedly lead to favoritism. I am strongly in support of eliminating those who lack ambition and lack ability and lack aptitude and lack character. They should be eliminated just as soon as possible and make room for worthy, ambitious, and deserving young men. We should have no sympathy for the officers who misbehave and neglect their duties and expect advancement by clinging onto the promotion list. With the officers evenly divided between graduates of the Military Academy and the other sources indicated, every officer will feel that he has a personal obligation to make good, not alone for himself but to make good for the group to which he belongs. This is a proper rivalry. It will promote the interest of the Army and it will be reflected in more capable officers to train our civilians in peace time and to lead our armies in time of war. This is all that I am interested in. Personally I would favor taking from Members of Congress the power to appoint cadets to the Military Academy. Too often this power of appointment is exercised to promote political interest, or to serve friends, or even to appoint relatives. We know instances of where the sons of Members of Congress have been appointed to the Military Academy by a sort of exchange and swapping of appointments among Members of Congress.

I think that the selection of the appointees should be taken out of the discretion of the Members of Congress and put on a competitive basis to be conducted by either a fair and impartial board set up in the War Department or by the Civil Service Commission. Personally I have never exercised

my power to designate a particular individual to either the Military Academy or the Naval Academy. I have always given public notice that the Civil Service Commission would conduct an examination at a given place and at a given time to fill all such appointments. I have invariably appointed as principal the young man who made the highest marks and appointed the alternates in the order of their marks as reported by the Civil Service Commission. I believe that this is not only the fairest way but the best way to get good officer material. The character of the young man in the high school and college is reflected largely by his fidelity to his duties as a student, and certainly his abilities are reflected by his examination paper. The young men that I have appointed for the last 15 years at these two academies have given good account of themselves, and I believe that I have best served my country by ignoring my political interests and refusing to yield to the importunities of friends and relations and have appointed young men who made the highest marks in a fair, open, competitive examination conducted by the United States Civil Service Commission.

A BETTER METHOD OF SELECTING CADETS FOR THE TWO SERVICE ACADEMIES

It might be better if this examination were conducted by a board of Army officers. In the event of such examination, other qualifications than mere scholarship could be considered. While it would be difficult to ascertain and to read the merits of young men as to leadership, personality, character, and so forth, yet a rough estimate might be submitted. If scholarship could be rated for 75 percent, and character, personality, and leadership rated for 25 percent, better results might be obtained. I know Members of Congress who hug this power of appointment to their hearts with great affection, but I believe that upon sober reflection they will realize that the first consideration is the welfare of the Army and the Navy and the welfare of the country as reflected through the Army and the Navy. At any rate, I am giving my colleagues the benefit of my personal observations and experiences for whatever they may be worth, and I am merely asking for a fair, disinterested, and patriotic judgment upon these proposals.

SOME VOICES FROM THE CIVILIANS WHO WORK, PAY TAXES, AND THINK FREELY AS DISINTERESTED PATRIOTS

I am now appending herewith by permission of the House some extracts from letters and resolutions recently received concerning my stand for giving the Reserve officers a chance to obtain commissions in the Regular Army:

LETTER FROM SUBMERGED OFFICER

It was, of course, a bitter disappointment to all officers in similar position to mine, that, through no fault of yours, your efforts were not successful. However, many of us will always be lastingly grateful, and we have always felt that as long as you occupy your present high position we older officers have a friend at court. Since that time and up to now, we have done our best to be loyal and faithful to the trust imposed in us, and shall, of course, continue to do so regardless of what may turn up. However, you will recall that last summer there was a wholesale elimination of officers, supposedly of those who were not efficient. I do not question the wisdom of this, but I do know that many of those who were forced out of the Army last summer were men who had given the best years of their life in subordinate grades. I will not weary you with a repetition of this hard-luck story, for I am sure that you are already only too familiar with it. However, if the gentlemen of your committee could only realize the heartaches and discouragement suffered by the officers over age in grade, because of the uncertainty attached to their future, I fully believe that they would at least save us the further uncertainty and humiliation incident to a repetition of last year's catastrophe.

I have reference to the same clause in the Army appropriation bill for 1935-36 that was included in the same bill for 1934-35.

You will note that General MacArthur is apparently against this forced attrition, as he realizes full well the terrible effect on the morale of all officers of the Army. As long as conditions of this kind exist, all officers (both old and young) are terribly upset. They do not know where the ax will fall next. Those of us who were fortunate enough to escape last year had just begun to breathe a little easier, hoping that the threat of forced elimination was past and that the new promotion bill would at least insure those of us who have been forced to remain in subordinate grades for so many, many years a chance for promotion in the near future. Even with this new promotion bill being given favorable report it seems that we are again threatened with being eliminated. Is there any way in which this threat can be eliminated?

"It would appear that the Army cleaned house last summer. Therefore, the only ones left from which to make future reductions are those who are unfortunate enough to be over age in grade. It would also appear that in the keen desire to afford promotion to the youngsters who have graduated from West Point since 1920, the services rendered during the war by the older officers are apparently forgotten. It would appear that they are to be sacrificed for no more apparent reason than that they (who have also served in subordinate grades for many years) must make way for younger men.

"I feel so deeply on this subject, Mr. McSWAIN, that I could write on and on indefinitely, but I feel that you, who have been our friend for so long, will do whatever you can to allow those of us who have demonstrated our proficiency, to enjoy the remaining years of our active service in peace."

RESOLUTIONS ADOPTED BY THE CHARLOTTE CHAPTER OF THE RESERVE OFFICERS' ASSOCIATION OF THE UNITED STATES, FEBRUARY 28, 1935, AT CHARLOTTE, N. C.

Whereas it has come to our attention that the Honorable J. J. McSWAIN, Member of Congress from South Carolina, and Chairman of the Military Committee in the House of Representatives, has advocated to the President that at least 50 percent of the new officers in the Regular Army be appointed from recent graduates of the Reserve Officers' Training Corps, and who are now members of the Officers' Reserve Corps, in the event of an increase in the Regular Army; and

Whereas such a recommendation appears to us just and equitable and in accordance with the best interests of the Army as a whole: Now, therefore, be it

Resolved by the Charlotte Chapter of the Reserve Officers' Association of the United States in meeting assembled, That we do commend the Honorable J. J. McSWAIN for his stand in this matter and for his recommendations in the interest of the Officers' Reserve Corps; and be it further

Resolved, That a copy of this resolution be spread upon the minutes of the chapter, that copies be forwarded to the State department and national headquarters, and that a copy be sent to the Honorable J. J. McSWAIN, House Office Building, Washington, D. C.

(Moved by First Lt. William F. Gaffney, Eighth Infantry, Davidson, N. C.; seconded by Lt. Col. Walter G. Craven, finance department, Thirtieth Division, 109 E. Fifth Street, Charlotte, N. C., and unanimously adopted.)

FRANCIS J. BEATTY,
Major, Three Hundred and Twenty-second Infantry, President.
RUFUS G. COLDWELL,
Captain, J. A. G. Reserve, Secretary-Treasurer.

RALEIGH, N. C., February 23, 1935.

Hon. J. J. McSWAIN, M. C.,
Chairman Military Affairs Committee,
United States House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN McSWAIN: It is with much gratitude that I learn of your stand upon the matter of the commissioned personnel for the Regular Army as you express in your letter to the President, on February 20, 1935.

The proposal to increase the commissioned strength of the Regular Army by increasing the number of appointments to the academy allowed each Member of Congress is by all respects a discrimination against those of us who desire to gain a commission from our Reserve commissions, and from the Reserve Corps. As the situation now stands, there can be but one result from such legislation. This is that within 15 years the whole American Army will be commanded entirely by West Point graduates.

On the face of such legislation it can be clearly seen that the results would be most detrimental to the Army, both as an organization and to its usefulness as a Government agency. For success in any endeavor a proper balance must obtain. Such a balance will be impossible where the guiding and directing authority initiates from one single clique, and by men who have been trained from one viewpoint. No college or university in existence would elect to its faculty only those who had graduated from its courses. This would not be fair to the students. What would be the result if all the Members of the Congress of the United States were graduates from any one college or university? This same axiom holds just as firmly in respect to the United States Army as it does for any agency of our Federal Government. The Army in peace times is a business just the same as the post-office function is a business and it must be run in a business way.

Since the spring of 1930, entrance into the line of the commissioned personnel of the Army has been by but one avenue, the Military Academy. Please do not read into this any animosity for the Military Academy or for the Cadet Corps. The reverse of such is intended. Everyone that is familiar with the past and present of this institution can do nothing but admire it because of its outstanding graduates. It is a sorrow of my life that I was unable to attend this fine school. This was politically impossible for me.

Success as an Army officer or efficient service to our Government is in no manner hinged to or assured by a diploma from West Point. A review of the retired list of the United States Army will substantiate this statement. There are many of my class who desire commissions. Several times we have forwarded to the War Department application for a regular commission, but each time

we were informed that there were no vacancies. This condition never existed for the West Point classes, and June of each year always found enough vacancies to care for all the graduates of this institution. The 1935 class from the Military Academy will put into the Regular Army as commissioned officers men who were in high school at the time that my class were already commissioned officers, and many with active duty to their credit. This certainly puts one institution in our country on a pinnacle and reflects on the training of all other colleges and universities.

If the men who were graduated from the Reserve Officers Training Corps with the commission of second lieutenant are not up to standard and not equal to the duties of a second lieutenant of the Regular Army in peace times, is it not quite true that such men would be of very little value in a time of an emergency when individual mistakes are so costly?

For these reasons, Congressman McSWAIN, will you please intercede for those of us who are 1930 to 1934 R. O. T. C. graduates, and in your wisdom make your recommendations that the new law be retroactive in effect so as to include us and thus right this injustice to us. We do not feel that the United States Government is obligated to the academy graduates in any larger extent than it is any other college graduate. In fact, the academy-educated man has been given an excellent education with pay and at public expense, while men of my class worked their way, many borrowing money to pay for their education.

If the commissioned personnel is to be increased by 2,000 officers, why could not 1,000 of these men come from the Officers' Reserve Corps? In this way no additional expense would be needed to obtain the extra officers, and it certainly would be keeping faith with many men who desire military careers and who could not attend the United States Military Academy.

Your aggressive intercession in our behalf will be most appreciated by my group, and I am confident that your stand on the subject of the commissioned personnel of the Army is the object of much praise from the Reserve officers of the United States Army.

This letter is not intended to express an official view of this Department, but is entirely the viewpoint of those Reserve officers of my class who feel that we have not been given a chance to work at our life choice.

With the very greatest respect, I am,
Very truly yours,

WILLIAM F. GAFFNEY,
First Lieutenant, Infantry Reserve.

The paper was received through the mail but there is no means of tracing or identifying its author:

INCREASE ARMY EFFICIENCY BY ACT OR AMENDMENT

1. Any commissioned officer promoted or detailed to the grade of brigadier general of the line, or any branch or staff corps of the United States Army, unless retired for any cause previous thereto, will hold this grade not longer than 4 years, at the end of which term of service, unless promoted to the grade of major general, he will be retired with the retired pay of his grade, according to previously approved acts of Congress.

2. Any major general of the line, or of any branch, service, or staff corps of the United States Army, unless retired for any cause previous thereto, will hold this grade not longer than 4 years, at the end of which term of service, unless selected for Chief of Staff, or Deputy Chief of Staff of the Army, will be retired with the retired pay of his grade, according to previously approved acts of Congress.

3. Any general officer promoted to or detailed as Chief of Staff, or Deputy Chief of Staff of the United States Army, unless retired for any cause previous thereto, will hold this grade or detail not longer than 4 years, at the end of which term of service, he will be retired with the retired pay of his grade, according to previously approved acts of Congress.

4. The selection of commissioned officers for promotion or detail to the grade of general officer of any branch, service, or Staff Corps of the United States Army, in addition to limitations according to previously approved acts of Congress, is hereafter limited to commissioned officers who have been commissioned and served in that particular branch, service, or Staff Corps of the United States Army for 8 years immediately preceding the effective date of such promotion.

5. The provisions of this act will apply to all commissioned officers of the United States Army now holding, or who have held, the grade of general officer since the effective date of the end of the World War.

6. The provisions of this act will be inoperative (or suspended) for the period of any war, effective immediately on declaration of war.

LETTER FROM A RESERVE OFFICER

I have always heard that if the Army had a friend in Washington, it was Congressman McSWAIN, and that Congressman McSWAIN was a great champion of Reserve officers. Because of this, and because I know of the invaluable aid you gave to Captain — in his recent trouble, I should like to ask if you would help me solve a problem I have struggled with in the darkness of ignorance with no success.

I am a graduate of the 1934 class of the University of —, and am now 23 years of age. I hold a second lieutenant's commission in the Reserve Corps, and have completed my work up to the grade of captain in less than 2 years. I am rather proud of the short record I have been able to attain in the corps.

During my senior year at the university and up to the present I have served as instructor in the military department of the University of — entirely on my own initiative and with no pay, merely to increase my efficiency as an officer. While this means nothing toward promotion, nor helps my military record, I think I am better for having done it, and I believe I can say without boasting that the Regular Army officers on duty at the university would give a good report on me. I have many recommendations from Army officers under whom I have served which I can submit with pride at any time.

More than anything else in the world, I want to be an officer in the Regular Army, and would gladly do anything necessary to obtain a commission if I only knew what was required and how to go about the affair. I have written the War Department about it, and they tell me that only West Pointers are appointed in the Regular Army. I feel certain that there must be some way for a person who is as much interested in the Army as I am to do something about it.

UNIFIED AIR FORCE—COORDINATION OF ARMY AND NAVY CORPS IS DISCUSSED

To the EDITOR OF THE NEW YORK TIMES:

May I say a word about your recent editorial in which you express approval of the fact that the Federal Aviation Commission (the Howell board), like the Baker board, "refused to be drawn into any chimerical proposition for a united national-defense system."

Lieutenant General Bullard, who commanded a division, a corps, and a separate Army in France, and is now president of the National Security League, says: "There should be a separate, unified air force, equal in rank and importance with the Army and Navy, and the three services should be united under a single department head."

The Chairman of the House Military Committee, JOHN J. McSWAIN, long a student of national defense, following his own war experiences, discussed this subject at length under the title, "National Defense—Reorganization of Departmental Control." After analyzing the objections, Representative McSWAIN gave his "conclusions that all the fighting forces of the Nation, organized solely for the defense of the Nation, in order to accomplish economy, in order to accomplish effective cooperation in training and in fighting, must be under a single authority, and in a single department."

INVESTIGATION URGED

Your comments were written previous to the issue of the 250-page pamphlet of the report of the Howell board. While this subject was not in the references of either of the two boards, it is interesting to see how its importance pressed upon both, developing evident anxiety about the matter. The Howell committee states: "While this matter lay beyond our scope, we have considered it so serious that we recommend that the whole problem of military organization and of interservice relationships be made the subject of extended examination by some appropriate agency in the near future."

In a large percentage of this board's 36 specific recommendations about Army and Navy aviation, the earnest desire to provide for better coordination in the work of the two forces stands out.

The Baker board states that the Army and Navy should "each be free to concentrate on its normal and customary missions rather than to adopt a system based on occasional and short-lived joint operations." The same board reports that all the primary and secondary functions of the two services are satisfactorily defined, "with the exception of aviation."

COORDINATION NEEDED

Is it not precisely this new and powerful engine of war, aviation, that has brought the subject of coordination so prominently to the front? Among many other matters there is the training of air forces, the use of aviation, including the power of one man quickly to reinforce the air contingent of Navy or Army in war, depending on which may be involved in the more serious problem for the moment. Is it the definition in time of peace of the functions of the Army and the Navy that is difficult, or a plan that will insure this arrangement being executed in war at a distance, with two powerful leaders in command of separate and distinct military forces?

Are joint operations always short-lived and are they ever unimportant? Witness Vicksburg, Gallipoli, Santiago, and much of the work of fleet and land troops in our Civil War. Even in those relatively simple war days, Lincoln had difficulty enough in getting Stanton and Wells to see eye to eye on several occasions.

WILLIAM C. RIVERS,
Major General, U. S. A. (retired).

New York, March 5, 1935.

LEAVE TO ADDRESS THE HOUSE

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent that tomorrow, immediately after the reading of the Journal and the disposition of business on the Speaker's table, I may address the House for 10 minutes.

The SPEAKER. Is there objection?

Mr. BUCHANAN. Mr. Speaker, this will be the first time I ever objected to that sort of request, but we have the Department of Agriculture appropriation bill, and we are meeting at 11 o'clock to try to get through with that tomor-

row so that another very important bill, in which there is a great emergency, can be taken up and we can get through with that before striking the bonus legislation. I hope the gentleman will withdraw his request until next week until those two bills are passed.

Mr. BOILEAU. Mr. Speaker, this is my third term in Congress and this is the first time I have ever made a request to speak out of order in the House. I want to say, further, that this afternoon I was referred to in the remarks of the gentleman from Arkansas [Mr. FULLER], and I hope the gentleman will not see fit to object to my request.

Mr. BUCHANAN. I will not object to this request, but I will object to any others.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. BOILEAU]?

There was no objection.

THE NEW FINANCIAL EMPIRE OF THE NORTHWEST AND HOW IT CONTROLS ALL GOVERNMENT FINANCE AGENCIES ESTABLISHED TO AID THE PEOPLE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BURDICK. Mr. Speaker, generally speaking all of the Government financial set-ups to service the Northwest were placed either in Minneapolis or St. Paul, and the men put in charge were, in almost every instance, selected from the ranks of the so-called "group banks." These group banks were organized, in the first instance, by officers and directors of the First National Bank of Minneapolis, and the machinery for grouping banks was put in motion by two organizations, the First Bank Stock Corporation and the Northwest Bancorporation.

Just a glimpse into the method of these organizations, both in the organization and operation, is necessary to convey to Congress and the country what sinister attachments these groups have had on the funds of the Government loaned through the various Government agencies established in the Twin Cities.

The Securities Division of the Department of Commerce for the State of Minnesota conducted an investigation concerning the organization and operation of this institution, and the testimony hereafter quoted is testimony adduced at this hearing. These hearings began in April 1933.

E. W. Decker, formerly president of the company and former president of the Northwestern National Bank of Minneapolis, testified that the officers of the Northwestern National Bank planned this scheme in the spring of 1928. The officers who took part in the discussions which 3 months later resulted in the organization of the company are: Theodore Wold, now president Northwestern National Bank, Minneapolis, Minn.; W. D. Durst, president of the Minnesota Loan & Trust Co., Minneapolis, Minn., affiliated with the Northwestern National Bank; J. C. Thomson, vice president of the Northwestern National Bank (Minneapolis), and now president of the Northwest Bank Corporation; R. E. McGregor, vice president of the Northwestern National Bank, Minneapolis; H. D. Thrall and D. R. West, officers and directors of the Minnesota Co., affiliated with the Northwestern National Bank, Minneapolis.

As to the purpose of organizing the corporation, Mr. Decker testified that in 1920 and 1921 he and C. T. Caffray, director of the First National Bank of Minneapolis, and now president of the Soo Line Railroad, borrowed \$50,000,000 for the purpose of loaning to country banks, and about at the same time they "took in" several of the important banks in the outlying districts of Minneapolis. They operated these as branches. The purpose of the Bancorporation was "to absorb by ownership the capital stock of Northwestern banks."

At a meeting on August 8 and 9, 1929, E. W. Decker called the directors of this new financial empire together and outlined to the various subordinate officials, who functioned under him in the chain banks, the theory under which the chain-banking institution would be conducted so far as

agriculture was concerned. I here quote verbatim what he said at that time:

Mr. Kenniston made a remark here the other day that perhaps was a little extreme, and yet there was a good deal of sense in it. He said, "You know, Decker, a farmer hasn't any business to borrow any money of a commercial bank", but today I would qualify that. If he is feeding stock and is going to turn it off in the fall, that is legitimate. But a farmer doesn't belong in a commercial bank to any great extent because his loans are not liquid—that is, to loan a farmer money in the hopes that he is going to get a crop, that is pretty risky. To keep on carrying farmers year in and year out, hoping that some day something is going to turn up, and they are poor farmers, is a detriment to the country, to the farmer, and to the bank. If a farmer is no good he may as well get out. It is a case of the survival of the fittest, and I do not propose to hold an umbrella over the banks up here and the farmers."

The above statement was made by the emperor of the new financial empire, and was carried out without objection by the chain bankers.

At that time the sway of that emperor was supreme. He was receiving \$60,000 annual salary from the Northwestern National Bank, \$7,000 from the street railway company, and a further small stipend of \$30,000 for acting as a receiver for the Minneapolis & Ontario Paper Mill Co. Decker, as chairman and director of the Minnesota Loan & Trust Co., of Minneapolis, sold stock in the Minneapolis & Ontario Paper Co. to men, women, widows, and orphans. This he did to make good on a loan of one million to this concern which was almost a total loss. This loss, or a great part of it, was absorbed by the men, women, widows, and orphans who purchased this stock, only to find it a financial failure.

The minute book of the Northwest Bancorporation shows that three dummy directors incorporated this corporation in the State of Delaware. Their names were A. V. Lane, C. S. Peabbles, and L. E. Gray. The first meeting of the board took place on January 30, 1929; and at that time John C. Benson, Paul Christopherson, and Glen S. Stiles, who were partners and employees of the law firm of Cobb, Hoke, Benson, Faigre & Krouse, became the directors of the corporation. This firm of attorneys acted as the attorneys for the corporation. The dummy directors at that meeting were paid the sum of \$1,000 for all rights to the corporation under the charter and for the 20 shares of stock authorized by the corporation. This stock was thereupon issued as follows: 12 shares to E. W. Decker (he kept control himself), 1 share to Hanford MacNider, 1 share to E. J. Weiser, 1 share to Robert E. McGregor, 1 share to H. D. Thrall, 1 share to D. R. West, 1 share to W. A. Durst, 1 share to Theodore Wold, and 1 share to W. G. C. Bagley.

The above-named men became directors of the corporation. The 20 shares of stock held by them had a par value of \$50 each, or \$1,000. There were no other subscriptions to stock of the corporation prior to the exchange and sale of stock in the amounts hereinafter mentioned. At that meeting on January 30, 1929, the dummy directors, Benson, Stiles, and Christopherson, resigned, and E. W. Decker, Hanford MacNider, and E. J. Weiser were elected as directors, and E. W. Decker became chairman.

The three directors then held a meeting and amended the bylaws to increase the number of directors to 35, and thereupon R. E. McGregor, H. D. Thrall, D. R. West, W. A. Durst, Theodore Wold, and W. G. C. Bagley were added to the board of directors, each owning a \$50 share of stock. This board organized and E. W. Decker became president; Robert E. McGregor, first vice president and treasurer; Hanford MacNider, vice president; E. J. Weiser, vice president; H. D. Thrall, vice president; D. R. West, secretary.

This meeting of the board then passed the following significant resolutions:

(1) That a bank account be opened with the Northwestern National Bank of Minneapolis, the First National Bank & Trust Co. of Fargo, N. Dak., and the Minnesota Loan & Trust Co., of Minneapolis.

(2) Resolved, That the dividends be declared and paid quarterly and that the dividend be declared as of April 1, 1929, be 45 cents per share if the earnings of the company be sufficient therefor; that said dividends shall be payable to stockholders of record on March 20, 1929.

(3) Resolved, That the officers of this corporation be, and they are hereby, authorized and empowered to issue and sell not to

exceed an aggregate of \$5,000,000 par value of the capital stock of the corporation, and to sell the same at said par value plus a sum equivalent to accrued and unpaid quarterly dividends at the rate of 45 cents per share, and to receive subscriptions to said stock, subject to allotment to said subscribers in such amounts, proportional or not proportional, to said subscriptions as said board of directors or the executive committee of this corporation shall determine.

When all this official action was taken it must be remembered that only \$1,000 had been invested by these men in the corporation.

While the investment still stood at \$1,000, another resolution was passed by this board [reading]:

The stock of the Northwestern National Bank is fairly and reasonably worth \$400 per share; the capital stock of the First National Bank of Mason City, Iowa, is fairly and reasonably worth the sum of \$300 per share; and the capital stock of the First National & Trust Co., of Fargo, N. Dak., is fairly and reasonably worth the sum of \$10 per share. That the capital stock of the First National Bank of La Crosse, Wis., is fairly and reasonably worth the sum of \$275 per share.

The set-up had now been completely made, and we can now watch the operation of the building of the new financial empire, having only an investment of \$1,000. They placed a value on their own stock of \$50 per share, to be exchanged for the bank stock valued arbitrarily by them. With \$5,000,000 of their stock manufactured out of an investment of \$1,000, we can now see what was done with the artificially created wealth of \$4,900,000 by bankers who know how to operate under our present financial system.

At the time this new field was opened up and into which we are presently to look, Mr. Decker, under oath, stated that the Northwest Bancorporation had no assets and no liabilities.

The first act of the corporation on its road to success was the passage of a resolution authorizing the issue of 600,000 shares of common stock at a par value of \$50 each, to be exchanged for bank stock. The men who carried on the campaign to sell this stock were J. Cameron Thomson, A. D. Thrall, and D. R. West.

The first bank taken over by the corporation was the Northwestern National Bank of Minneapolis. This was easily accomplished, as many officers of the corporation were also officers of the bank. The promoters of the stock sale were instructed by the corporation "to give special emphasis to the depositors of the banks to be taken over."

The money came in in streams from the depositors who bought the corporation stock. As the campaign opened the corporation stock was acceptable to the "line of banks" as collateral for loans. Before the campaign ended the control of 115 banks in the Northwest passed to the possession of this corporation. Even employees of the "line banks" were compelled to buy the corporation stock, and at the end of each month the forced-stock subscriptions of employees of the banks were deducted from salary checks.

The factors which made the sale of this worthless stock easy were:

First. The fact that the public at that time was in a speculative mood.

Second. The corporation was reporting and paying large dividends—when, in fact, there were none.

Third. The corporation's stock continued to advance in the Chicago Stock Exchange by "window dressing" advertising.

Fourth. The fact that the men operating the corporation were also the heads of the large banks of the Twin Cities and the surrounding territory.

Fifth. The press items which advanced the idea of group banking as a substitute for banking which had seen the closing of so many banks in the territory.

Some idea of the fictitious dividends paid out can be judged from the fact that on April 1, 1930, dividends were voted to the amount of \$752,000, while the report of earnings on file that day reported earnings of only \$11,000. On June 25, 1930, another dividend was declared, showing dividends paid out in excess of earnings of \$105,836. Again, in October 1930, when the next dividend was voted and paid, the excess of dividends over earnings amounted to \$192,671.13. All this

took place with a report before the directors showing the actual condition of the company.

In 1931 the losses of the company were \$4,461,000, yet the corporation reported to its stockholders a profit of \$5,700,000. The stock advanced from \$50 par value per share to \$100.25 per share, and during this time the insiders offered and sold their own stock. D. R. West admitted under oath that they "dressed the market", that is, made the stock more valuable by favorable publicity.

Not satisfied with their plan to control all the valuable banks in the Northwest, this corporation and its sister organization, launched by the First National Bank crowd of Minneapolis, known as the "First Bank Stock Corporation", decided to get favorable legislation in Washington to legalize branch banking. These concerns, with others in the East, had representatives before Congress to further this idea, and one expense bill filed by this corporation shows a legislative expense of \$18,059.44. The report says:

We have done a great deal of entertaining, and, of course, an enormous amount of telephoning.

Fifty million dollars was collected from residents of Minnesota on the sale of this stock, and in North Dakota alone over \$1,000,000 was paid by buyers of this stock. Many North Dakotans with stock in good banks like the First National Bank of Fargo traded in their bank stock and accepted Bancorporation stock at \$50 per share, only to find in 1933 that this stock was worth only \$6.25, and the present quoted market price is \$4 to \$4.25.

The present financial status of the Northwest Bancorporation is as follows:

One hundred and twenty-seven banks and trust companies and nine investment companies in the Northwest have been absorbed by this institution, and today this institution controls deposits in the amount of \$391,000,000.

The present assets of these bank affiliates is about \$18,000,000, and on that amount of security the Reconstruction Finance Corporation has advanced a loan of \$22,000,000. Without the Reconstruction Finance Corporation assistance this part of the great financial empire would be but another page in the history of the destruction of the people and their Government by the private banking interests of the country. Here follows the formal report of the condition of the Northwest Bancorporation:

NORTHWEST BANCORPORATION

The Northwest Bancorporation through its affiliates has borrowed over \$22,000,000 from the R. F. C. This is represented by collateral consisting of preferred stock in the individual units. As of December 31, 1931, approximately 1,600,000-and-some-odd shares were in the hands of the public in the States of Minnesota, North Dakota, Montana, Wisconsin, Iowa, Nebraska, and Washington. This stock was either sold to the public or was exchanged for stocks in the various affiliates which they took over. The par value of Northwest Bancorporation stock was set at \$50 per share and was later changed in November 1932 to stock of no par value. This stock sold on the Minneapolis-St. Paul Stock Exchange and the Chicago Stock Exchange at prices ranging from \$62.50 to \$100 a share, and is today selling at \$4.25 on the Minneapolis-St. Paul Stock Exchange. The Northwest Bancorporation had 139 affiliates in 1931, serving 115 distinct communities, consisting of 127 banks and trust companies, 9 investment companies, 3 livestock-loan companies. It ranked sixteenth in size among financial institutions in the United States and seventh outside of New York. Northwest Bancorporation as of December 31, 1931, had 17,605 stockholders, who owned 1,679,501 shares. The balance sheet of the Northwest Bancorporation as of December 31, 1931, showed assets of \$90,587,693.34. In 1932 this amount was reduced by \$39,000,000 of goodwill. The present assets of banks are about \$18,000,000.

THE FIRST BANK STOCK CORPORATION

At about the time this Northwestern Bancorporation was being organized, the First National Bank crowd of Minneapolis were also busy. Through the efforts of C. T. Jaffray, chairman of the board of directors; P. J. Leeman, vice president; George Prince, president; M. O. Grandgaard, vice president; and other officers of the First National Bank of Minneapolis, a second corporation was organized for the same purpose. This organization was called the "First Bank Stock Corporation." The organizations were similar, in that no money was put into them by the organizers; they never had any assets, but sold fictitious stock and secured control of a great number of banks by trading in this stock.

FIRST BANK STOCK CORPORATION

Incorporated in Delaware with articles of incorporation dated April 1, 1929.

This April 1 date is quite a coincidence.

The First Bank Stock Investment Co. was organized April 2, 1929.

Originally incorporated as First Bank Stock Investment Co., whose incorporators were S. L. Mackey, J. Shaivan, H. Kennedy, Wilmington, Del. Capital authorization 1,000,000 shares, no par value. Filed articles of incorporation August 31, 1929. Articles amended at meeting held August 26, 1929, at which time the name was changed to First Bank Stock Corporation. Changed authorized capital stock to 10,000,000 shares of par value of \$25 per share.

The names of the organizers of the First Bank Stock Corporation, officers, and directors, and their positions at the time were as follows:

DIRECTORS' PRESENT POSITIONS, 1929

Shreve M. Archer, president Archer-Daniels Midland Co., Minneapolis.
 Julian B. Baird, vice president Merchants Trust Co., St. Paul.
 J. C. Bassett, chairman of the board Aberdeen National Bank, and president First State Savings Bank, Aberdeen, S. Dak.
 Russell M. Bennett, mineral lands, Minneapolis.
 F. R. Bigelow, president St. Paul Fire & Marine Insurance Co., St. Paul.
 Ralph Budd, president Great Northern Railway Co.
 E. L. Carpenter, president Shevlin, Carpenter & Clarke Co., Minneapolis.
 F. A. Chamberlain, chairman executive committee First National Bank in Minneapolis.
 Hovey C. Clarke, treasurer Crookston Lumber Co., Minneapolis.
 Franklin M. Crosby, vice president General Mills, Inc., Minneapolis.
 N. Paul Delander, president First St. Paul Co., St. Paul.
 S. W. Dittenhofer, president The Golden Rule, St. Paul.
 Charles Donnelly, president, Northern Pacific Railway Co.
 L. O. Evans, general counsel, Anaconda Copper Mining Co.
 E. T. Foley, president, Foley Bros., St. Paul.
 Harry P. Gallaher, president, Northwestern Consolidated Milling Co., Minneapolis.
 Charles W. Gordon, president, Gordon & Ferguson, Inc., St. Paul.
 Theodore W. Griggs, president, Griggs, Cooper & Co., St. Paul.
 William Hamm, Jr., vice president, Theo. Hamm Brewing Co., St. Paul.
 Isaac E. Hansen, vice president, First National Bank, St. Paul.
 Harry J. Harwick, secretary-treasurer, Mayo Clinic, Rochester, Minn.
 John H. Hauschild, president, Charles W. Sexton & Co., Minneapolis.
 Horace M. Hill, president, Janney, Semple, Hill & Co., Minneapolis.
 L. W. Hill, chairman of the board, Great Northern Railway Co., and chairman of the board of the First National Bank, St. Paul.
 N. L. Howard, president, Chicago Great Western Railroad Co.
 Louis K. Hull, president, Western Pacific Land & Timber Co., Minneapolis.
 Charles G. Ireys, vice president-treasurer, Russell-Miller Milling Co., Minneapolis.
 Horace H. Irvine, Pine Lands & Lumber, St. Paul.
 C. T. Jaffray, president, Minneapolis, St. Paul & Sault Ste. Marie Railway Co.
 John Junell, attorney, Minneapolis.
 Charles O. Kalman, Kalman & Co., St. Paul.
 P. J. Kalman, president, Kalman Steel Co., St. Paul.
 Cornelius F. Kelly, president, Anaconda Copper Mining Co.
 William P. Kenney, vice president, Great Northern Railway Co., St. Paul.
 Horace C. Klein, managing partner, Webb Publishing Co., St. Paul.
 P. J. Leeman, vice president, First National Bank in Minneapolis.
 R. C. Lilly, president, First National Bank, St. Paul.
 A. C. Loring, president, Pillsbury Flour Mills Co., Minneapolis.
 Sumner T. McKnight, president S. T. McKnight Co., Minneapolis.
 T. A. Marlow, president National Bank of Montana, Helena, Mont.
 B. V. Moore, vice president, First Minneapolis Trust Co., Minneapolis.
 W. G. Northrup, president North Star Woolen Mills Co., Minneapolis.
 J. A. Oace, vice president, First National Bank, St. Paul.
 E. B. Ober, president Minnesota Mining & Manufacturing Co., St. Paul.
 A. F. Pillsbury, vice president, Pillsbury Flour Mills Co., Minneapolis.
 C. S. Pillsbury, vice president, Pillsbury Flour Mills Co., Minneapolis.
 J. S. Pomeroy, vice president, First National Bank in Minneapolis.
 F. M. Prince, chairman of the board, First National Bank in Minneapolis.
 George H. Prince, chairman First National Bank, St. Paul.
 George W. Robinson, president Tri-State Telephone & Telegraph Co., St. Paul.
 John D. Ryan, chairman of the board, Anaconda Copper Mining Co.

Fred W. Sargent, president Chicago & North Western Railway Co.
 H. A. Scandrett, president Chicago, Milwaukee, St. Paul & Pacific Railroad Co.
 Sam Stephenson, president First National Bank, Great Falls, Mont.
 L. E. Wakefield, president First National Bank in Minneapolis.
 E. C. Warner, president Canadian Elevator Co., Ltd., Minneapolis.
 Robert W. Webb, president First Minneapolis Trust Co., Minneapolis.
 F. B. Wells, vice president, F. H. Peavey & Co., Minneapolis.
 Stuart W. Wells, president Wells-Dickey Co., Minneapolis.
 F. E. Weyerhaeuser, lumber, St. Paul.
 R. M. Weyerhaeuser, lumber, St. Paul.
 Frederick E. Williamson, president Chicago, Burlington & Quincy Railroad Co.
 D. N. Winton, president the Pas Lumber Co., Minneapolis.
 James E. Woodard, president Metals Bank & Trust Co., Butte, Mont.

OFFICERS, PRESENT POSITION, 1929

Chairman board of directors, C. T. Jaffray, president Minneapolis, St. Paul & Sault Ste. Marie Railway Co.
 President, George H. Prince, chairman the First National Bank of St. Paul.
 Vice president, L. E. Wakefield, president First National Bank in Minneapolis.
 Vice president, R. C. Lilly, president the First National Bank of St. Paul.
 Vice president and general manager, P. J. Leeman, vice president First National Bank in Minneapolis.
 Vice president, Lyle W. Scholes, assistant vice president First National Bank in Minneapolis.
 Secretary and comptroller, A. E. Wilson, assistant comptroller, First National Bank in Minneapolis.
 Treasurer, M. M. Hayden, assistant cashier, the First National Bank of St. Paul.
 Assistant secretary and assistant treasurer, M. A. Cooley.

The present quoted value of First Bank stock is 8½ to 8¾, the last sale being made at 8¾. The Banco quoted at 4 to 4¼, March 5, 1935.

The present financial condition of the First Bank Stock Corporation is about as follows:

As of December 30, 1933, the First Bank Stock Corporation had 3,092,117 shares outstanding to the public. This stock was either sold outright or traded for various banks in the group. As of December 31, 1932, total book value applicable to First Bank Stock Corporation, \$45,528,994.29; December 30, 1933, \$39,706,877.76. Book value of stock as of December 30, 1933, was \$12.84 per share. As of December 30, 1933, the resources of the corporation were \$125,182,386.56. Pro forma balance sheet as of December 30, 1933, after giving effect to the proposed reduction in par value of capital stock from \$25 to \$10 per share, \$40,284,276.87. This resulted from cutting down the value of stocks of affiliates from \$121,514,150.47 to \$36,616,040.78. As of December 30, 1933, 98½ percent of the aggregate capital stock of the 98 active affiliates was owned by the First Bank Stock Corporation. On December 30, 1933, the First Bank Stock Corporation owned 98 active affiliates. These affiliates were in the States of Minnesota, Montana, North Dakota, South Dakota, and Michigan. The prices for which this stock was sold, which had a par value of \$25 per share, was offered to the public at \$47.50; and rose on the Twin Cities Stock Exchange to approximately \$67, and is now selling at 8½. The par value of First Bank stock was changed from \$25 to \$10 per share.

With this set-up in mind, we now come to the real charge which I am prepared to make, namely, that this group of individuals who organized these two spurious organizations have always had, and now do have, their hands directly and indirectly upon all Government finance organizations servicing the Northwest. They were put into office by Republicans, and are now kept there by Democrats. I am an independent Republican, and, hence, am not interested in party when we are considering the management of funds intended to be used by this Government for the relief of people directly or through a more liberal system of finance. But in this financial circle we find the loyalty displayed among their own kind to exceed anything any political party in America has ever known. It is, I assert, a living demonstration that among men in high finance there is a communion of interests that passes all party bounds, and even the patriotism of an honest citizen of the Republic is ruthlessly cast aside if only the men of finance may practice their nefarious profession on the public. For this reason, coming from bitter expe-

rience of actual facts—I have made the assertion before in this Congress, and now reiterate it—that this greatest experiment of government in the history of the human family is doomed to failure unless this Congress can drive the money changers out of the control of Government money and Government credit and restore the power to coin money and regulate the value thereof to the Congress of the United States.

In accordance with the permission granted by Congress, I will submit, under extension of remarks, the set-up and workings of the War Finance Corporation, the Federal land bank, the intermediate credit bank, the Production Loan Corporation, the Farm Credit Administration, the Federal Reserve bank, and the Reconstruction Finance Corporation in subsequent and separate speeches.

HOOR OF MEETING

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. SNELL. Reserving the right to object, what is the necessity of meeting at 11 o'clock tomorrow?

Mr. TAYLOR of Colorado. We hope to finish the consideration of the Department of Agriculture appropriation bill first and then the members of the Committee on Agriculture are very anxious to take up some very important matters that they want the House to act on this week.

Mr. SNELL. What are the matters coming from the Committee on Agriculture?

Mr. BUCHANAN. It is a bill that comes from the Committee on Agriculture relating to the cotton-reduction program. It exempts each little farmer who does not make over two bales of cotton from the processing tax. Any little farmer with a family who does not make more than two bales of cotton ought not have to pay the processing tax.

Mr. SNELL. Well, I agree that all of them should not pay the processing tax, but what is the emergency?

Mr. BUCHANAN. The emergency is that they are planting cotton down there now. The relief rolls will be decreased by this action, because those who do not make over two bales of cotton swear they will not plant any cotton this year and will go on the relief rolls. If any legislation at all is passed it should be passed right away.

Mr. SNELL. While we are on the subject, what has become of the bill which the Chairman of the Committee on Agriculture received unanimous consent to consider several days ago?

Mr. TAYLOR of Colorado. I think that is one of the matters the chairman wants to take up on Saturday.

Mr. SNELL. No. That was a bill in regard to some other matter, where they were going to put on an amendment for the Frazier bill.

Mr. TAYLOR of Colorado. Does the gentleman mean the Jones bill?

Mr. SNELL. Yes.

Mr. TAYLOR of Colorado. I have not heard anything from the chairman about it.

Mr. SNELL. The gentleman from Texas [Mr. JONES] received unanimous consent to consider it the following Monday, but it has never been brought up. I was wondering what had become of it.

Mr. TAYLOR of Colorado. I am in hopes that we can adjourn over Saturday, but I do not know yet whether we can or not.

Mr. SNELL. If we are not going to adjourn over Saturday, it does not seem to be necessary to meet tomorrow at 11 o'clock. Of course, I am not going to object to meeting at 11 o'clock, but I wanted to know what the program was going to be. I do not have any objection to meeting at 11 o'clock or to adjourning over Saturday, but I wanted to find out what the program was going to be.

Mr. BUCHANAN. If we cannot pass the Department of Agriculture appropriation bill in time to bring up the cotton

bill, then there will be objection to adjourning over Saturday, so that we can pass the cotton bill.

Mr. SNELL. If we meet at 11 o'clock, will the gentleman assure us that we will not have to sit on Saturday?

Mr. TAYLOR of Colorado. Can the gentleman from New York assure me how many speeches will be made on the bill tomorrow under the 5-minute rule?

Mr. SNELL. I can assure the gentleman that if he will move to close debate the House will support him every time.

Mr. TAYLOR of Colorado. The committee has been very liberal in allowing general debate on this Agricultural Department appropriation bill. It is an enormous bill involving thousands of items, and I feel we ought to take all the time that is reasonably necessary to properly consider it. I am quite anxious to finish it tomorrow. That is the reason I want the House to adjourn until 11 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. MOTT. Reserving the right to object, let me get this straight. Is it the intention to meet at 11 o'clock tomorrow and then continue our session on Saturday, too? Are we going to meet on Saturday?

Mr. TAYLOR of Colorado. I want to avoid meeting on Saturday, but I rather expect we may be compelled to. I do not know yet, but I hope not.

Mr. MOTT. Now, personally, I do not like the idea of meeting here at 11 o'clock in the morning and having sessions on Saturday. It gives a Member who desires to stay on the floor no time at all to attend to his office work. If it is the intention of the gentleman to work on Saturday as well as to convene at 11 o'clock, I am going to object to that sort of thing.

Mr. TAYLOR of Colorado. I may say to the gentleman that no one is more anxious to adjourn over every Saturday than the Speaker and the minority leader and myself. A very large number of Members have urged me to ask for an adjournment over every Saturday, and I would like to do so.

Mr. MOTT. It is about the only time in the week we have to catch up with our work. Our committee work takes the whole morning.

Mr. TAYLOR of Colorado. I realize that fully, and I agree with the gentleman, and I think we have adjourned over every Saturday but one this session. But the Chairman of the Committee on Agriculture is very anxious to have this appropriation bill finished tomorrow and take up another important matter and, if necessary, to have a meeting on Saturday to consider that or those matters referred to by the gentleman from Texas [Mr. BUCHANAN.] So I do not desire to make any request of that kind at this time.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. TAYLOR]?

Mr. MOTT. I will take a chance on it. I will see how we do for the rest of this week.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. LAMNECK, for several days, on account of illness.

To Mr. MEEKS, for an indefinite period, on account of illness.

To Mr. STARNES, for an indefinite period, on account of illness in his family.

To Mr. SWEENEY, for 3 days, on account of death in the family.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 426. An act for the relief of Jacob Santavy.

H. R. 593. An act for the relief of Fred C. Blenkner.

H. R. 3266. An act authorizing the maintenance and use of a banking house upon the United States military reservation at Fort Lewis, Wash.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 53 minutes p. m.), the House, pursuant to its order heretofore entered, adjourned until tomorrow, Friday, March 15, 1935, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. SECREST: Committee on Roads. H. R. 4301. A bill to increase employment and reduce highway and railway intersection hazards by authorizing an appropriation to provide for emergency construction of public highways and related projects, and for other purposes; with amendment (Rept. No. 386). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 5069. A bill to repeal the act entitled "An act to grant to the State of New York and the Seneca Nation of Indians jurisdiction over the taking of fish and game within the Allegany, Cattaraugus, and Oil Spring Indian Reservations", approved January 5, 1927; without amendment (Rept. No. 387). Referred to the Committee of the Whole House on the state of the Union.

Mr. PATTON: Committee on the Territories. H. R. 5707. A bill to ratify and confirm the corporate existence of the city of Nome, Alaska, and to authorize it to undertake certain municipal public works, including the construction, reconstruction, enlargement, extension, and improvement of its sewers and drains, fire-fighting system, streets and alleys, sidewalks, curbs, and gutters, and a municipal building, and for such purposes to issue bonds in any sum not exceeding \$100,000; without amendment (Rept. No. 390). Referred to the House Calendar.

Mr. LLOYD: Committee on the Judiciary. H. R. 5917. A bill to appoint an additional circuit judge for the ninth judicial circuit; without amendment (Rept. No. 413). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 60. A bill to authorize the disposal of surplus personal property, including buildings, of the Emergency Conservation Work; without amendment (Rept. No. 414). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEVER: Committee on the Public Lands. H. R. 5538. A bill granting a leave of absence to settlers of homestead lands during the year 1935; without amendment (Rept. No. 415). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. BURDICK: Committee on Indian Affairs. H. R. 5192. A bill for the relief of the rightful heir of Joseph Gayton; without amendment (Rept. No. 388). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 1703. A bill for the relief of Cletus F. Hoban; with amendment (Rept. No. 391). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 1864. A bill for the relief of Henry Dinucci; with amendment (Rept. No. 392). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 3596. A bill for the relief of William H. Ames; with amendment (Rept. No. 393). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 3599. A bill for the relief of Annie M. Ayer; with amendment (Rept. No. 394). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4815. A bill for the relief of Jasper Daleo; with amendment

(Rept. No. 395). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4838. A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; without amendment (Rept. 396). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 41. An act for the relief of the Germania Catering Co., Inc.; with amendment (Rept. No. 397). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 285. An act to reimburse the estate of Mary Agnes Roden; without amendment (Rept. No. 398). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 557. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; without amendment (Rept. No. 399). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 753. An act to carry out the findings of the Court of Claims in the case of the Wales Island Packing Co.; with amendment (Rept. No. 400). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 788. An act for the relief of the International Mercantile Marine Co.; with amendment (Rept. No. 401). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 790. An act for the relief of the Compagnie Generale Transatlantique; with amendment (Rept. No. 402). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 905. An act for the relief of Edith N. Lindquist; without amendment (Rept. No. 403). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 921. An act for the relief of C. J. Mast; without amendment (Rept. No. 404). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1027. An act for the relief of Dr. R. N. Harwood; without amendment (Rept. No. 405). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. S. 1036. An act authorizing adjustment of the claim of Dr. George W. Ritchey; without amendment (Rept. No. 406). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. S. 1038. An act authorizing adjustment of the claim of Elda Geer; without amendment (Rept. No. 407). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1062. An act for the relief of James R. Young; with amendment (Rept. No. 408). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1121. An act for the relief of Isidor Greenspan; with amendment (Rept. No. 409). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1474. An act for the relief of Paul H. Creswell; with amendment (Rept. No. 410). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1487. An act for the relief of Mick C. Cooper; without amendment (Rept. No. 411). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 742. An act for the relief of Charles A. Lewis; without amendment (Rept. No. 412). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 1464) to correct the military record of Edward Reidell; Committee on Military Affairs discharged, and referred to the Committee on Merchant Marine and Fisheries.

A bill (H. R. 253) for the relief of Agnes E. Craig; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 237) for the relief of Rowesville Oil Co.; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 1849) for the relief of Herman H. Orth; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 254) for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C.; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (S. 1809) for the relief of Germaine M. Finley; Committee on Claims discharged, and referred to the Committee on Foreign Affairs.

A bill (S. 1896) to provide for interest payments on American Embassy drafts; Committee on Claims discharged, and referred to the Committee on Foreign Affairs.

A bill (S. 447) conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States; Committee on Claims discharged, and referred to the Committee on Immigration and Naturalization.

A bill (S. 799) for the relief of Yvonne Hale; Committee on Claims discharged, and referred to the Committee on Foreign Affairs.

A bill (S. 39) for the relief of the estate of William Bardel; Committee on Claims discharged, and referred to the Committee on Foreign Affairs.

A bill (S. 312) for the relief of Lillian G. Frost; Committee on Claims discharged, and referred to the Committee on Foreign Affairs.

A bill (H. R. 3951) granting an increase of pension to Nanette M. Heisinger; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 4224) granting a pension to Isabelle H. Brynes; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 4433) granting an increase of pension to Minnie Holleran; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SANDLIN: A bill (H. R. 6718) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1936, and for other purposes; to the Committee on Appropriations.

By Mr. BLAND: A bill (H. R. 6719) to amend the Canal Zone Code; to the Committee on Merchant Marine and Fisheries.

By Mr. CARPENTER: A bill (H. R. 6720) to amend sections 966 and 971 of chapter 22 of the act of Congress entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended, and for other purposes; to the Committee on the District of Columbia.

By Mr. CITRON: A bill (H. R. 6721) to create a commission to study and report on certain phases of the textile industry in the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK of Idaho: A bill (H. R. 6722) to add certain lands to the Cache National Forest; to the Committee on the Public Lands.

By Mr. DIMOND: A bill (H. R. 6723) to authorize the incorporated town of Valdez, Alaska, to construct a public-school building and for such purpose to issue bonds in any sum not exceeding \$50,000; and to authorize said town to accept grants of money to aid it in financing any public works; to the Committee on the Territories.

By Mr. DOCKWEILER: A bill (H. R. 6724) to adjust the salaries of rural letter carriers, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. FENERTY: A bill (H. R. 6725) to restore the 2-cent rate of postage on first-class mail matter; to the Committee on Ways and Means.

By Mr. FERGUSON: A bill (H. R. 6726) to provide for the construction of a reservoir on the Salt Fork of the Arkansas River in Alfalfa County, Okla., for the control of floods and as a migratory-bird refuge; to the Committee on Flood Control.

Also, a bill (H. R. 6727) to provide for the construction of a reservoir primarily for flood control and irrigation of about 17,000 acres between Garrett and Boise City in Cimarron County, Okla.; to the Committee on Flood Control.

Also, a bill (H. R. 6728) to provide for the construction of a reservoir on the Chikaskia River, designed to provide for flood control and a municipal water supply for the city of Blackwell in Kay County, Okla., to the Committee on Flood Control.

By Mr. HAINES: A bill (H. R. 6729) to provide for the filling of vacancies in the Motor Vehicle Service; to the Committee on the Post Office and Post Roads.

By Mr. LUDLOW: A bill (H. R. 6730) to relieve unemployment and to promote recovery through a system of loans to business and industry; to the Committee on Appropriations.

By Mr. KELLER: A bill (H. R. 6731) to create a United States Board of Awards and to provide for the presentation of certain medals; to the Committee on the Library.

By Mr. MANSFIELD: A bill (H. R. 6732) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. MAVERICK: A bill (H. R. 6733) amending section 45 of the Criminal Code; to the Committee on the Judiciary.

Also, a bill (H. R. 6734) to create a National Park Trust Fund Board, and for other purposes; to the Committee on the Public Lands.

By Mrs. NORTON: A bill (H. R. 6735) to provide for the prevention of blindness in infants born in the District of Columbia; to the Committee on the District of Columbia.

By Mr. PATMAN: A bill (H. R. 6736) to regulate the value of money in pursuance of article I, section 8, paragraph 5, of the Constitution of the United States; to create a Federal Monetary Authority; to provide an adequate and stable monetary system; to prevent bank failures; to prevent uncontrolled inflation; to prevent depressions; to provide a system to control the price of commodities and the purchasing power of money; to restore normal prosperity and assure its continuance; and for other purposes; to the Committee on Banking and Currency.

By Mr. RANDOLPH: A bill (H. R. 6737) authorizing the erection of a monument at Philippi, W. Va., to commemorate the site where the first land battle was fought in the War between the States; to the Committee on Military Affairs.

By Mr. SABATH: A bill (H. R. 6738) declaring the act of September 19, 1890 (26 Stat., ch. 907, sec. 7), and the act of March 3, 1899 (30 Stat., ch. 425, sec. 9), and all acts amendatory of either thereof, shall not hereafter apply to a portion of the west fork of the south branch of the Chicago River in Cook County, Ill., and for other purposes; to the Committee on Rivers and Harbors.

By Mr. SCRUGHAM: A bill (H. R. 6739) to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to orders of State administrative boards; to the Committee on the Judiciary.

By Mr. STEFAN: A bill (H. R. 6740) to amend an act approved December 17, 1928, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment thereon in claims which the Winnebago Tribe of Indians may have against the United States, and for other purposes"; to the Committee on Indian Affairs.

By Mr. WHITE: A bill (H. R. 6741) to refund the compensatory processing tax on jute bags; to the Committee on Agriculture.

By Mr. ZIMMERMAN: A bill (H. R. 6742) for the relief of those suffering from disastrous floods; to the Committee on Flood Control.

By Mrs. GREENWAY: Joint resolution (H. J. Res. 215) to amend Public Act No. 435, Seventy-second Congress; to the Committee on Indian Affairs.

By Mr. SABATH: Joint resolution (H. J. Res. 216) to provide for the dredging of slip D of the west fork of the south branch of the Chicago River, and for other purposes; to the Committee on Rivers and Harbors.

MEMORIALS

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

By the SPEAKER: Memorial of the Legislature of the State of Minnesota, regarding the power of the several States to tax sales and gross incomes in interstate commerce; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Minnesota, memorializing Congress to enact a Federal antilynching law; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Kansas, supporting the Costigan-Wagner antilynching bill; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Michigan, regarding the erection of a Veterans' Administration hospital in Michigan; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of North Carolina, regarding the relief of the county of Hyde in the State of North Carolina; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of California, regarding old-age-pension legislation; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. EVANS: A bill (H. R. 6743) for the relief of Mojo Schey Co., Inc.; to the Committee on Claims.

By Mr. DOCKWEILER: A bill (H. R. 6744) granting compensation to A. L. Anderson; to the Committee on World War Veterans' Legislation.

By Mr. DRIVER: A bill (H. R. 6745) for the relief of A. L. Hampton, E. J. Debons, C. B. Rousseau, Lee Hoskins, Jonny Smith, Hoyt Penny, C. F. Morrow, Otto Schwamb, M. C. McAllister, Jake Bobo, Jake Glover, Alvie Cupp, J. J. Bone, Ora Walker, J. R. Jetton, R. L. Carter, C. D. Ransom, A. J. Cunningham, J. T. Reynolds, L. A. Shasteen, H. C. Eddington, Ed Fletcher, Alvis Thompson, J. E. Stedman, I. T. Stedman, and R. C. Schmicker; to the Committee on Claims.

By Mr. DUFFEY of Ohio: A bill (H. R. 6746) for the relief of Frank B. Niles, former collector of internal revenue; to the Committee on Claims.

By Mr. DALY: A bill (H. R. 6747) for the relief of the Machinery & Metals Corporation, of Philadelphia, Pa.; to the Committee on Claims.

By Mr. EKWALL: A bill (H. R. 6748) for the relief of Harry Jarrette; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 6749) for the relief of Mrs. Louis Abner; to the Committee on Claims.

By Mr. GRISWOLD: A bill (H. R. 6750) for the relief of Otho L. Williams; to the Committee on Claims.

By Mr. HENNINGS: A bill (H. R. 6751) for the relief of Louis Velian; to the Committee on Military Affairs.

By Mr. LUCAS: A bill (H. R. 6752) granting a pension to Agnes G. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6753) granting a pension to Anna Angelow; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 6754) granting an increase of pension to Sarah L. Craig; to the Committee on Invalid Pensions.

By Mr. LLOYD: A bill (H. R. 6755) for the relief of Alta Melvin and Thomas Melvin; to the Committee on Claims.

By Mr. MOTT: A bill (H. R. 6756) to authorize preliminary examination and survey of the Columbia River at Rainier, Oreg.; to the Committee on Rivers and Harbors.

By Mr. RANSLEY: A bill (H. R. 6757) for the relief of Capt. Walter L. Shearman; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 6758) granting an increase of pension to Malisa Morris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6759) granting a pension to William O. Whitaker; to the Committee on Pensions.

Also, a bill (H. R. 6760) granting a pension to Jesse Arthur; to the Committee on Pensions.

By Mr. ROMJUE: A bill (H. R. 6761) granting a pension to Minerva J. Atkinson; to the Committee on Invalid Pensions.

By Mr. RYAN: A bill (H. R. 6762) for the relief of Madeline Fallon; to the Committee on Claims.

By Mr. THOM: A bill (H. R. 6763) granting a pension to Agnes V. Kready; to the Committee on Pensions.

PETITIONS, ETC.

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

3881. By Mr. ANDREWS of New York: Seven petitions containing 100 names of residents of 40 districts of New York, protesting against enactment of House bill 5423; to the Committee on Interstate and Foreign Commerce.

3882. By Mr. ANDREW of Massachusetts: Petition signed by William E. Dickens and 28 other citizens of Haverhill, Mass., opposing the passage of House bill 5423 and Senate bill 1725, the public-utility bills; to the Committee on Interstate and Foreign Commerce.

3883. By Mr. ARNOLD: Numerous petitions from interested citizens of Lawrence and Clinton Counties, Ill., in behalf of the Townsend old-age pension plan; to the Committee on Ways and Means.

3884. By Mr. BOYLAN: Resolution adopted by the Civil Service Forum, Borough of Brooklyn, Council No. 151, favoring the passage of House bills 4886 and 4887; to the Committee on the Judiciary.

3885. Also, letter from Vernon B. Walters, enclosing a petition signed by residents of the Fifteenth Congressional District of New York, protesting against the passage of the Wheeler-Rayburn public-utility bill; to the Committee on Interstate and Foreign Commerce.

3886. By Mr. BUCKLER of Minnesota: Petition of Marie Phillipson, Middle River, Minn., unit secretary, in behalf of the members of the Middle River (Minn.) Auxiliary Unit of the American Legion, Department of Minnesota, praying for the passage of the Vinson bill (H. R. 3896), to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3887. Also, petition of Mrs. Charles A. Murray, Lancaster, Minn., in behalf of the members of the American Legion Auxiliary Unit of Lancaster, Department of Minnesota, asking for passage of the Vinson bill (H. R. 3896), to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3888. Also, petition of Mrs. Alpha Winberg, Lake Park, Minn., unit president, in behalf of the members of the Lake Park (Minn.) Auxiliary Unit of the American Legion, Department of Minnesota, praying for the passage of the Vinson bill (H. R. 3896), to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3889. By Mr. CROSBY: Petition of citizens of the city of Titusville, Pa.; to the Committee on Interstate and Foreign Commerce.

3890. By Mr. FOCHT: Petition of J. D. Bergstresser and numerous other citizens of Saxton, Huntingdon County, a part of the Eighteenth Congressional District of Pennsylvania, in opposition to the Wheeler-Rayburn utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

3891. Also, petition of J. L. Banks and other citizens of Lewistown, Mifflin County, a part of the Eighteenth Congressional District of Pennsylvania, in opposition to the Wheeler-Rayburn utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

3892. By Mr. GILDEA: Petition of John W. Morgan, Reading, Pa., and 10 others, requesting Congress to prevent the enactment of Senate bill, 1725 and House bill 5423; to the Committee on Interstate and Foreign Commerce.

3893. Also, petition of W. Russell Brommer and 10 others, Port Clinton, Pa., requesting Congress to prevent the enactment of Senate bill 1725 and House bill 5423; to the Committee on Interstate and Foreign Commerce.

3894. Also, petition of Earl Bowe, Frackville, Pa., and 20 others, requesting Congress to prevent the enactment of Senate bill 1725 and House bill 5423; to the Committee on Interstate and Foreign Commerce.

3895. Also, petition of Thomas R. Jones, Frackville, Pa., and 20 others, requesting Congress to prevent the enactment of Senate bill 1725 and House bill 5423; to the Committee on Interstate and Foreign Commerce.

3896. Also, petition of Martha C. Kelly, and 10 others, Port Clinton, Pa., requesting Congress to defeat Senate bill 1725 and House bill 5423; to the Committee on Interstate and Foreign Commerce.

3897. Also, petition of Lyros Chorus (V. Yuden, secretary), 17 East Main Street, Girardville, Pa., requesting Congress to enact the workers' unemployment and social-insurance bill (H. R. 2827); to the Committee on Labor.

3898. Also, resolution of Group 2591 of the Polish National Alliance of the United States of North America, of Coaldale, Pa., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

3899. Also, resolution of Group 2064 of the Polish National Alliance of the United States of North America, of Shenandoah, Pa., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

3900. Also, resolution of Group 1163 of the Polish National Alliance of the United States of North America, of Cumbola, Pa., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

3901. Also, resolution of the Slovak League of America, memorializing Congress to enact the workers' unemployment and social-insurance bill (H. R. 2827); to the Committee on Labor.

3902. Also, resolution of the Unemployed Council, 716 North Shamokin Street, Shamokin, Pa., memorializing Congress to enact the workers' unemployment and social-insurance bill (H. R. 2827); to the Committee on Labor.

3903. Also, resolution of group 903 of the Polish National Alliance of the United States of North America, of McAdoo, Pa., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

ance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

3904. Also, petition of Post No. 77, Polish Army Veterans' Association of America, requesting the enactment of House Resolution 2739, entitled "Resolution to extend further time for naturalization to alien veterans of the World War, under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with the United States during the World War, and for other purposes"; to the Committee on Immigration and Naturalization.

3905. By Mr. GOODWIN: Petition of Ulster County (N. Y.) Association of Insurance Agents, endorsing House bill 6452, making it unlawful to transact insurance in any State without complying with the insurance laws thereof; to the Committee on the Post Office and Post Roads.

3906. By Mr. GREEVER: Memorial of the Twenty-third Legislature of the State of Wyoming, memorializing the United States Government and bureaus thereof to construct the Hart Mountain division of the Shoshone project in Park County, the Greybull Valley district project in Big Horn County, the Bull Lake Dam in Fremont County and canals on the Riverton project, and to construct the necessary drainage on the Frannie division of the Shoshone project, and to initiate construction of the Beaver Creek project in Weston County and the Saratoga project in Carbon County; to the Committee on Military Affairs.

3907. By Mr. HAINES: Resolution passed by Pennsylvania Dairymen's Association, urging import duty on registered dairy cattle from other countries; to the Committee on Ways and Means.

3908. By Mr. JOHNSON of Texas: Petition of J. S. Renlet, agent, Missouri Pacific Lines, Italy, Tex., favoring House bill 3236, the Pettengill bill; to the Committee on Interstate and Foreign Commerce.

3909. By Mr. McLAUGHLIN: Petition memorializing the Congress and the President of the United States to enact a Federal antilynching law; to the Committee on the Judiciary.

3910. Also, petition memorializing the Congress and the President of the United States, relative to the bushel-for-bushel seed-loan plan and to urge overdue benefit payments of wheat and corn-hog contracts for 1934; to the Committee on Agriculture.

3911. By Mr. PETERSON of Georgia: Petition of board of governors of the Propeller Club of the port of Savannah, Ga., unanimously disapproving certain bills which have been introduced to limit only to retired officers of the United States Navy the duties of inspectors on American merchant vessels; to the Committee on Merchant Marine and Fisheries.

3912. By Mr. RICH: Petition signed by 193 citizens of Tioga County, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

3913. By Mr. ROGERS of Oklahoma: Petition of Charles McNeil and numerous other citizens of Gary, Ind., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3914. Also, petition of E. Young and numerous other citizens of Vacherie, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3915. Also, petition of Edward Munson and numerous other citizens of Pensacola, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3916. Also, petition of D. Boatwright and numerous other citizens of Tallahassee, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3917. Also, petition of F. J. Brawley and numerous other citizens of Leighton, Courtland, and Hillsboro, Ala., favor-

ing House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3918. Also, petition of I. Billups and numerous other citizens of Millport, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3919. Also, petition of J. L. Tanner and numerous other citizens of Crichton, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3920. Also, petition of Doyle Gay and numerous other citizens of Montevallo, Jemison, and Randolph, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3921. Also, petition of Emmett Wilks and numerous other citizens of Cloverdale and Waterloo, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3922. Also, petition of G. F. Miller and numerous other citizens of Mount Vernon and Jackson, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3923. Also, petition of G. C. Brown and numerous other citizens of Falkville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3924. Also, petition of W. I. Belcher and numerous other citizens of Morris and Birmingham, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3925. Also, petition of A. J. Inabinett and numerous other citizens of Blocton and Centerville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3926. Also, petition of Fred Thompson and numerous other citizens of Tuscaloosa, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3927. Also, petition of Jennings Ledbetter and numerous other citizens of New Albany, Myrtle, and Blue Mountain, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3928. Also, petition of Edward Miller and numerous other citizens of Yancopin, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3929. Also, petition of G. C. Linville and numerous other citizens of Rocky River, Spencer, and Gillentine, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3930. Also, petition of William Battle and numerous other citizens of Chattanooga, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3931. Also, petition of George Jackson and numerous other citizens of Clarksville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3932. Also, petition of W. E. Wilson and numerous other citizens of Sulphur Springs, Birthright, and Como, Tex., fa-

voring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3933. Also, petition of A. C. Bland and numerous other citizens of Merkel and Sweetwater, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3934. Also, petition of William Watson and numerous other citizens of Hopehull, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3935. Also, petition of E. Lee Allen and numerous other citizens of Sumter and Dalzell, S. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3936. Also, petition of C. J. Campbell and numerous other citizens of Brookfield, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3937. Also, petition of E. Streater and numerous other citizens of Lexington, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3938. Also, petition of Luther Peterson and numerous other citizens of Cornerstone, Ark., favoring House bill 2826, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3939. Also, petition of C. J. Floyd and numerous other citizens of Juliette and Forsyth, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3940. Also, petition of John Lumbley and numerous other citizens of Lufkin, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3941. Also, petition of Hayden Rowe and numerous other citizens of Belvidere, Marksboro, and Blairstown, N. J., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3942. Also, petition of Ira McDaniel and numerous other citizens of Floyd, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3943. Also, petition of Joseph Lee and numerous other citizens of Norfolk, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3944. Also, petition of William Hughes and numerous other citizens of Coushatta, Compti, and Chestnut, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3945. Also, petition of L. Brown and numerous other citizens of Lake Providence, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3946. Also, petition of Thomas Smith and numerous other citizens of Coushatta, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3947. Also, petition of T. F. Ellenburg and numerous other citizens of Athens, Harvest, and Elkmont, Ala., favoring

House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3948. Also, petition of G. H. Scott and numerous other citizens of Benton, Ebenezer, and Yazoo City, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3949. Also, petition of Andrew Strickland and numerous other citizens of Thalmann and Brunswick, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3950. Also, petition of A. D. Blurton and numerous other citizens of Hornbeck, Elbridge, and Troy, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3951. Also, petition of William Turner and numerous other citizens of Bryan and Benchley, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3952. Also, petition of A. P. Schoenfield and numerous other citizens of El Campo and Taiton, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3953. Also, petition of Sam Beaty and numerous other citizens of Jasper County, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3954. Also, petition of William Battle and numerous other citizens of Chattanooga, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3955. Also, petition of E. F. Carter and numerous other citizens of Como, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3956. Also, petition of L. P. Harrison and numerous other citizens of Birthright, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3957. Also, petition of J. E. Goldsmith and numerous other citizens of Sulphur Springs, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3958. Also, petition of Buster Kelly and numerous other citizens of Longview, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3959. Also, petition of J. T. Craddock and numerous other citizens of Crawford, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3960. Also, petition of J. A. Bland and numerous other citizens of Sweetwater, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3961. Also, petition of Robert Davis and numerous other citizens of Courtland, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3962. Also, petition of E. Bruce and numerous other citizens of Tallahassee, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-

age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3963. Also, petition of George Gay and numerous other citizens of Montevallo, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3964. Also, petition of T. Killingsworth and numerous other citizens of Montevallo, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3965. Also, petition of John Henry and numerous other citizens of Jemison, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3966. Also, petition of Ernest Young and numerous other citizens of Cloverdale, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3967. Also, petition of Andrew Dowdy and numerous other citizens of Cloverdale, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3968. Also, petition of Oscar Carter and numerous other citizens of Waterloo, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3969. Also, petition of D. L. McKinney and numerous other citizens of Centerville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3970. Also, petition of L. Pugh and numerous other citizens of Jackson, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3971. Also, petition of Robert Cheatman and numerous other citizens of Mount Vernon, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3972. Also, petition of James C. Brown and numerous other citizens of Falkville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3973. Also, petition of A. M. Perkins and numerous other citizens of Morris, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3974. Also, petition of Bert Reed and numerous other citizens of Birmingham, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3975. Also, petition of Austin Quillin and numerous other citizens of Birmingham, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3976. Also, petition of W. D. Moncrief and numerous other citizens of Birmingham, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3977. Also, petition of Henry Jeffrus and numerous other citizens of Tuscaloosa, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3978. Also, petition of James Sage and numerous other citizens of New Albany, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3979. Also, petition of M. B. Ledbetter and numerous other citizens of Blue Mountain, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3980. Also, petition of Virgil Bouldin and numerous other citizens of Gillentine, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3981. Also, petition of R. E. McCord and numerous other citizens of Dothan, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3982. Also, petition of S. L. Ketchum and numerous other citizens of Dothan, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3983. Also, petition of Isidore Robison and numerous other citizens of Mangham, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3984. Also, petition of George McMillan and numerous other citizens of Mangham, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3985. Also, petition of Jack Tripp and numerous other citizens of Cleveland, Ohio, favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3986. Also, petition of A. W. Brown and numerous other citizens of Cleveland, Ohio, favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3987. Also, petition of Henrietta Pearson and numerous other citizens of Coraopolis, Pa., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3988. Also, petition of Edward Withrow and numerous other citizens of Coraopolis, Pa., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3989. Also, petition of Timy Kane and numerous other citizens of Pittsfield, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3990. Also, petition of George Gusindorfer and numerous other citizens of Pittsfield, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3991. Also, petition of Mary L. Heck and numerous other citizens of Pittsfield, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3992. Also, petition of Emma Price and numerous other citizens of Cypress, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3993. Also, petition of Ella Cummings and numerous other citizens of Cypress, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3994. By Mr. RUDD: Petition of Louis S. Kissane, 104-38 One Hundred and Twenty-second Street, Richmond Hill, Long Island, N. Y., and nine other citizens of Richmond Hill and Ozone Park, Long Island, N. Y., concerning the Rayburn-Wheeler utility bills; to the Committee on Interstate and Foreign Commerce.

3995. Also, petition of Louis Kroner, 318 Covert Street, Brooklyn, N. Y., and 95 other citizens of Brooklyn, N. Y., concerning the Shannon bill (H. R. 200); to the Committee on Expenditures in the Executive Departments.

3996. By Mr. SUTPHIN: Petition of the Jersey Chick Association of New Jersey; to the Committee on Agriculture.

3997. Also, petition of the Institute of Rural Economics, College of Agriculture, New Brunswick, N. J.; to the Committee on Agriculture.

3998. Also, petition of the Institute of Rural Economics, College of Agriculture, New Brunswick, N. J.; to the Committee on Agriculture.

3999. Also, petition of the Institute of Rural Economics, College of Agriculture, New Brunswick, N. J.; to the Committee on Agriculture.

4000. By Mr. TRUAX: Petition of 500 members of Hungarian Unemployment Council, Cleveland, Ohio, demanding endorsement of workers' unemployment-insurance bill (H. R. 2827), introduced by Congressman LUNDEEN, as it is the only bill that will guarantee security; to the Committee on Labor.

4001. Also, petition of Floyd S. Loach and 800 other citizens of Lima, Ohio, urging enactment into law of a bill obligating the Government of the United States to pay every citizen of said Government whose record is free of habitual criminality and who has attained the age of 60 years a monthly pension of \$200 until the end of his or her life, upon the sole conditions that he or she retires from all further business or profession for gain, and agrees, under oath, to spend the entire amount of the pension within the confines of the United States during the current month in which it is received; to the Committee on Ways and Means.

4002. Also, petition of William Nauls Post, Veterans of Foreign Wars, Upper Sandusky, Ohio, by their service officer, Joseph E. Hulin, asking support of the bonus bill, providing for immediate cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

4003. Also, petition of Mamie Berry and other citizens of Ashtabula, Ohio, urging the defeat of the public-utility bills (H. R. 5423 and S. 1725), as they believe these bills are unfair, unwise, and unnecessary; to the Committee on Interstate and Foreign Commerce.

4004. Also, petition of Kenneth Hall and other citizens of Ashtabula, Ohio, urging the defeat of the public-utility bills (H. R. 5423 and S. 1725), as they believe the said bills are unfair, unwise, and unnecessary; to the Committee on Interstate and Foreign Commerce.

4005. By Mr. TURNER: Petition of J. E. Burns and other citizens of Boston and Franklin, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, of Oklahoma, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4006. By Mr. WOLCOTT: Petition of Owen D. Earhart, of Hadley, Mich., and 24 others, urging the enactment of the Frazier-Lemke farm refinancing bill; to the Committee on Agriculture.

4007. Also, petition of Owen D. Earhart, of Hadley, Mich., and 21 others, urging the passage of House bill 1, the Patman bonus bill; to the Committee on Ways and Means.

4008. Also, petitions of W. A. Mooney, of Fostoria, Mich., and 179 other residents of Lapeer County, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

4009. By the SPEAKER: Petition of St. Patrick's Holy Name Committee, Washington, D. C.; to the Committee on Foreign Affairs.

4010. Also, petition of the Farmers Union of Solon, N. Dak.; to the Committee on Agriculture.

4011. Also, petition of the city of Peru, Ill.; to the Committee on the Judiciary.

4012. Also, petition of the Patriotic Sons of America, State Camp of Pennsylvania; to the Committee on the Judiciary.

4013. Also, petition of the city of Portland, Oreg.; to the Committee on Interstate and Foreign Commerce.

4014. Also, petition of the Surety National Farm Loan Association, Dodge, Nebr.; to the Committee on Agriculture.

SENATE

FRIDAY, MARCH 15, 1935

(Legislative day of Wednesday, Mar. 13, 1935)

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

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 14, 1935, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. McGill, one of its clerks, announced that the House had concurred in the concurrent resolution (S. Con. Res. 5), as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed with illustrations and bound, in such form and style as may be directed by the Joint Committee on Printing, 2,200 copies of the proceedings in Congress together with the proceedings at the unveiling in the rotunda of the Capitol, and such other matter as may be relevant thereto, upon the acceptance of the statutes of Caesar Rodney and John M. Clayton, presented by the State of Delaware, of which 200 shall be for the use of the Senate, and 500 for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of Delaware.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer and shall procure suitable illustrations to be published with these proceedings.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Copeland	King	Pope
Ashurst	Costigan	La Follette	Radcliffe
Austin	Couzens	Lewis	Reynolds
Bachman	Cutting	Logan	Robinson
Bailey	Dickinson	Lonergan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahay	McAdoo	Schwellenbach
Barkley	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiwer
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	Wheeler
Coolidge	Keyes	Pittman	White

Mr. LEWIS. I announce that the junior Senator from Arkansas [Mrs. CARAWAY] and the junior Senator from Louisiana [Mr. OVERTON] are absent from the Senate because of illness.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. DAVIS] is absent because of illness. I ask that this announcement stand for the day.

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

SUPPLEMENTAL ESTIMATES, TREASURY DEPARTMENT (S. DOC. NO. 28)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting three supplemental estimates of appropriations for the Treasury Department, fiscal year 1935, amounting to \$201,287, together with a draft of proposed provision pertaining to existing appropriations, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, BUREAU OF BIOLOGICAL SURVEY (S. DOC. NO. 29)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation, fiscal year 1935, for the Department of Agriculture, Bureau of Biological Survey, amounting to \$15,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DISTRICT OF COLUMBIA (S. DOC. NO. 31)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the District of Columbia for the fiscal years 1935 and 1936, in the total amount of \$35,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

APPROPRIATIONS FOR CERTAIN DEPARTMENTS, ETC. (S. DOC. NO. 32)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting drafts of proposed legislation pertaining to appropriations for the National Advisory Committee for Aeronautics, Tariff Commission, Treasury Department, War Department, and the Navy Department, fiscal year 1935, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

APPROPRIATIONS FOR FEDERAL POWER AND FEDERAL COMMUNICATIONS COMMISSIONS (S. DOC. NO. 30)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Power Commission, fiscal year 1935, amounting to \$25,000, together with draft of proposed legislation pertaining to an existing appropriation for the Federal Communications Commission, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

REPORT OF THE NEAR EAST RELIEF

The VICE PRESIDENT laid before the Senate a letter from the executive secretary of the Near East Relief, transmitting, pursuant to law, the report of the Near East Relief for the year ended December 31, 1934, which, with the accompanying report, was referred to the Committee on Printing.

PUERTO RICAN SUGAR PRODUCERS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, in response to Senate Resolution 95 (submitted by Mr. VANDENBERG and agreed to on Mar. 6, 1935), calling upon the Secretary of the Interior for certain information respecting Puerto Rican sugar activities, which was ordered to lie on the table and to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, March 14, 1935.

Col. EDWIN A. HALSEY,
Secretary of the Senate,
Washington, D. C.

MY DEAR COLONEL HALSEY: Senate Resolution 95 asks that the Secretary of the Interior be requested "to inform the Senate (a) regarding contemplated plans for new loans, grants, or subsidies