Administration as recommended by the President; to the Committee on Appropriations.

7053. By Mr. SUTPHIN: Petition of the mayor and council of borough of South River, N. Y., praying for passage by the House of Representatives of resolution designated October 11 as General Pulaski Memorial Day; to the Committee on the Judiciary.

7054. By Mr. TRUAX: Petition of the National Code Authority for the Retail Tobacco Trade, New York City, by their chairman, William A. Hollingsworth, resolving that they express appreciation for the protection afforded small enterprise in this industry through the National Industrial Recovery Act against the predatory trade practices and the destructive price cutting which was more than prevalent at the time the act became effective, and that they desire to have continued this security for both small enterprise and the workers within the industry, and that the code authority place itself on record as unanimously supporting the extension of the National Industrial Recovery Act for 2 years; to the Committee on Labor.

7055. Also, petition of the Perry County Central Trades and Labor Council, Crooksville, Ohio, by their secretary, J. A. White, unanimously voting as being unalterably opposed to war, and asking that laws be passed prohibiting the drafting or conscription of men for foreign war service, and preventing our country from entering a war, except to guard against invasion; to the Committee on Military Affairs.

7056. Also, petition of Post 1090 of the Veterans of Foreign Wars, Warren, Ohio, by their adjutant, J. C. Craig, urging support of House bill 6995, restoring benefits to Spanish-American War veterans, their widows and dependents; to the Committee on Pensions.

7057. Also, petition of the Organization of Street Railway & Motorcoach Employees, Local Division No. 788, of the city of St. Louis, Mo., comprising a membership of 3,300 workers, by their secretary-treasurer, Matthew True, urging support of the Wagner-Connery labor relations bill and the Black-Connery 30-hour bill, as they believe them to be capable of doing much toward the alleviation of the present industrial relationship and increasing employment, both of which are of paramount importance at this time; to the Committee on Labor.

7058. Also, petition of Knox Camp, No. 54, United Spanish War Veterans, Mount Vernon, Ohio, by their adjutant, Charles E. Clewell, urging support of House bill 6995, which will restore the Spanish War, including the Boxer Rebellion and Philippine Insurrection veterans, their widows and dependents, and for other purposes, back to the original status of laws enacted prior to March 19, 1933; to the Committee on Pensions.

7059. By the SPEAKER: Petition of the city of Attleboro, Mass.; to the Committee on the Judiciary.

7060. Also, petition of the city of Rochester, N. Y.; to the Committee on the Judiciary.

7061. Also, petition of the Italian-American World War Veterans of Camden County, N. J.; to the Committee on Ways and Means.

7062. Also, petition of Typothetae of Philadelphia, Inc.; to the Committee on Labor.

7063. By Mr. ANDREW of Massachusetts: Petition signed by Catherine Smith and 163 other citizens of Haverhill and West Newbury, Mass., urging the passage of the Townsend plan for old-age assistance; to the Committee on Ways and Means.

SENATE

MONDAY, APRIL 15, 1935

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

O Thou who in this Holy Week didst walk the way of suffering and death, ever conscious of Thy Father's love, ever mindful of the world's great pain: Teach us in this day new-born that we must be alone in deep midsilence, open-doored to God, if deeds of greatness be ever dreamed or done. Live Thou again in us, in thoughts sublime that pierce the night like stars, in pulses stirred to generosity, in deeds of daring rectitude, in scorn of miserable aims that end in self, that we may be to other souls the cup of strength in this their hour of utmost need. Enkindle generous ardor in the nations of the world, that under the shadow of Thy cross of love mankind may weave the only conqueror's garland of true peace. We ask it in Thy name and for Thy sake. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, April 12, 1935, was dispensed with and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

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

On April 1, 1935:

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.

On April 5, 1935:

S. 403. An act to amend the act of Congress approved March 1, 1899, entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings and parts thereof, and for other purposes", and to further amend said act by adding at the end thereof new sections nos. 5 and 6;

S. 406. An act to amend an act approved May 1, 1906, entitled "An act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes";

S. 747. An act for the relief of Joe G. Baker; and

S. J. Res. 24. Joint resolution to authorize the acceptance on behalf of the United States of the bequest of the late Charlotte Taylor, of the city of St. Petersburg, State of Florida, for the benefit of Walter Reed General Hospital.

On April 8, 1935:

S. 1856. An act for the relief of Arthur Smith.

On April 10, 1935:

S. 1605. An act authorizing the President to present Distinguished Flying Crosses to Air Marshal Italo Balbo and Gen. Aldo Pellegrini, of the Royal Italian Air Force;

S. 1068. An act to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934;

On April 11, 1935:

S. 255. An act for the relief of Margaret L. Carleton;

S. 404. An act to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes;

S. 619. An act to amend section 27 of the Merchant Marine Act, 1920;

S. 857. An act to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes;

S. 1391. An act for the relief of William Lyons;

S. 1694. An act for the relief of C. B. Dickinson;

S. 1621. An act for the relief of Mrs. Charles L. Reed; and

S. 1520. An act for the relief of Charles E. Dagenett.

On April 12, 1935:

S. 906. An act for the relief of Chellis T. Mooers; and

S. 1308. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Cairo, Ill.

GENERAL PULASKI'S MEMORIAL DAY—VETO MESSAGE (S. DOC. NO. 48)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read,

and, with the accompanying joint resolution, referred to the Committee on the Judiciary and ordered to be printed, as follows:

To the Senate:

I return herewith Senate Joint Resolution 21, "Authorizing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski", without approval.

I take special note that this proclamation would be made an annual event.

Every American should have the deepest appreciation of the brilliant and gallant services of General Pulaski in the Revolutionary War. His devotion to duty ended only when he fell in action in the service of the Republic; he is one of our heroes of that time and of all time.

General Pulaski was distinguished among the noble company of those who gave their all for that cause; some were Americans; some were from countries across the sea. I do not think that General Pulaski would have wished to be singled out from his fellows and comrades for more honor than we can give to them all. Our tributes to the memory of the officers who served on the staff of General Washington will be the more fitting and appropriate if we do not seek to legislate separate memorial days for each of them, however illustrious they may be.

For our own leader of the American Revolution, the greatest of Americans, and for him alone, have we as a people set apart one day each year.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 11, 1935.*

CHARLES C. FLOYD—VETO MESSAGE (S. DOC. NO. 49)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Military Affairs and ordered to be printed, as follows:

To the Senate:

I return herewith, without my approval, Senate bill no. 274, entitled "An act for the relief of Charles C. Floyd."

This bill provides that Charles C. Floyd shall hereafter be held and considered to have received an honorable discharge from the military service on December 10, 1930, the purpose being to give him, as to the future, the rights, privileges, and benefits conferred by any law upon honorably discharged soldiers.

The records of the War Department show that Charles C. Floyd was separated from the military service of the United States and an honorable discharge denied him because of habits and traits of character which rendered his retention in the service undesirable. The enactment of S. 274 into law would, in effect, constitute a legislative reversal of the considered action of the authorities charged with the execution of the laws enacted for the government and control of the military forces, and, as I am advised by the War Department, would single out for preferential treatment one individual of a large but undetermined number of former soldiers whose status is identical with that of the man under discussion. Moreover, it would place a man whose service was such as to necessitate his removal for the good of the service on a par with those whose service was honest and faithful.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 12, 1935.*

EXPENSES OF INTERNATIONAL CONGRESS OF MILITARY MEDICINE AND PHARMACY

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State, with an accompanying memorandum, to the end that legislation may be enacted authorizing an appropriation of the sum of $8,000, or so much thereof as may be necessary, for the expenses of participation by the United States in the Eighth International Congress of Military Medicine and Pharmacy, to convene at Brussels in June 1935.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 15, 1935.*

(Enclosures: Report, memorandum.)

ACT OF PHILIPPINE LEGISLATURE—SUBMISSION OF PHILIPPINE CONSTITUTION

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Territories and Insular Affairs, as follows:

To the Congress of the United States:

I transmit herewith for your information a copy, as received by radiogram from the Acting Governor General of the Philippine Islands, of Act No. 4200, enacted by the Tenth Philippine Legislature, first special session, on April 8, 1935, and approved on the same date, entitled:

"An act to submit to the Filipino people for ratification or rejection the Constitution of the Philippines, with the ordinance appended thereto, to appropriate funds therefor, and for other purposes."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 11, 1935.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed a bill (H. R. 5914) to authorize the coinage of 50-cent pieces in connection with the California-Pacific International Exposition to be held in San Diego, California, in 1935 and 1936, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. LEWIS. I note the absence of a quorum and ask for a roll call.

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

Mr. CONNALLY. I desire to announce that my colleague, the senior Senator from Texas [Mr. SHEPPARD] is unavoidably detained from the sessions of the Senate today. I should like to have this announcement stand for the entire day on all roll calls.

Mr. LEWIS. I announce the absence of the Senator from Connecticut [Mr. MALONEY] and the junior Senator from Louisiana [Mr. OVERTON], occasioned by illness, and the absence of the Senator from New Hampshire [Mr. BROWN], the senior Senator from Louisiana [Mr. LONG], the Senator from California [Mr. MCADOO], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Massachusetts [Mr. WALSH], the senior Senator from Washington [Mr. BONE], the junior Senator from Washington [Mr. SCHWELLENBACH], and the Senator from Illinois [Mr. DIETERICH], who are necessarily detained from the Senate.

Mr. AUSTIN. I announce that the Senator from South Dakota [Mr. NORBECK] is necessarily absent, and that the Senator from North Dakota [Mr. NYE] is absent because of illness.

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

EMPLOYMENT FOR GRADUATES OF EDUCATIONAL INSTITUTIONS (S. DOC. NO. 50)

The VICE PRESIDENT laid before the Senate a report of the Civil Service Commission, in response to section 2 of Senate Resolution 67, relative to aiding graduates of educational institutions in the matter of securing employment, which was referred to the Committee on Civil Service and ordered to be printed.

REPORT OF FEDERAL EMERGENCY RELIEF ADMINISTRATION

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Federal Emergency Relief Administration, transmitting, pursuant to law, the report of the Federal Emergency Relief Administrator, covering the period of December 1 to December 31, 1934, inclusive, which, with the accompanying report, was referred to the Committee on Appropriations.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of Texas, which was referred to the Committee on Mines and Mining:

Senate Concurrent Resolution 35

Whereas the Democratic Party of Texas in convention assembled on September 11, 1934, adopted the following plank in the party platform:

"We oppose the abdication or surrender of the State's power to control the production of its natural resources. We likewise oppose any Federal encroachment upon the exclusive power of this State to control the production of oil and gas. We oppose any plan that results in the arbitrary compulsory unitization of oil fields"; and

Whereas there is pending at this time before the Committee on Mines and Mining of the United States Senate a bill known as the "Thomas bill", which has for its purpose the attempted regulation of the production of oil within the States; and

Whereas the purpose of said bill is directly contrary to the principles contained in the platform of the Texas democracy and contrary to the principles of our dual form of government in that it is an attempted invasion of the sovereign powers of this and other States of the Union: Now, therefore, be it

Resolved by the Senate of Texas (the house of representatives concurring), That the Members of the Senate and of the House of Representatives of the United States Congress be, and they are hereby, respectfully petitioned and requested to oppose the adoption of the so-called "Thomas bill" or other similar bills; and be it further

Resolved, That the secretary of the senate and the chief clerk of the house of representatives be, and they are hereby, instructed to mail a copy of this resolution to the Members of the Texas delegation in the Congress of the United States, to the presiding officers of the Senate and the House of Representatives, and to the Chairman of the Committee on Mines and Mining of the United States Senate, and to the Chairman of the Committee on Interstate and Foreign Commerce of the House of Representatives.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Post Offices and Post Roads:

Assembly Joint Resolution 46

Relative to memorializing the President of the United States and Congress in connection with trans-Pacific air mail service

Whereas various aviation groups in the United States are actively engaged in a study of the need for and the requirements of a trans-Pacific airplane service; and

Whereas it appears that such a service soon will be established through the enterprise and pioneering spirit of the American aviation industry; and

Whereas the success of such a worth-while undertaking will depend to some extent upon Federal contracts for carrying mail to and from continental United States and other localities in and bordering upon the Pacific Ocean; and

Whereas it is understood that the Post Office Department is at present considering the early establishment of an air-mail service across the Pacific: Now, therefore, be it

Resolved, That the Assembly of the State of California, the senate concurring, does herewith respectfully urge the President of the United States, the United States Senators, and the Members of the House of Representatives from California to approve and recommend the establishment of such trans-Pacific air mail service, together with such appropriations and other legislative action by the National Congress as may be necessary to accomplish the purposes herein set forth; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, the Vice President of the United States, Senators JOHNSON and MCADOO, and the Members of the National House of Representatives from California.

The VICE PRESIDENT also laid before the Senate the petition of S. R. Simmons, of Columbia, S. C., praying for the enactment of old-age pension legislation, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by Escondido Lodge, No. 344, I. O. O. F., of Escondido, Calif., favoring the adoption of the so-called "Townsend old-age-pension plan", which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Board of Aldermen of Chelsea, Mass., protesting against the importation of Japanese-made merchandise in competition with American industry, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted at a joint meeting of the Bois DeOrmont Post, No. 1795, and the Ladies Auxiliary, Veterans of Foreign Wars, of Bridgeton, N. J., favoring the enactment of House bill 1, to provide for the immediate payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by Italian-American World War veterans of Camden County, N. J., favoring the prompt enactment of legislation providing for the payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also laid before the Senate a telegram from the student body of Denison University, Granville, Ohio, submitting a protest against war, which was referred to the Committee on Military Affairs.

He also laid before the Senate petitions of sundry citizens of the United States, 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 a resolution adopted by the Boston (Mass.) group of the Fellowship of Reconciliation, favoring the enactment of legislation to control private property in war times within rigidly moderate limits, which was referred to the Special Committee on Investigation of the Munitions Industry.

He also laid before the Senate a resolution adopted by the Common Council of the City of Racine, Wis., favoring the enactment of legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which was ordered to lie on the table.

Mr. COPELAND presented a petition of sundry citizens of Middleport, N. Y., praying for the enactment of House bill 5802, being an amendment to section 601 of the Revenue Act of 1932, to provide an excise tax on eggs and egg products, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the New York Flour Club, New York City, N. Y., protesting against the processing tax now effective on wheat, which was referred to the Committee on Agriculture and Forestry.

He also presented a letter in the nature of a memorial from a citizen of New York City, N. Y., remonstrating against the enactment of proposed amendments to the Agricultural Adjustment Act to license processors of agricultural products, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by the Parent-Teacher Association of No. 38 School, Rochester, N. Y., favoring the establishment of a national film institute to encourage the production, distribution, and exhibition of motion pictures for visual education and for suitable entertainment, which were referred to the Committee on Interstate and Foreign Commerce.

He also presented a resolution adopted by the Nassau-Suffolk Monument Dealers' Association, New York, favoring the continuance of the National Industrial Recovery Act, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Independent Retail Tobacconists' Association of America, Inc., New York City, N. Y., favoring the continuance of the National Industrial Recovery Act, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Infants' and Children's Wear Code Authority, New York City, N. Y., favoring continuance of the National Industrial Recovery Act, which was referred to the Committee on Finance.

He also presented resolutions adopted by Branch No. 57, of Schenectady, and Branch No. 139, of Tonawanda, both of the Workmen's Sick and Death Benefit Fund, in the State of New York, favoring the enactment of the so-called "Lundeen bill", being the bill (H. R. 2827) to provide for the establishment of unemployment, old-age, and social insurance, and for other purposes, which were referred to the Committee on Finance.

He also presented a resolution adopted by Columbia Council, No. 31, Junior Order United American Mechanics, of Port Washington, Long Island, N. Y., favoring the enactment of legislation creating in the Department of Justice a bureau of alien deportation, and also reducing the immigration quotas to 40 percent of the number now admitted, which was referred to the Committee on Immigration.

He also presented resolutions adopted by Manor Council, No. 112, of Woodhaven, and Paul Revere Council, No. 102, of Brooklyn, both of the Sons and Daughters of Liberty, in the State of New York, favoring the enactment of legislation to strengthen the existing law pertaining to the deportation of aliens, which were referred to the Committee on Immigration.

He also presented a resolution adopted by the Bronx County organization of the American Legion, Bronx, N. Y., favoring the enactment of the so-called "Wagner-Costigan antilynching bill", which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by a nonsectarian sisterhood known as the "Sword of the Spirit", Far Rockaway, N. Y., protesting against the adoption of a billion dollar national defense program, which was referred to the Committee on Military Affairs.

He also presented a resolution adopted by the National Temple Hill Association, Inc., of Newburgh, N. Y., favoring the passage of the so-called "Jenckes bill", relative to the display of the American flag on public buildings, which was referred to the Committee on Military Affairs.

He also presented a petition of sundry citizens of Brooklyn and vicinity, in the State of New York, favoring the enactment of House bill 1411, to permit full cuts of United States postage stamps to be printed in stamp catalogs, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by Little York Grange No. 442, of Little York, N. Y., favoring the enactment of the so-called "motor carrier bill", which was ordered to lie on the table.

He also presented a resolution adopted by the Nassau County Farm Home Bureau Association, favoring governmental regulation of all transportation, which was ordered to lie on the table.

Mr. GERRY presented the following resolution of the General Assembly of the State of Rhode Island, which was referred to the Committee on Agriculture and Forestry:

Resolution of the general assembly protesting the reported intention of the Secretary of Agriculture of the United States to increase the processing tax on cotton

Whereas it has come to the attention of the general assembly that the Honorable Henry A. Wallace, Secretary of Agriculture of the United States, is planning to increase the processing tax on cotton; and

Whereas such action on the part of the Department of Agriculture of the United States would have a very serious effect upon the textile industry of the State of Rhode Island and would further increase unemployment in this State: Therefore be it

Resolved, That the general assembly protests the attitude of the Secretary of Agriculture of the United States and trusts that he will reconsider his alleged decision to increase the processing tax on cotton; and be it further

Resolved, That the secretary of state is hereby directed to transmit duly certified copies of this resolution to the Senators and Representatives from Rhode Island in the Congress of the United States and to the Honorable Henry A. Wallace, Secretary of Agriculture of the United States.

Mr. GIBSON presented the following joint resolution of the Legislature of the State of Vermont, which was referred to the Committee on Post Offices and Post Roads.

Joint resolution relating to extension of the Civil Service Act to include postmasters of all classes

Whereas it is universally recognized that civil service as applied to postal workers in the Government service has been of material benefit in the upbuilding of the efficiency; and

Whereas President Roosevelt and the Civil Service Commission has recommended to Congress the extension of the Civil Service Act to include postmasters of the first, second, and third class, believing it to be a forward step in the progress and efficiency of the service; and

Whereas the present system of changing postmasters frequently under the "spoils" system because of some political influence is considered wasteful and conducive to instability and inefficiency as well as uneconomical to the Government. It is believed that under civil service incompetent postmasters would be removed and efficient postmasters retained: Therefore be it

Resolved by the senate and house of representatives, That the general assembly of this State respectfully requests the Senators and Representatives of Vermont in the Congress of the United States to take such steps as will bring about an extension of the Civil Service Act to include postmasters of all classes; and be it further

Resolved, That copies of this resolution be submitted by the secretary of state to the Senators and Representatives of Vermont in the Congress of the United States.

SHELTER BELTS IN EASTERN COLORADO

Mr. COSTIGAN. The Colorado Legislature has transmitted to the Colorado delegation in Congress house joint memorial 14, urging the establishment of shelter belts, supplementing the proposed national shelter belt, to relieve dire need and distress in eastern Colorado. I ask that the memorial be printed in full in the CONGRESSIONAL RECORD.

The memorial was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

House Joint Memorial 14

Whereas the Congress of the United States has heretofore appropriated certain funds for the establishment of a national shelter belt in the benefits of which Colorado, western Kansas, and western Nebraska do not participate; and

Whereas the conditions of the western Great Plains area constituting eastern Colorado, southwestern Nebraska, and western Kansas due to drought, unfavorable weather conditions, wind, and dust storms are such that steps must be taken immediately to prevent further soil erosion, the conservation of moisture, and the establishment of wind breaks or unbelievable disaster will result to these areas; and

Whereas there has been organized by the people of eastern Colorado, western Kansas, and western Nebraska an association known as "the Western Great Plains Shelterbelt Association" for the purpose of procuring the establishment of shelter belts supplemental to the national shelter belt to accomplish in the western Great Plains area the objects for which the national shelter belt was established: Now, therefore, be it

Resolved by the House of Representatives of the Thirtieth General Assembly of the State of Colorado (the senate concurring therein), That the Congress of the United States is respectfully memorialized to appropriate and set aside immediately the funds necessary to establish shelter belts in eastern Colorado, supplemental to the national shelter belt to accomplish all the purposes for which the national shelter belt was established in the territory known as the "western Great Plains area" in the State of Colorado, thus relieving dire need and distress in such territory; be it further

Resolved, That the purposes of the Western Great Plains Shelterbelt Association be approved and that each of the Senators and Representatives in Congress from the State of Colorado be urged to support and assist in carrying out the purposes of this memorial; be it further

Resolved, That a copy of this memorial be sent to the Senators and Representatives in Congress from the State of Colorado, the Secretary of Agriculture and the Secretary of the Interior, and the chairmen of the respective committees in the House of Representatives and the Senate having jurisdiction of the said matter.

UNAMERICAN ACTIVITIES

Mr. GUFFEY presented resolutions adopted by Jesse W. Soby Post, No. 148, the American Legion, of Langhorne,

Pa., which were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
JESSE W. SOBY POST, No. 148,
Langhorne, Pa.

Whereas repeatedly, in the past few months, allegations have been made over the radio and in the public press by prominent persons of integrity that national officials of the American Legion and Legion members in close liaison with these officials and national headquarters have been guilty of un-American activities; and

Whereas we believe these allegations should be investigated and guilt or innocence be proved; and

Whereas in a quasi-military organization, as the American Legion, the presumption of guilt might well remain a stigma unless such investigation be made; and

Whereas Congress by act chartered the American Legion: Therefore be it

Resolved, By the Jesse W. Soby Post, No. 148, American Legion, Department of Pennsylvania, Langhorne, Pa., that the Congress of the United States investigate thoroughly the allegations, and that those concerned be given an opportunity to prove their innocence; and be it further

Resolved, That the Congress make this investigation open to the public and press, without any reservation whatsoever, so that for the good of the Nation and the American Legion those may be either exonerated or suppressed.

REPORTS OF COMMITTEES

Mr. FRAZIER, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 38) for the adjustment and settlement of losses sustained by the cooperative marketing associations, reported it without amendment and submitted a report (No. 483) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2185) to amend an act entitled "An act to accept the cession by the State of Oregon of exclusive jurisdiction over the lands embraced within the Crater Lake National Park, and for other purposes", reported it without amendment and submitted a report (No. 484) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2215) to amend the act entitled "An act to provide for the collection and publication of statistics of tobacco by the Department of Agriculture", approved January 14, 1929, as amended, reported it without amendment and submitted a report (No. 485) thereon.

He also, from the same committee, to which was referred the bill (S. 1460) to fix standards for till baskets, Climax baskets, round-stave baskets, market baskets, drums, hampers, cartons, crates, boxes, barrels, and other containers for fruits or vegetables, to consolidate existing laws on this subject, and for other purposes, reported it with an amendment and submitted a report (No. 486) thereon.

Mr. MURPHY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 12) to amend the Packers and Stockyards Act, reported it without amendment and submitted a report (No. 487) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2306) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the heirs of James Taylor, deceased Cherokee Indian, for the value of certain lands now held by the United States, and for other purposes, reported it with amendments and submitted a report (No. 488) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 1523) to provide funds for cooperation with the public-school board at Wolf Point, Mont., in the construction or improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont., reported it without amendment and submitted a report (No. 489) thereon.

He also, from the same committee, to which was referred the bill (S. 1528) for expenditure of funds for cooperation with the public-school board at Poplar, Mont., in the construction or improvement of public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont., reported it with an amendment and submitted a report (No. 490) thereon.

Mr. HAYDEN, from the Committee on Appropriations, to which was referred the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes, reported it with amendments and submitted a report (No. 491) thereon.

Mr. LOGAN, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 89) directing the Comptroller General to readjust the account between the United States and the State of Vermont, reported it without amendment.

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:

(Mr. WHEELER introduced Senate bill no. 2573, which was referred to the Committee on Interstate Commerce and appears under a separate heading.)

By Mr. O'MAHONEY:

A bill (S. 2574) to amend section 23 of the Independent Offices Appropriation Act, 1935; to the Committee on Civil Service.

By Mr. HATCH:

A bill (S. 2575) for the relief of Emma Gomez; and

A bill (S. 2576) for the relief of Manuel D. A. Otero as administrator of the estate of Teresita S. Otero, deceased; to the Committee on Claims.

A bill (S. 2577) to repeal the provisions of the homestead laws requiring the cultivation of homestead entries; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Oklahoma:

A bill (S. 2578) authorizing distribution of funds to the credit of the Wyandotte Indians, Oklahoma; to the Committee on Indian Affairs.

A bill (S. 2579) to amend section 1, act of March 3, 1927, granting pensions to certain soldiers who served in Indian wars from 1817 to 1898, and for other purposes; to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 2580) conferring a military status upon certain civilian employees of the Engineer Department, United States Army; to the Committee on Military Affairs.

By Mr. ROBINSON (for Mr. McKELLAR):

A bill (S. 2581) for the relief of Thomas Green; to the Committee on Claims.

(Mr. COPELAND introduced Senate bill no. 2582, which was referred to the Committee on Commerce and appears under a separate heading.)

By Mr. SMITH:

A bill (S. 2583) establishing certain commodity divisions in the Department of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. LEWIS:

A bill (S. 2584) to amend the 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, by including therein the name of Gustaf E. Lambert; to the Committee on Military Affairs.

By Mr. COUZENS:

A bill (S. 2585) granting a pension to Annie E. Laurie; to the Committee on Pensions.

By Mr. FLETCHER:

A bill (S. 2586) for the relief of John K. Jemison (with accompanying papers); to the Committee on Military Affairs.

By Mr. BACHMAN:

A bill (S. 2587) authorizing the appointment of Corday W. Cutchin as a captain of Infantry, United States Army; to the Committee on Military Affairs.

By Mr. OVERTON:

A joint resolution (S. J. Res. 102) to provide for the acquisition by the Government of the United States, in whole or part, of the inner harbor canal and lock connecting the Mississippi River with Lake Pontchartrain in the State of Louisiana, and now owned by the Board of Commis-

sioners of the Port of New Orleans (an agency of the State of Louisiana), and for other purposes; to the Committee on Commerce.

GOVERNMENT OWNERSHIP OF RAILROADS

Mr. WHEELER introduced a bill (S. 2573) to provide for the creation of a corporation to be known as the "United States Railways"; to provide for the possession, control, and ownership of certain property of carriers by United States Railways; and for other purposes; which was read twice by its title and referred to the Committee on Interstate Commerce.

Mr. WHEELER. In connection with the bill which I have just introduced, providing for the creation of a corporation to be known as "United States Railways", and which I have asked to have referred to the Committee on Interstate Commerce, I ask that there be printed in the RECORD an analysis of the bill.

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

ANALYSIS OF THE GOVERNMENT-OWNERSHIP BILL

This bill is a comprehensive Government-ownership statute, providing for the acquisition, ownership, and management of the railroads by a Federal corporation, called the "United States Railways", under public management and in the public interest.

The bill authorizes the creation of the United States Railways and its acquisition of the property of the railroads, either by consolidation of the present companies with the Federal corporation and an exchange of their respective securities, or by use of eminent domain and a payment for the property in debentures of the United States Railways guaranteed by the Government.

The provisions for acquisition by exchange of securities permit the United States Railways to offer its securities to a carrier, or to the latter's security holders, on a basis which the bill prescribes, the security holders being given the option of accepting the offer or of receiving under condemnation proceedings the present value of their securities paid in Government-guaranteed debentures. The bill authorizes an offer, under the exchange provisions, of debentures equal to the present value of the carrier securities plus contingent securities (income bonds or preferred stock, not guaranteed by the Government) of the United States Railways equal to the difference between such present value of the carrier's securities and what their value would be on the basis of the 1930 earnings, it being provided that the interest payable on the debentures thus issued shall not exceed the present income of the property and that the aggregate interest and dividends payable on the debentures and contingent securities shall not exceed the income of the year 1930. These provisions have two principal purposes. In the first place, it is intended to make it possible for the Government to acquire the property in such a way that the fixed charges can be borne by the present earnings of the property, thereby avoiding the necessity of meeting such charges through taxation. In the second place, it is intended to provide for a fair treatment of the security holders and not to restrict them to payment for the value of their holdings at depression prices. Consequently, the act provides for an acquisition on a basis whereby the security holders will be made whole for the present value of their holdings and will be given "rain check" securities for the difference between the present value and the value on the basis of the 1930 income. This "rain check" arrangement gives the security holders the benefit of future increases in earnings, using those of the year 1930 as an upper limit. That this is a fair and liberal basis is clear from the fact that the net railway operating income of the class I railroads in 1930 was $870,000,000, which is approximately the average of the last 10 years, the earnings of the period 1925–34, inclusive, being $850,000,000, whereas the 1934 income was $463,000,000. The bill does not adopt the suggestion which has been sometimes current that the Government should take over the railroads and guarantee the bonds, thus bailing out one class of investors. Under the exchange proposed, it is clear that the capital costs of the transportation system would be substantially reduced, because the property would be acquired on a basis which is less than the present capitalization, the funded debt being consequently lower, and there would be a reduction of the interest rate, since Government-guaranteed debentures will bear lower interest rates than the present railroad bonds.

Under the provisions of the bill, where physical property is acquired by the use of eminent domain, or where securities are condemned, the value is to be paid for wholly in debentures of the United States railways, guaranteed by the Government. The value is to be determined by a special commission called the "Railway Acquisition Tribunal", under provisions which put emphasis upon the present actual commercial value of the property and which are designed to exclude from consideration reproduction costs and similar data which, in view of the obsolescence created by competitive transportation agencies and the low earning power of the property, are no indication of its present or prospective value.

The bill provides for the temporary taking over of the railroad properties on January 1, 1936, pending permanent acquisition proceedings, on a rental arrangement very similar to that used during Federal control in the war period.

The bill provides for the protection of the operation of the United States railways from the influence of politics. The management is vested in five trustees, whose salary is to be $20,000 a year, and who shall be men of wide experience and demonstrated capacity and obligated to administer the properties in the public interest, independent of political considerations, and on a self-supporting basis. In the appointment of trustees, officers, and employees and their dismissal, promotion, or demotion, no political qualification may be given consideration, and officers of the United States or of any political party organization are forbidden by the act to solicit or recommend the appointment, dismissal, promotion, or demotion of any officer or employee. Provision is made for a railroad advisory council consisting of 24 members, to be appointed by the President and representing labor and the various industries and professions. Provisions are made under which, speaking generally, there is no important disturbance of the present system of State taxation of railroad property or of the handling of labor problems. The Interstate Commerce Commission is given substantially the same authority over rates as it had during the period of Federal control.

AMERICAN MERCHANT MARINE

Mr. COPELAND introduced a bill (S. 2582) to develop a strong American merchant marine, to promote the commere of the United States, to aid national defense, and for other purposes, which was read twice by its title and referred to the Committee on Commerce.

Mr. COPELAND. Mr. President, I have just introduced, for reference to the Committee on Commerce, a ship subsidy bill. This bill has been prepared with great care following conferences with the House Committee and the Senate Committee on Commerce. Because of the fact that it will be of great interest to the shipping industry and they will be anxious to know what we are proposing, I ask that the message of the President on this subject be printed in the RECORD, to be followed by the printing of the bill itself.

There being no objection, the President's message and the bill introduced by Mr. COPELAND were ordered to be printed in the RECORD, as follows:

To the Congress of the United States:

I present to the Congress the question of whether or not the United States should have an adequate merchant marine.

To me there are three reasons for answering this question in the affirmative. The first is that in time of peace, subsidies granted by other nations, shipping combines, and other restrictive or rebating methods may well be used to the detriment of American shippers. The maintenance of fair competition alone calls for American flag ships of sufficient tonnage to carry a reasonable portion of our foreign commerce.

Second, in the event of a major war in which the United States is not involved, our commerce, in the absence of an adequate American merchant marine, might find itself seriously crippled because of its inability to secure bottoms for neutral peaceful foreign trade.

Third, in the event of a war in which the United States itself might be engaged, American flag ships are obviously needed not only for naval auxiliaries, but also for the maintenance of reasonable and necessary commercial intercourse with other nations. We should remember lessons learned in the last war.

In many instances in our history the Congress has provided for various kinds of disguised subsidies to American shipping. In recent years the Congress has provided this aid in the form of lending money at low rates of interest to American shipping companies for the purpose of building new ships for foreign trade. It has, in addition, appropriated large annual sums under the guise of payments for ocean mail contracts.

This lending of money for shipbuilding has in practice been a failure. Few ships have been built and many difficulties have arisen over the repayment of the loans. Similar difficulties have attended the granting of ocean mail contracts. The Government today is paying annually about $30,000,000 for the carrying of mails which would cost, under normal ocean rates, only $3,000,000. The difference, $27,000,000, is a subsidy, and nothing but a subsidy. But given under this disguised form it is an unsatisfactory and not an honest way of providing the aid that Government ought to give to shipping.

I propose that we end this subterfuge. If the Congress decides that it will maintain a reasonably adequate American merchant marine I believe that it can well afford honestly to call a subsidy by its right name.

Approached in this way a subsidy amounts to a comparatively simple thing. It must be based upon providing for American shipping Government aid to make up the differential between American and foreign shipping costs. It should cover first the difference in the cost of building ships; second, the difference in the cost of operating ships; and finally, it should take into consideration the liberal subsidies that many foreign governments provide for their shipping. Only by meeting this threefold differential can we expect to maintain a reasonable place in ocean commerce for ships flying the American flag, and at the same time maintain American standards.

In setting up adequate provisions for subsidies for American shipping the Congress should provide for the termination of existing ocean mail contracts as rapidly as possible and it should terminate the practice of lending Government money for shipbuilding. It should provide annual appropriations for subsidies sufficiently large to cover the differentials that I have described.

I am submitting to you herewith two reports dealing with American shipping: A report of an interdepartmental committee known as the "Committee on Shipping Policy", appointed June 18, 1934, by the Secretary of Commerce, and a report to me from the Postmaster General on ocean mail contracts prepared pursuant to an Executive order of July 11, 1934.

Reports which have been made to me by appropriate authorities in the executive branch of the Government have shown that some American shipping companies have engaged in practices and abuses which should and must be ended. Some of these have to do with the improper operating of subsidiary companies, the payment of excessive salaries, the engaging in businesses not directly a part of shipping, and other abuses which have made for poor management, improper use of profits, and scattered efforts.

Legislation providing for adequate aid to the American merchant marine should include not only adequate appropriation for such purposes and appropriate safeguards for its expenditure, but a reorganization of the machinery for its administration. The quasi-judicial and quasi-legislative duties of the present Shipping Board Bureau of the Department of Commerce should be transferred for the present to the Interstate Commerce Commission. Purely administrative functions, however, such as information and planning, ship inspection, and the maintenance of aids to navigation should, of course, remain in the Department of Commerce.

An American merchant marine is one of our most firmly established traditions. It was, during the first half of our national existence, a great and growing asset. Since then it has declined in value and importance. The time has come to square this traditional ideal with effective performance.

Free competition among the nations in the building of modern shipping facilities is a manifestation of wholly desirable and wholesome national ambition. In such free competition the American people want us to be properly represented. The American people want to use American ships. Their Government owes it to them to make certain that such ships are in keeping with our national pride and national needs.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 4, 1935.*

To develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—DECLARATION OF POLICY

SECTION 1. It is necessary for the national defense and development of its foriegn and domestic commerce that the United States shall have a merchant marine (1) sufficient to carry at least one-half of the foreign commerce of the United States and to provide shipping service on all routes essential for maintaining the flow of national commerce at all times, (2) capable of serving as a naval and military auxiliary in time of war or national emergency, (3) owned and operated under the United States flag by citizens of the United States and so operated and regulated as to secure to the shipper of American products adequate service and parity of rates to foreign markets, and (4) composed of the best equipped, safest, and most suitable types of vessels, constructed in the United States and manned with a trained and efficient citizen personnel. It is hereby declared to be the policy of the United States to foster the development and encourage the maintenance of such a merchant marine by the means hereafter expressly provided in this act and by any other means which the Congress from time to time may deem necessary. Insofar as not inconsistent with the express provisions of this act, the agencies of the United States Government charged with the administration of this act and shipping laws shall, in such administration and in the making of rules and regulations, keep always in view the purpose and object of the policies herein expressed as the primary end to be attained.

TITLE II—UNITED STATES MARITIME AUTHORITY

SEC. 201. (a) A board is hereby created to be known as the "United States Maritime Authority", and hereinafter referred to as the "Authority". The Authority shall be composed of five persons, hereinafter referred to as "members", to be appointed by the President by and with the advice and consent of the Senate; and the President shall designate the member to act as chairman of the Authority, and the Authority may elect one of its members as vice chairman. The members of the Authority shall be appointed as soon as practicable after the enactment of this act, and shall continue in office for terms of 3, 4, 5, 6, and 7 years, respectively, from the date of their appointment, the term of each to be designated by the President, but their successors shall be appointed for terms of 7 years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. The members shall be appointed with due regard to their fitness for the efficient discharge of the duties imposed upon them by this act. Not more than one member shall be appointed from the same State. Not more than three of the members shall be appointed from the same political party. A vacancy in the Authority shall be filled in the same manner as the original appointment. No member shall take any part in the consideration or decision of any claim or particular controversy in which he has a pecuniary interest.

(b) No member shall be appointed who is in the employ of, or holds any official relation to, any common carrier by water or other person subject to this act or the shipping laws, or owns any stock or bonds thereof, or is pecuniarily interested, directly or indirectly, in any person subject to this act. No member while in office shall engage in any other business, vocation, or employment, or hold any official relation to any common carrier by water or other person subject to this act or the shipping laws, or own any stock or bonds thereof, or be in any manner pecuniarily interested, directly or indirectly, in such person.

(c) The duties of the Authority may be so divided that under its supervision the directorship of various activities may be assigned to one or more members. Any member may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. In case of a vacancy in the Authority the remaining members shall exercise all its powers. The Authority shall have an official seal, which shall be judicially noticed.

(d) The Authority may adopt rules and regulations in regard to its procedure and the conduct of its business. It may employ, within the limits of appropriations made therefor by Congress, such attorneys as it finds necessary in the conduct of its work, or for proper representation of the public interest in investigations made by it or in proceedings pending before it, whether at the Authority's own instance or upon complaint, or to appear for or represent the Authority in any case in court or other tribunal.

(e) Each member shall receive a salary of $12,000 per annum. The Authority shall appoint a secretary at a salary of $7,500 per annum, and employ and fix the compensation of such attorneys, officers, naval architects, special experts, examiners, clerks, and other employees as it may find necessary for the proper performance of its duties and as may be appropriated for by the Congress, and shall, whenever possible, in such employment, employ qualified present employees of the United States Shipping Board Bureau or United States Shipping Board Merchant Fleet Corporation. The President, upon the request of the Authority, may authorize the detail of officers of the military, naval, or other services of the United States for such duties as the Authority may deem necessary in connection with its business.

(f) With the exception of the secretary, a clerk to each member, the attorneys, naval architects, and such other special experts and examiners as the Authority may from time to time find necessary to employ for the conduct of its work, all employees of the Authority shall be appointed from qualified present employees of the United States Shipping Board Bureau or United States Shipping Board Merchant Fleet Corporation, or from lists of eligibles to be supplied by the Civil Service Commission and in accordance with the civil-service law, when no such qualified Shipping Board employee is available.

(g) The expenses of the Authority in the conduct of its business, including necessary expenses for transportation, incurred by the members of the Authority or designated employees under its orders, in making any investigation or upon official business in any other place than in the city of Washington, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Chairman of the Authority, or a designated employee of the Authority.

SEC. 202. The Authority is authorized and directed:

(1) To study all national maritime problems, and their proper relationship to trade and commerce;

(2) To analyze and edit pertinent data and develop plans for construction and efficient operation of vessels, taking into consideration the benefit accruing from standardized production where practicable;

(3) To determine, under rules and regulations to be prescribed by the Authority, the amounts of direct financial aid to be paid under contracts awarded pursuant to titles III and V of this act; and

(4) To study means by which the revenue of contractors may be increased by advertising and solicitation on the part of operators, and wherein economies may be effected.

(5) To establish and maintain liaison with such other departments and boards of the Federal Government, and with representative trade organizations throughout the United States, as may be concerned, directly or indirectly, with any movement of commodities in foreign commerce, for the purpose of securing preference to vessels of United States register in such shipments.

INVESTIGATIONS

SEC. 203. The Authority shall make studies of and make a report to Congress as soon as practicable on—

(1) The scrapping of old or obsolete tonnage owned by the United States or in use in the merchant marine;

(2) Tramp shipping service and the advisability of participating in such service with vessels under United States register;

(3) The construction by or with the aid of the United States of superliners, especially with a view to their use in national emergency.

(4) The relative cost of construction of comparable ocean vessels in the various coastal districts of the United States, together with recommendations as to how such differential may be equalized.

SEC. 204. In the execution of its duties under this act the Authority is authorized and directed to investigate, determine, and keep current records of: (1) The essential services, routes, and lines for the development of the American merchant marine pursuant to section 7, Merchant Marine Act, 1920 (U. S. C., title 46, sec. 866);

(2) the relative cost of construction or reconditioning of comparable vessels of the United States and in foreign countries; (3) the relative cost of marine insurance, maintenance repairs, wages and subsistence of officers and crews, in the operation of comparable vessels on particular routes, services, and lines under the laws, rules, and regulations of the United States and under those of the foreign countries whose vessels are the competitors of such American service, route, or line; (4) the extent and character of the governmental aid and subsidies granted by foreign governments to their merchant marine; (5) the number, location, and efficiency of the shipyards now existing or which may hereafter be built in the United States; and (6) such other matters, as such Authority may from time to time determine to be necessary, relating to the development of the merchant marine and the cost of maintenance and operation of the various services, routes, and lines compared with the cost of similar services, routes, and lines under foreign flags.

TITLE III—OCEAN MAIL ROUTES AND ADJUSTMENT OF OCEAN MAIL CONTRACTS

SECTION 301. After the date of enactment of this act no contracts shall be awarded or renewed under title IV of the Merchant Marine Act, 1928 (U. S. C., Supp. VII, title 46, secs. 891e to 891r, inclusive).

SEC. 302. The Postmaster General shall, as soon as practicable after the enactment of this act, investigate and determine on what ocean trade routes between ports of the United States or any territory, district, or possession thereof, and foreign ports, it is desirable for the needs of the Postal Service of the United States that mail of the United States should be carried in whole or in part by vessels documented under the laws of the United States, and the schedule of mail movements which in his judgment should be in force upon such route or routes. The Postmaster General shall certify the results of such investigation and determination to the Authority as soon as possible after the same shall be concluded.

SEC. 303. The Authority shall, as soon as practicable after action taken as provided in section 302, determine the type, size, speed, and other characteristics of the vessels which should be employed upon the route or routes so certified, the frequency and regularity of their sailings, the minimum speed at which they should be safely operated at sea in ordinary weather, and all other facts bearing upon the capacity and suitability of the vessels to meet the requirements of the Postal Service as certified by the Postmaster General, and to promote the commerce and welfare of the United States and the other purposes of this act.

SEC. 304. In accordance with sections 302 and 303 and existing law, the Postmaster General is authorized to enter into contracts with citizens of the United States for such periods as he may deem advisable, but not exceeding 20 years, for the operation of such vessels in the carriage of mail and for the performance of commercial services in such trades and for the other purposes of this act. The vessels employed under such contracts shall be (1) American built and documented under the laws of the United States, during the entire time of such employment, or (2) shall have been documented under the laws of the United States not later than April 1, 1935, and shall remain so documented during the entire time of such employment.

SEC. 305. All mails of the United States carried on vessels between ports between which it is lawful under the navigation laws for a vessel not documented under the laws of the United States to carry merchandise shall, if practicable, be carried on vessels in respect of which a contract is made under this title.

SEC. 306. Upon each vessel employed in ocean mail service under a contract made under this title, the Postmaster General shall be entitled to have transported such mail messengers as he may require, for whom shall be provided subsistence, suitable staterooms, and working quarters, all free of charge. Such messenger shall wear suitable uniforms to be prescribed by the Postmaster General.

SEC. 307. In the case of failure of a vessel from any cause to perform any regular voyage required by a contract made under this title, a pro rata deduction shall be made from the contract price on account of such omitted voyage; and suitable deductions, to be determined by the Postmaster General, may be made from the compensation payable under the contract for delays, failures to properly safeguard the mails, or other irregularities in the performance of the contract. Deductions so determined upon shall be deducted by the Postmaster General from the payments otherwise due and payable under the terms of the contract. The Postmaster General may, in case of emergency, permit the substitution for a particular voyage of a vessel not within the provisions of the contract, even though not conforming to the requirements of section 305

SEC. 308. If there are any vessels now being operated on any such routes by citizens of the United States who hold mail contracts made pursuant to the provisions of the Merchant Marine Act, 1928, then the Authority may, subject to the approval of the President, privately negotiate with the holder of any such contract, without advertisement or taking of bids as hereinbefore provided, for a surrender of such contract, and for the substitution therefor of a new contract for the performance of services under this act, on such terms and conditions as the Authority may deem advisable.

If it is impossible to reach an agreement for such substituted contract, then the Authority may approve the continuance of the existing contract, or the President may cancel such contract and determine just compensation therefor, and if the amount of the compensation so determined by the President is unsatisfactory to the holder of such contract, the latter shall be entitled to receive such portion thereof as the President shall determine, and shall be entitled to sue the United States to recover such further sum as, added to said portion so received, will make up such amount as will be just compensation therefor, in the manner provided by paragraph 20 of section 41 and section 250 of title 28 of the United States Code.

TITLE IV—NEW CONSTRUCTION

SECTION 401. (a) The necessity is hereby recognized for replacement of existing vessels and for the addition of new vessels, as conditions may require, to develop and maintain a well-balanced and adequate merchant marine of modern passenger, combination passenger and cargo, and cargo vessels, qualified to compete with similar types of vessels of other nations, and it is also recognized that 20 years constitute the average economic life of such vessels and, therefore, in awarding contracts under this act, the Authority shall require the construction of such new vessels as may be necessary to effectuate the purposes of this act.

(b) In case the new vessel or vessels to be constructed will replace a vessel or vessels which are old, slow, or otherwise inadequate or obsolete for the service in which engaged, the Authority is authorized in its discretion to buy such ship or ships from the applicant at a reasonable value (which in no event shall exceed the cost of such ship or ships to the applicant, less a reasonable and proper depreciation thereon) and apply the purchase price to that part of the cost of the construction of such new vessel or vessels to be borne by the applicant. The Authority may lay up or scrap said vessel or vessels, or may sell, charter, or otherwise provide for the operation of said purchased vessel or vessels in some other service or route for which the vessel or vessels may be suitable.

TITLE V—FINANCIAL AID TO THE MERCHANT MARINE

PART I—CONSTRUCTION DIFFERENTIAL SUBSIDY

SECTION 501. (a) The Authority is authorized and directed to consider the application of any citizen of the United States as defined in section 38 of the Merchant Marine Act, 1920 (U. S. C., title 46, sec. 802), for financial aid in the construction, outfitting, and equipment of new vessels, or the reconditioning of vessels already built, to be used on an essential service, route, or line in the foreign commerce of the United States. If the Authority determines that (1) the service, route, or line requires a new vessel of modern and economical design or the reconditioning of a vessel already built, to meet competitive conditions or to further promote the foreign commerce of the United States; (2) the plans and specifications of the proposed vessel meet the requirements of commerce; and (3) the applicant possesses the ability, experience, financial resources, and character necessary to successfully operate and maintain such vessel in the proposed service, the Authority shall then, pursuant to the provisions of this Act, determine the difference between the domestic and foreign construction cost of a vessel of the type proposed to be built, or the difference between the domestic and foreign reconditioning cost of a vessel of the type proposed to be reconditioned.

(b) (1) The said specifications shall be submitted to the Navy Department, who shall have the right to suggest such changes therein as it may deem necessary or proper in order that the proposed vessel may be adequate as a naval or military auxiliary and otherwise suitable for the use of the Government in case of national emergency or for the national defense.

(2) In case the said specifications shall be satisfactory to the Authority and shall be approved by the Authority and the Navy Department, the Authority shall have the authority to grant a subsidy of such amount as will equal, but not exceed, the difference between the cost of construction of the said vessel in an American shipyard and the cost of constructing the same, or an equivalent vessel, under the same specifications in a foreign shipyard of equal standing: *Provided, however,* That the said subsidy may be increased to the extent of the extra cost of constructing or equipping said vessel as a naval auxiliary, together with the estimated increased cost of operating such vessel over its economic life by reason of such naval provisions, over the cost of such vessel for commercial purposes.

SEC. 502. (a) The Authority is authorized to enter into a contract with the applicant and a shipbuilder for (1) the construction, outfitting, and equipment, or the reconditioning of the proposed vessel subject to the provisions of section 11 of the Merchant Marine Act, 1920, as amended (U. S. C., title 46, sec. 870, Supp. VII, title 46, sec. 870); (2) the payment to the shipbuilder by the Authority out of the fund created by such section of a construction subsidy based on the difference in cost determined under subsections (a) and (b) of section 501; and (3) if the applicant is eligible and applies therefor, a construction loan under such section.

(b) In case no construction loan is applied for by the applicant for financial aid, the construction subsidy shall be paid to the shipbuilder upon completion of the vessel. In case a construction loan is granted, such loan shall not be for a greater sum than three-fifths of the total cost of the construction, outfitting, and equipment, or reconditioning, less the construction subsidy, and no advance shall be made on such loan until the applicant for aid has paid to the shipbuilder not less than 25 percent of such total cost, not including the construction subsidy.

SEC. 503. The total performance of the contract shall be secured as required under the provisions of section 11 of the Merchant Marine Act, 1920, as amended (U. S. C., title 46, sec. 870, Supp. VII, title 46, sec. 870). The Authority shall require the proposed construction, outfitting, and equipment, or reconditioning to be done in a shipyard within the continental limits of the United States as the result of competitive bidding between the shipyards designated by agreement between the Authority and the applicant,

after due advertisement, with the right in the auhority to reject any or all bids.

SEC. 504. No vessel in respect of which a construction subsidy has been paid shall be operated other than exclusively in foreign trade, unless the owner shall receive the consent of the Authority and furnish satisfactory bond or other security to the Authority to secure the repayment to the United States, in equal semiannual installments over the remaining assumed useful life of the ship (not exceeding 20 years), of an amount which bears the same proportion to the amount of subsidy paid by reason of paragraph (a) of section 501 as such remaining period bears to the entire assumed life of the ship, with interest at 5 percent per annum on the unpaid installments. No repayment shall be required for any semiannual period during which such vessel shall be operated wholly in foreign trade. During the time as determined by the Authority such vessel is operated in the joint domestic and foreign trade the owner shall refund only a proportion of the repayments payable for such period equal to the ratio of the revenues derived from its domestic trade to the revenues derived from the foreign trade.

PART II—OPERATING DIFFERENTIAL SUBSIDY

SEC. 505. (a) The Authority is authorized and directed to consider the application of any citizen of the United States as defined in section 38 of the Merchant Marine Act, 1920, as amended (U. S. C., title 46, sec. 802), for financial aid in the operation of a vessel or vessels constructed or to be constructed within the continental United States, and to be used in the foreign commerce of the United States. If the Authority determines that (1) the operation of such vessel or vessels is required to meet competitive conditions or to further promote the foreign commerce of the United States; (2) the applicant possesses satisfactory ability, experience, financial resources and character, and already owns, or can and will secure, a vessel or vessels of the size, type, speed, and number required, and has the proper equipment and other characteristics to enable him to operate and maintain a service, route, line, vessel, or vessels in such manner as may be necessary to meet competitive conditions; and (3) the payment of an operating differential subsidy is necessary to place the operation of such vessel or vessels on a parity with foreign competitors, it shall then determine the amount of operating differential as hereinafter provided.

(b) The Authority is authorized to enter into a contract with the applicant for the maintenance and operation of a service, route, line, vessel, or vessels determined to be necessary for a period not exceeding 20 years.

(c) Such contract shall provide that the operating differential subsidy shall be paid the applicant and shall be an amount per voyage for the operation and maintenance of said service, route, line, vessel, or vessels, based on the difference in cost of insurance, maintenance, repairs, and the wages and subsistence of officers and crews, in the operation of comparable vessels under the laws, rules, and regulations of the United States as compared with those of the foreign countries whose vessels are competitors of such service, route, line, vessel, or vessels, including the effect of governmental aid or subsidies in such foreign countries, as determined by the Authority.

(d) The Authority shall require such security, in such manner and form as he may determine to be reasonable and necessary to insure the performance of the contract by the owner.

SEC. 506. (a) The Authority shall endeavor to permit full and fair competition as far as possible consistent with the purposes of this act, by requiring the inauguration of the service sufficiently in the future as to enable prospective contractors to provide for the construction or acquisition of the vessels required.

(b) No such contract shall be made with respect to a vessel to be operated on a service, route, or line served by citizens of the United States unless the Authority shall determine that the service already provided upon such route or line is inadequate, and that in the public interest additional vessels should be operated thereon.

SEC. 507. (a) Every contract executed under this part shall provide for the payment of the subsidy to the owner at stated intervals, but not in advance.

(b) Every such contract shall provide that the amount of the payments to the owner shall be subject to review and readjustment from time to time, but not more frequently than once a year, at the instance of the Authority or of the owner. If any such readjustment cannot be agreed to between the Authority and the owner, the Authority, on its own motion or on the application of the owner, shall determine the facts, and after a proper hearing it is authorized to make such adjustment in the amount of such payments as it may determine to be fair and reasonable and in the public interest. Its decision shall be based upon and governed by the changes which may have occurred since the date of the said contract, with respect to wages, operating costs, foreign subsidies, or other conditions affecting shipping, and shall be promulgated in a formal order.

(c) In case the owner shall not be satisfied with such determination, a suit to enjoin, set aside, annul, or suspend any order of the Authority shall be brought in the district court against the United States. The pending of such suit shall not of itself stay or suspend the order of the Authority, but the court in its discretion may retain or suspend in whole or in part the operation of the Authority's order pending the determination of the suit.

No interlocutory injunction suspending or restraining the enforcement, operation, or execution of, or setting aside, in whole or in part, any order made or entered by the Authority shall be issued or granted by any district court of the United States, or by any judge thereof, or by any circuit judge acting as district judge, unless the application for the same shall be presented to a circuit or district judge, and shall be heard and determined by three judges, of whom at least one shall be a circuit judge, and unless a majority of said three judges shall concur in granting such application. When such application as aforesaid is presented to a judge he shall immediately call to his assistance to hear and determine the application two other judges. Said application shall not be heard or determined before at least 5 days' notice of the hearing has been given to the Authority, to the Attorney General of the United States, and to such other persons as may be defendants in the suit. In cases where irreparable damage would otherwise ensue to the petitioner, a majority of said three judges concurring, may, on hearing, after not less than 3 days' notice to the Authority and the Attorney General, allow a temporary stay or suspension, in whole or in part, of the operation of the order of the Authority for not more than 60 days from the date of the order of said judges pending the application for the order or injunction, in which case the said order shall contain a specific finding, based upon evidence submitted to the judges making the order and identified by reference thereto, that such irreparable damage would result to the petitioner and specifying the nature of the damage. The said judges may, at the time of hearing such application, upon a like finding, continue the temporary stay or suspension in whole or in part until decision upon the application. The hearing upon such application for an interlocutory injunction shall be given precedence and shall be in every way expedited and be assigned for a hearing at the earliest practicable day after the expiration of the notice hereinbefore provided for. An appeal may be taken direct to the Supreme Court of the United States from the order granting or denying, after notice and hearing, an interlocutory injunction, in such case if such appeal be taken within 30 days after the order, in respect to which complaint is made, is granted or refused; and upon the final hearing of any suit brought to suspend or set aside, in whole or in part, any order of said Authority the same requirement as to judges and the same procedure as to expedition and appeal shall apply.

(d) Every such contract shall provide that the compensation to be paid under it shall be reduced, under such terms and in such amounts as the Authority shall determine, for any periods in which the vessel or vessels are laid up without a reason satisfactory to the Authority, or are used in domestic commerce, either wholly or in conjunction with foreign commerce.

SEC. 508. (a) In case the Authority shall determine that a change in the service, route, or line is necessary in the public interest, it is authorized to agree with the owner to make such change upon such readjustment of payments to the owner as shall be arrived at by the method prescribed in (b) of section 507.

(b) If at any time the owner (excluding one obligated under a construction loan or receiving a construction differential), receiving an operating differential subsidy, finds that he cannot maintain and operate his vessels on such service, route, or line with a reasonable profit upon his investment, then he may, after 60 days' notice in writing to the Authority, withdraw such vessels from such service, route, or line, and thereupon the further payment of the operating differential subsidy shall cease and the owner be discharged from any further obligation under such contract.

SEC. 509. (a) No contract executed under this part or any interest therein shall be sold, assigned, or transferred, either directly or indirectly, or through any reorganization, merger, or consolidation, or pursuant to any involuntary proceeding against the holder thereof, without the consent of the Authority; nor shall any agreement or arrangement be made by the holder whereby the maintenance or operation of the service, route, line, vessel, or vessels is to be performed by any other person without the written consent of the Authority. In case the Authority consents to such agreement or arrangement, the agreement or arrangement shall make provision whereby the person undertaking such maintenance or operation agrees to be bound by all of the provisions of the contract and of this act applicable thereto, and the rules and regulations prescribed pursuant to this act. In case the holder of any such contract shall voluntarily sell such contract or any interest therein, or make such assignment, transfer, agreement, or arrangement whereby the maintenance or operation of the service, route, line, vessel, or vessels is to be performed by any other person, without the consent of the Authority, the Authority shall have the right to cancel such contract.

(b) Contracts executed under this part may be canceled by the Authority, for repeated and intentional violations of such contract, this act, or rules and regulations prescribed pursuant to this act. The Authority may impose appropriate penalties for violations of such contract, this act, or rules and regulations prescribed pursuant thereto, not to exceed $, which shall be deducted from subsidy payments.

SEC. 510. (a) The vessels receiving financial aid under this part shall be of steel or other acceptable metal, shall be steam or motor propelled, shall be as nearly fireproof as practicable, and shall be American built and registered under the laws of the United States during the entire time of such employment.

(b) A vessel for the service of which a contract is entered into under this part, and the construction of which is hereafter begun, shall be either (1) a vessel constructed according to plans and specifications approved by the Authority and the Secretary of the Navy, with particular reference to economical conversion into an auxiliary naval vessel; or (2) a vessel which will be otherwise useful to the United States in time of national emergency.

SEC. 511. No contractor under a contract in force under this part shall suffer or permit any insurance, stevedoring, terminal,

ship repairing, towboat, or other services of like character to be supplied vessels operated under such contract, by any subsidiary or other corporation directly or indirectly controlled by such contractor, except with the written consent of the Authority.

SEC. 512. (a) Every vessel operating under a contract in force under this part, of less than 10,000 gross tons, shall be required to carry 2 cadets, and every vessel of 10,000 gross tons and over shall be required to carry 4 cadets. Such cadets shall be compensated by the contractor in the amount of not less than $30 per month; shall be provided with quarters separate from those occupied by unlicensed members of the crew; and shall be afforded every opportunity to serve an apprenticeship in, and be instructed concerning, the navigation and operation of the vessel.

(b) Naval officers of the United States on the active list may volunteer for service on any vessel employed in service under a contract made under the provisions of this part, and when accepted by the owner or master thereof may be assigned to such duty by the Secretary of the Navy. While in such employment such officers shall receive from the Government half pay, exclusive of allowances, and such other compensation from the owner or master as may be agreed upon by the parties; but such officers while in such employment shall be required to perform only such duties as appertain to the merchant marine.

PART III—SHIPPING TRADE PROMOTION AID

SEC. 513. (1) Any citizen of the United States as hereinbefore defined may apply to the said committee for a subsidy to enable him to operate in foreign commerce a vessel or vessels owned by him and documented as a vessel of the United States, for the purpose of developing the foreign commerce of the United States in a service or on a route with respect to which the operating subsidy provided for in section 505 hereof would be inadequate. Such application shall contain all the information required of applicants for operating subsidies, and in addition thereto all the facts indicating the inadequacy of an operating subsidy. If the Authority shall determine that it is in the public interest and desirable for the further development of the commerce of the United States, and that an operating subsidy determined as hereinabove provided would be inadequate, then it is authorized to grant a subsidy of such amount as it may determine, for a period which it shall fix not exceeding 5 years, and upon such other terms and conditions as the Authority shall fix, consistent with the provisions of this act, and it may enter into a contract with the applicant accordingly. The amount of such trade development subsidy shall not exceed in any year the amount of the actual losses reasonably incurred in maintaining and operating such vessel in such service or route, together with interest, not exceeding 6 percent, upon his capital actually invested therein. Except as herein otherwise provided the provisions of part II hereof with respect to operating subsidies shall apply to contracts for shipping trade promotion aid.

PART IV—PROVISIONS APPLICABLE TO FINANCIAL AID GENERALLY

SEC. 514. Each application for financial aid under the provisions of this title shall be accompanied by statements disclosing the names of all persons having any pecuniary interest, direct or indirect, in such application, or the ownership or use of the vessel or vessels, services, routes, or lines covered thereby, and the nature and extent of any such interest, together with such financial statements as may be required by the Authority. All such statements shall be in such form as the Authority shall prescribe. Whoever knowingly files or causes to be filed with the Authority any statement false in any material particular shall be guilty of a misdemeanor and subject upon conviction to a fine of not more than $1,000, or imprisonment for not more than 1 year, or to both such fine and imprisonment.

SEC. 515. (a) Every contract executed under this title shall contain provisions requiring:

(1) Each party to the contract (except the Authority) and every affiliate, subsidiary, or holding company connected with any such party, to keep its books, records, and accounts relating to such contract, and to the maintenance and operation of the vessels, services, routes, and lines covered by the contract, in such form and under such regulations as may be prescribed by the Authority; and

(2) Each party to the contract (except the Authority), and every affiliate, subsidiary, or holding company connected with any such party, to file, upon notice from the Authority, statements of financial operations, special reports, memoranda of any facts and transactions, appertaining to the performance of or transactions or operations under such contract directly or indirectly affecting the financial results of such operation, and including all transactions or operations appertaining or subsidiary thereto, insurance, stevedoring, handling of cargo, wharfage, terminal charges, and any other matters which in the opinion of the Authority affect the financial results in the performance of or transactions or operations under such contract.

(b) The Authority is authorized to examine and audit the books, records, and accounts referred to in this section whenever it may deem it advisable or whenever requested by either House of Congress. The parties to the contracts referred to in this section (except the Authority), and affiliate, subsidiary, and holding companies connected with any such party, shall keep their books, records, and accounts referred to in this section open to inspection and audit at all times by accredited representatives of the Authority.

(c) The Authority may employ special agents or examiners who shall have authority to examine all accounts, records, and memoranda kept or required to be kept hereunder. The Authority may prescribe the length of time such accounts, records, or memoranda shall be preserved.

SEC. 516. In case of failure or refusal on the part of any person to keep such accounts, records, and memoranda in manner prescribed by the Authority, or to submit such accounts, records, and memoranda to the inspection of the Authority or any of its authorized agents or examiners, such person shall forfeit to the United States the sum of $5,000 for each such offense. Such forfeiture shall accrue to the United States and be recovered in a civil action brought by the United States. Any person who shall falsify any account, record, or memoranda, or who shall willfully destroy, mutilate, or alter any such account, record, or memoranda, shall be guilty of a misdemeanor and shall be subject upon conviction thereof to a fine of not less than $1,000 nor more than $5,000, or imprisonment for not less than 1 year nor more than 3 years, or both such fine and imprisonment. The Supreme Court of the District of Columbia and the several District Courts of the United States shall be authorized to try and punish offenses hereunder within their respective jurisdictions.

SEC. 517. To safeguard the public interest in the administration of financial aid under this act, every contract executed under this title shall contain provisions requiring—

(a) The contractor to conduct its operations with respect to the vessels, services, routes, and lines covered by its contracts in the most economical and efficient manner;

(b) That salaries and allowances (including compensation in any form) to its officers, employees, and counsel shall be reasonable;

(c) That there shall be set aside in trust in a depository approved by the Authority, in amounts and from sources agreed to in the contract, funds for depreciation, to assure construction of replacement tonnage, and an adequate operating reserve. Such funds shall not be withdrawn for any purpose except by consent of the Authority and that part of the fund clearly due of the Authority and if not used for the purposes specified, that part of the fund clearly due to Government advances shall revert to the Maritime Authority.

(d) In case of any contractor owning, operating, chartering, or acting as an agent for foreign vessels or of foreign interests or in case of any transaction of the contractor with organizations or persons with whom its directors or officers are connected or affiliated, such transactions shall be subject to regulations and orders prescribed by the Authority.

TITLE VI—MERCHANT-MARINE FUNDS

PART I—CONSTRUCTION LOAN FUND

SEC. 601. The provisions of sections 11 and 12 of the Merchant Marine Act, 1920, as amended, are hereby reenacted. All the powers and duties therein vested in the United States Shipping Board, or the United States Shipping Board Emergency Fleet Corporation, or the United States Shipping Board Merchant Fleet Corporation, or transferred to the Department of Commerce by section 12 of the Executive order signed June 10, 1933, pursuant to the act of Congress approved March 3, 1933, are hereby transferred to and shall be exercised by the Authority.

SEC. 602. All sums of money now in the construction loan fund created by section 11 of the Merchant Marine Act, 1920, together with all debts, accounts, choses in action, and all notes, mortgages, and other evidences of indebtedness arising out of loans made from said fund, are hereby assigned, transferred, and set over and made available to the Authority.

PART II—INSURANCE FUND

SEC. 604. The provisions of title V of the Merchant Marine Act, 1928, are hereby reenacted, and all the power and duties therein vested in the United States Shipping Board or transferred to the Department of Commerce by section 12 of the Executive order signed the 10th day of June 1933, pursuant to act of Congress approved the 3d day of March 1933, are hereby transferred to and shall be exercised by the authority.

TITLE VII—REGULATORY POWERS

SEC. 701. The power and duties vested in the United States Shipping Board by sections 14, 14 (a), 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 38, 39, 40, and 41 of the Shipping Act, 1916, as amended by the Merchant Marine Act, 1920, the Merchant Marine Act, 1928, and the Intercoastal Shipping Act, 1933, as amended herein, or transferred to the Department of Commerce by the Executive order signed the 10th day of June 1933, pursuant to the act of Congress approved the 3d day of March 1933, are hereby transferred to and vested in and shall be exercised by the Authority: *Provided*,

(1) That the last paragraph of section 18 of the Shipping Act, 1916, is hereby amended to read as follows:

"Whenever the Authority finds that any rate, fare, charge, classification tariff, regulation, or practice demanded, charged, collected, or observed by said carrier is unjust or unreasonable, it may determine or prescribe an order enforcing a just and reasonable maximum or minimum rate, fare, or charge or a just and reasonable classification, tariff, regulation, or practice."

(2) That paragraph (b) of section 19 of the Merchant Marine Act, 1920, be amended to read as follows:

"To make rules and regulations affecting shipping in a foreign trade not in conflict with the law in order to adjust or meet general or special conditions unfavorable to shipping in the foreign trade, whether in any particular trade or upon any particular route or commerce generally and which arise out of or result from foreign laws, rules, or regulations, or from competitive methods or practices employed by owners, operators, agents, or masters of vessels of a

foreign country, and to prescribe minimum and maximum rates, fares and charges, rules, and practices which may be charged and enforced by vessels documented under the laws of the United States or foreign vessels in the foreign trade of the United States."

(3) That the second paragraph of section 3 of the Intercoastal Shipping Act, 1933, be amended to read as follows:

"Pending such hearing and the decision thereon the Authority, upon filing with such schedule and delivering to the carrier or carriers affected thereby a statement in writing of its reasons for such suspension, may from time to time suspend the operation of such schedule and defer the use of such rate, fare, charge, classification, regulation, or practice, but not for a longer period than 4 months beyond the time when it would otherwise go into effect; and after full hearing, whether completed before or after the rate, fare, charge, classification, regulation, or practice goes into effect, the Authority may make such order with reference thereto as would be proper in a proceeding initiated after it had become effective, and may prescribe the maximum and minimum rates, fares, and charges which may be charged and enforced. If the proceeding has not been concluded and an order made within the period of suspension, the proposed change of rate, fare, charge, classification, regulation, and practice shall go into effect at the end of such period. The Authority shall give preference to the hearing and decision of such questions and decide the same as speedily as possible. Nothing contained herein shall be construed to empower the Authority affirmatively to fix specific rates."

INTERRELATION OF RAIL AND WATER TRAFFIC

SEC. 702. (a) It is hereby declared to be the policy of Congress to promote, encourage, and develop water-transportation service and facilities in connection with the commerce of the United States, and to foster and preserve both rail and water transportation, and the Authority and the Interstate Commerce Commission are hereby severally authorized and directed to cooperate to that end.

(b) A board is hereby created, to be known as the "Joint Transportation Board", to be composed of the Secretary of Commerce and of two members selected by the Interstate Commerce Commission from among their members, officers, and employees, and of two members selected by the Authority from among their members, officers, and employees, of which Board the Secretary of Commerce shall be the chairman. Said Board shall appoint a secretary, who shall keep minutes of its meetings, which minutes shall be furnished to all members of the Authority and of the Interstate Commerce Commission. The Board shall hold regular semimonthly meetings and such additional meetings as may be necessary to transact its business.

(c) The Board shall consider and make such recommendations to the Authority and the Commission pertaining to the interrelation of rail and water traffic as in its opinion will further the purpose and policy declared in subdivision (a) hereof. None of the provisions hereof shall be construed to limit the power or jurisdiction of the Interstate Commerce Commission or of the Authority with respect to any matter within the lawful jurisdiction of either.

TITLE VIII—AMERICAN SEAMEN

SECTION 801. All vessels operated under any contract made under and pursuant to this act shall be manned in their deck and engine-room departments exclusively by citizens of the United States, native born or completely naturalized, unless satisfactory proof is made to the Bureau of Navigation and Steamboat Inspection that qualified and competent citizens are not procurable therefor: *Provided*, That this section shall not apply to the stewards' department, but preference in the employment of citizens in such stewards' department should be given by the owners of any such vessel so far as efficient and competent employees are available.

SEC. 802. The Secretary of Commerce, with the approval of the President, is hereby authorized and directed to establish, in such of the principal ports of the United States as he deems advisable, schools for the training of citizens of the United States as seamen for service on vessels documented under the laws of the United States. The Secretary shall make all rules and regulations necessary to carry out the purposes of this section so as to train such citizens in seamanship, particularly in the manning, handling, and rowing of lifeboats, and in knowledge of the construction and use of all appliances and equipment used on board modern passenger and cargo ships with which seamen are concerned, with a view to making American seamen the most efficient and skilled. On the conclusion of such training, certificates showing that such training has been had shall be issued by the Secretary to each individual who has satisfactorily demonstrated his skill and capacity, and the holding of such certificate shall be a condition to the procurement of a certificate as an able seaman as now provided by law.

SEC. 803. The President is authorized to use for the establishment and maintenance of such schools any funds hereafter appropriated by Congress or which have heretofore been made available to him for use in the maintenance of the Federal Civil Works Administration.

SEC. 804. Section 2 of the act of March 4, 1915, is hereby amended to read as follows:

"SEC. 2. That in all merchant vessels of the United States of more than 100 tons gross, excepting those navigating rivers, harbors, bays, or sounds exclusively, the sailors performing the duties of helmsmen and/or lookoutmen, firemen, oilers, and water tenders shall be divided into at least three watches, and each such watch shall be kept on duty successively for the performance of ordinary work incident to the sailing of the vessels. The seamen shall not be shipped to work alternately in the fireroom and on deck, nor shall those shipped for deck duty be required to work in the fireroom, or vice versa; nor shall any seamen be required to work more than 8 hours in 1 day; but these provisions shall not limit either the authority of the master or other officer or the obedience of the seamen when, in the judgment of the master or other officer, the whole or any part of the crew are needed for the maneuvering of the vessel or the performance of work necessary for the safety of the vessel or her cargo, or for the saving of life aboard other vessels in jeopardy, or when in port or at sea from requiring the whole or any part of the crew to participate in the performance of fire, lifeboat, or other drills. While such vessel is in a safe harbor no seaman shall be required to do any unnecessary work on Sundays or the following-named days: New Year's Day, the Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day, but this shall not prevent the dispatch of a vessel on regular schedule or when ready to proceed on her voyage. And at all times while such vessel is in a safe harbor, 8 hours, inclusive of the anchor watch, shall constitute a day's work. Whenever the master of any vessel shall fail to comply with this section and the regulations issued thereunder, the owner shall be liable to a penalty not to exceed $500, and the seamen shall be entitled to discharge from such vessel and to receive the wages earned. But this section shall not apply to fishing or whaling vessels, or yachts."

SEC. 805. Section 4551 of the United States Revised Statutes is hereby amended so as to read as follows:

"SEC. 4551. That every seaman shall be provided with and shall always carry a book which shall be known as 'a continuous discharge book.' Such book shall have a distinguishing number, description, fingerprint, and photograph of the seaman firmly attached, and shall contain, for each discharge, the name and official number of the vessel, port of registry, tonnage, description of voyage or employment, name of the seaman, nationality, place and date of birth, character, rating, date of entry of the vessel, date and place of discharge. Said discharge book shall be signed for each discharge by the seaman and the master, and attested by the signature and seal of the shipping commissioner or persons duly authorized to act as such commissioner before whom the seaman is discharged. Such book shall be in convenient form; shall be printed, bound, and issued in such number as the Director of the Bureau of Navigation and Steamboat Inspection, subject to the approval of the Secretary of Commerce, may decide; and it shall be issued to the seaman by the shipping Commissioner or persons duly authorized to act as such commissioner. Any person, corporation, or association which shall issue any such book or any imitation of such book, or any person who, not being the real owner, shall use or endeavor to use such book, or any person who shall make any statement or endorsement on such book not herein provided or shall make any false or forged entry in such book, shall be guilty of a misdemeanor and shall be punished by imprisonment of from 1 to 3 months at the discretion of the court.

"Whenever a seaman is shipped or discharged in any collection district where no shipping commissioners are appointed, and the master of the vessel is performing the duty of shipping commissioner, the master shall make the proper entries in the continuous discharge book and any master who fails to make such proper entry shall pay to the United States a penalty of $100 for each such offense, which fine shall go to the fund for sick and destitute seamen.

"(a) Upon discharge of a seaman, the master shall indicate in the said discharge book a brief designation of the conduct and ability of the seaman during the voyage. Such endorsements in the continuous discharge books shall be supported by corresponding entries in the official log book. If the seaman is of the opinion that his ability or conduct has been inaccurately entered in the book, he shall have the privilege of making an appeal to the shipping commissioner or person duly authorized to act as such before whom he is discharged and whose decision shall be final.

"(b) There shall be maintained in the Bureau of Navigation and Steamboat Inspection in Washington a central record of every seaman to whom a discharge book is issued under the provisions of this Act, together with the name and address of his next of kin, and a copy of each discharge entry in said discharge book which copy shall be forwarded to the Bureau in Washington by the shipping commissioner or person duly authorized to act as such before whom he is discharged.

"(c) In case of the loss of a book by shipwreck or other casualty, the seaman shall be supplied with another discharge book in which shall be entered all data contained in the last book so far as this may be available from copies of records kept by the Director of the Bureau of Navigation and Steamboat Inspection; in other cases, the seaman may obtain such a duplicate book containing the same entries upon payment of a sum equivalent to the cost thereof to the Government, to be determined from time to time by the Secretary of Commerce.

"(d) At the time of signing the ship's articles, the seaman shall surrender his continuous discharge book to the master and it shall be kept in the master's custody until the seaman is discharged from the vessel. The distinguishing number of the book shall be entered in the articles on the same line as the seaman's signature. When a seaman is left in a hospital in a foreign port, the master shall leave the book in the custody of the nearest United States consul. When a seaman is left in a hospital in an American port the master shall leave the book in the custody of the shipping commissioner at such port, and in both such instances, there shall be made in the continuous discharge book by

the master the entry, 'left in hospital', place, and date. If the seaman deserts, the master shall return the book to the United States shipping commissioner at the port of shipment.

"(e) The Director of the Bureau of Navigation and Steamboat Inspection is authorized to make such rules and regulations as may be necessary to administer this section and to insure the authenticity of the discharge books issued, and the identity of the owners thereof."

TITLE IX—ADMINISTRATIVE POWERS

SEC. 901. There is hereby established in the Department of Commerce the Office of Maritime Affairs, at the head of which shall be an Assistant Secretary, to be known as "Assistant Secretary of Commerce for Maritime Affairs" to be appointed by the President, by and with the advice and consent of the Senate, and to be paid a salary at the rate of $10,000 per annum. Such Assistant Secretary shall, under the direction of the Secretary of Commerce, have control and supervision of all administrative activities relating to the duties vested in the Department of Commerce in connection with the administration of the navigation laws, the inspection, construction, equipment, and manning of vessels, aids to navigation, and any other duties relating to the merchant marine now under the jurisdiction of the Department of Commerce; unless transferred by this act to the Authority and such other duties in connection with maritime affairs to be performed in the carrying out of the provisions, primary purpose, and intent of this act.

SEC. 902. All the power and authority vested in the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation or the United States Shipping Board Merchant Fleet Corporation by the Shipping Act, 1916, the Merchant Marine Act, 1920, the Merchant Marine Act, 1928, the Intercoastal Shipping Act, 1933, and the act authorizing suits in admiralty against the United States, and so forth, approved March 9, 1920, and not by this act transferred to and vested in the Authority, are hereby transferred to and vested in the Secretary of Commerce.

RULES AND REGULATIONS

SEC. 903. The Authority and Assistant Secretary for Maritime Affairs, respectively, shall prescribe and publish such rules and regulations not inconsistent with the provisions, purpose, and intent of this act, as may be necessary to the efficient administration of the function with which each is charged under this act.

TITLE X—MISCELLANEOUS

APPROPRIATIONS

SEC. 1001. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this act.

SEC. 1002. To aid in carrying out the policy and primary purpose of this act, there is hereby authorized to be appropriated from time to time, such sums as may be necessary, for expenditure by the Authority, for trade-promotion purposes, for operating ships or lines of ships which have been or may be taken over by the United States, and when not inconsistent with the public interest, to insure a fair rate to shippers of American goods, to enable American ship operators to carry an equitable share of our foreign commerce, or to insure vessels of American registry equitable consideration in conference agreements.

TRANSFER OF APPROPRIATIONS

SEC. 1003. (a) All appropriations and unexpended balances of appropriations available for expenditure by the United States Shipping Board Bureau, and all other appropriations made for shipping, including the fund appropriated to enable the United States Shipping Board Merchant Fleet Corporation to operate ships or lines of ships which have been or may be taken back from purchasers by reason of competition or other methods employed by foreign shipowners or operators as appropriated under the Independent Offices Appropriation Act for the fiscal year 1927 and reappropriated under the Appropriations Act of February 20, 1929, shall be available for expenditure by the Authority for any and all objects of expenditure authorized by this act in the discretion of the Authority, without regard to the requirement of apportionment under the Antideficiency Act of February 27, 1906.

(b) All appropriations and unexpended balances of appropriations available for expenditure by the Post Office Department for "Foreign Mail Service, Merchant Marine Act", under the Merchant Marine Act of 1928 shall be available for expenditure by the Authority in the same manner and to the same extent as if the Authority had been named in the law making such appropriations.

REQUISITION OF VESSELS

SEC. 1004. Section 702 of the Merchant Marine Act, 1928, is hereby amended to read as follows:

"REQUISITION OF VESSELS

"SEC. 702. (a) The following vessels may be taken over and purchased or used by the United States for national defense or during any national emergency declared by proclamation of the President:

"(1) Any vessel in respect of which, under a contract heretofore or hereafter entered into, a loan is made from the construction-loan fund created by section 11 of the Merchant Marine Act, 1920, as amended—at any time until the principal and interest of the loan have been paid; and

"(2) Any vessel in respect of which an ocean mail contract has been heretofore or is hereafter entered into—at any time during the period for which the contract is in effect.

"(3) Any vessel in respect of which a construction or operating subsidy or shipping-trade promotion aid is granted pursuant to the Merchant Marine Act, 1935, and any vessel which the Government of the United States has the right to acquire or take over pursuant to such act.

"(b) In such event the owner shall be paid the fair actual value of the vessel at the time of taking, or paid the fair compensation for its use based upon such fair actual value; but in neither case shall such fair actual value be enhanced by the causes necessitating the taking. In the case of a vessel taken over and used, but not purchased, the vessel shall be restored to the owner in a condition at least as good as when taken, less reasonable wear and tear, or the owner shall be paid an amount for reconditioning sufficient to place the vessel in such condition. The owner shall not be paid for any consequential damages arising from such taking over and purchase or use.

"(c) The President shall ascertain the fair compensation for such taking over and purchase or use and shall certify to Congress the amount so found by him to be due, for appropriation and payment to the person entitled to the person entitled thereto. If the amount so fixed by the President is unsatisfactory to the person entitled thereto, such person shall be entitled to sue the United States for the amount of such fair compensation, and such suit shall be brought in the manner provided by paragraph 20 of section 24 or by section 145 of the Judicial Code, as amended (U. S. C., title 28, secs. 41, 250)."

CONFERENCES

SEC. 1005. To aid in carrying out the primary purpose and intent of this act, the Authority is authorized and directed to have its representatives sitting with and participating in discussions or decisions of pools, conferences, and associations having for their general purpose the distribution of traffic, fixing of rates, and such other matters as are usually the subject of such organizations, and for any such organization to refuse or fail to permit an accredited representative or representatives of the Authority to sit with and participate in such discussions or decisions, shall render such organization, its officers and directors, or each of them, liable to a fine of $.

SEC. 1006. The Authority shall have the power to permit members of conferences to enter into contracts with shippers providing for a return of a stipulated part of freight moneys to the shipper in consideration of the shipper confining his shipments to lines and vessels which are members of the conference.

ANNUAL REPORTS TO CONGRESS

SEC. 1007. The Authority shall make a report to the President of the administration of the functions with which it is charged, including statements relating to the grants of financial aid under this act.

TRANSPORTATION OF GOVERNMENT OFFICIALS

SEC. 1008. Any officer or employee of the United States traveling on official business overseas to foreign countries, or to any of the possessions of the United States, shall travel and transport his personal effects on ships registered under the laws of the United States when such ships are available, unless the necessity of his mission requires the use of a ship under a foreign flag: *Provided*, That the Comptroller General of the United States shall not credit any allowance for travel or shipping expenses incurred on a foreign ship in the absence of satisfactory proof of the necessity therefor.

UNFAIR COMPETITION OR PRACTICES

SEC. 1009. The Authority shall have full power and authority to use any funds not designated for other purposes to give aid and support to the holder of any contract under this act, in meeting any unfair competition or practice by any foreign vessels or vessel, together with the power and authority to use said money to aid and support a "fighting ship" as defined in paragraph 2 of section 14 of the Shipping Act of 1916.

DEFINITIONS

SEC. 1010. When used in this act—

(a) The words "foreign trade" mean trade between the United States, its territories or possessions, or the District of Columbia, and a foreign country. The loading or the unloading of cargo, mail, or passengers at any port in any territory or possession of the United States shall be deemed to be foreign trade if the stop at such territory or possession is an intermediate stop on what would otherwise be a voyage in foreign trade; and

(b) The term "citizen of the United States" includes a corporation, partnership, or association only if it is a citizen of the United States within the meaning of section 38 of the Merchant Marine Act, 1920, as amended (U. S. C., title 46, sec. 802).

(c) The term "person" includes corporations, partnerships, and associations existing under or authorized by the laws of the United States, or any State, Territory, District, or possession thereof, or of any foreign country.

SEPARABILITY CLAUSE

SEC. 1011. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances shall not be affected thereby.

REPEALS

SEC. 1012. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed; but the provisions of this act shall not be construed to repeal any of the provisions of the

Shipping Act, 1916, the Merchant Marine Act, 1920, the Merchant Marine Act, 1928, or the Intercoastal Shipping Act, 1933, unless directly in conflict therewith.

SHORT TITLE

SEC. 1013. This act may be cited as the "Merchant Marine Act, 1935."

Mr. COPELAND. Mr. President, may I say further that it is hoped the Senate committee hearings on the bill may begin next week. I may say for the benefit of the occupants of the press gallery that there are copies of the bill available. Judge BLAND, of the House, and I have agreed, because of the interest in the matter, that there is no reason why the material should not be available at once for the press.

HOUSE BILL REFERRED

The bill (H. R. 5914) to authorize the coinage of 50-cent pieces in connection with the California-Pacific International Exposition to be held in San Diego, Calif., in 1935 and 1936, was read twice by its title and referred to the Committee on Banking and Currency.

CHANGES OF REFERENCE

Mr. POPE. Mr. President, Senate bill 423, for the relief of Lynn Brothers Benevolent Hospital, was referred sometime ago to the Committee on Claims. It relates to a claim with respect to an Indian reservation. I ask unanimous consent that the Committee on Claims be discharged from the further consideration of the bill and that it be referred to the Committee on Indian Affairs.

The VICE PRESIDENT. Without objection, the Committee on Claims will be discharged from the further consideration of the bill and it will be referred to the Committee on Indian Affairs.

On motion of Mr. ASHURST, the Committee on the Judiciary was discharged from the further consideration of the bill (S. 2542) to authorize the prompt deportation of criminals and certain other aliens, to guard against the separation from their families of certain law-abiding aliens, to further restrict immigration into the United States, and for other purposes, and it was referred to the Committee on Immigration.

AMENDMENT TO RIVER AND HARBOR BILL

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (H. R. 6732) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT

Mr. CAREY submitted an amendment intended to be proposed by him to the bill (S. 1807) to amend the Agricultural Adjustment Act, and for other purposes, which was ordered to lie on the table and to be printed.

CASE OF WILLIAM P. M'CRACKEN, JR.

Mr. HAYDEN. I ask unanimous consent to have printed as a Senate document certain extracts from the CONGRESSIONAL RECORD relating to the proceedings against Mr. William P. MacCracken, Jr.

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

UNDER SECRETARY OF THE INTERIOR—NOTICE OF MOTION TO SUSPEND RULE XVI

Mr. HAYDEN submitted the following notice in writing:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraphs 1 and 4 of rule XVI of the Standing Rules of the Senate for the purpose of proposing to the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes, the following amendment, viz:

On page 2, line 3, after the word "Interior", insert the following: "Under Secretary (which position is hereby established in the Department of the Interior with compensation at the rate of $10,000 per annum and with appointment thereto by the President, by and with the advice and consent of the Senate)"; and

On page 2, line 5, strike out "$421,590" and insert "$431,590."

REFUNDING OF GOVERNMENT LOANS—ADDRESS BY SECRETARY MORGENTHAU

Mr. ROBINSON. Mr. President, I ask that there be printed in the RECORD a radio adress delivered April 14, 1935, by the Secretary of the Treasury, Mr. Henry Morgenthau, Jr.

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

You will see in tomorrow morning's newspapers that the Treasury has called for redemption on the 15th of next October all of the fourth Liberty Loan bonds whose numbers end in 3 or 4. The last of the Liberty Loan bonds have now been called. And so, in this seventeenth year after the armistice, these famous securities move from the realm of Government finance to the pages of history.

This administration has now called for redemption $8,000,000,000 worth of Liberty bonds. We did not have to call them; they were not due; it was good business sense that prompted our action. The bonds called today bear 4¼-percent interest, while the average interest rate for all Government securities now outstanding is only 2.86 percent.

It is impossible to estimate accurately how much we will save in interest on this new refunding because it has not yet been completed, but I can tell you how much we are saving on our previous $5,000,000,000 of refundings. In round numbers it amounts to $65,000,000 a year. If we do as well on the remainder, which seems to be a fair assumption, there will be an additional saving of $35,000,000 a year. That makes a total of $100,000,000 which will not have to be raised next year from the taxpayers.

Refinancing on this scale has the quality of high adventure. In England, when they undertook a similar operation to reduce debt charges, the Chancellor of the Exchequer felt called upon to ask that no new capital issues be offered during the period of the conversion; and that ban remained in effect 6 months. The operation was accompanied by appeals to patriotism; indeed, it resembled one of our war-time Liberty Loan campaigns. Here we have handled this same transaction so easily and in such a commonplace manner that many people have undoubtedly been unaware of its nature or significance.

But the benefits of this transaction do not end with the saving of $100,000,000 a year.

When we began our refinancing early in 1934 we faced a peculiar situation; there was plenty of money, and presumably it ought to have been cheap, but it wasn't. The bond market was stagnant and prices were low. Scarcely any refunding was going on. There was a log jam in the capital market. The Federal Government took the initiative by refunding the first five billions of high-rate Liberty bonds into lower rate and longer bonds. In the 15 months between January 3, 1934, and April 3, 1935, the average price of representative municipal bonds rose 24 percent. High-grade railroad bonds rose 14.4 percent. Public-utilities bonds rose 12.1 percent. Industrial bonds rose 14.7 percent. These increases in the market value of bonds reflect the decrease in the cost of money.

The great importance of cheap money to improve business conditions is not generally realized. The great corporations came into the market to attend to their necessary financing. The financial pages of your newspapers reflect the impressive change in the dimensions of their operations. Let me give you the figures. During March 1934 the total volume of corporate refunding amounted to only twelve and a half million dollars with no lowering in the interest rate. But during March of this year corporate refunding exceeded $112,000,000—or nine times as much as during the previous March. And the interest rate on the new issues this year shows an average decrease of almost 1½ percent which meant a saving of more than one and a half million dollars. That is real refunding. It shows conclusively that the financial log jam has been broken.

These developments have a very definite meaning in your everyday life. They affect not only the taxpayer but every stockholder, producer, consumer, and worker.

We are now just on the eve of seeing the substantial benefits of this fundamental change.

There is no longer any reason why capital should not flow normally into the arteries of business. In fact, with the splendid cooperation and wise guidance of the Federal Securities and Exchange Commission, it is doing so.

Although you may not have followed all this refinancing in detail, you have undoubtedly read headlines referring to the new-deal expenditures. Nobody denies that there have been expenditures—and large ones—but let us go into that subject realistically.

Soon after this administration came into office, March 4, 1933, the President submitted a comprehensive recovery program which the Congress approved. As the President clearly pointed out in his first Budget message in January 1934, that program called for an expenditure of $9,300,000,000 for the 2-year period ending June 30, 1935, above the estimated income. The deficit at the end of the 21 months of that 2-year period was $6,300,000,000. With less than 3 months to go to complete the 2-year period, we are certain that expenditures will be $2,000,000,000 less than that original estimate.

Naturally you want to know what the Government got for its money. Emergency expenditures caused the deficit and here are the items: Loans made by the Reconstruction Finance Corpora-

tion, Public Works Administration, and various other governmental agencies, $1,700,000,000.

Public works, under which head I include the Boulder Dam, rivers and harbors, the Tennessee Valley Authority's projects, subsistence homesteads, and the vast program of Federal aid for good roads, $1,200,000,000.

The remaining $3,400,000,000 was expended for relief of American citizens in distress. This was the grand total for all forms of relief and includes even the $600,000,000 for the Civilian Conservation Corps, whose splendid work is worth every dollar of its cost.

In order to get the true picture it is important to remember that these expenditures are not loss or waste. We have acquired values for them. From the loans of $1,700,000,000 we may expect repayments in substantial amount which will go to reduce the public debt. The $1,200,000,000 for public works is invested in dams, roads, buildings, and other permanent improvements. These two items account for nearly half of the deficit.

The greatest single item of expenditure has been for relief. We have furnished food, shelter, clothing—and the self-respect which comes of having a job—to millions who needed these things as never before. That item will continue to be the bulk of the real deficit.

Now let's take up the public debt of the Federal Government. When this administration came into office the gross public debt was a little less than $21,000,000,000. As of March 31 this year it had increased in round numbers to $28,800,000,000, the largest in our history. Although there is no doubt anywhere about our credit being good—if it were not, we could not have refunded all of those Liberty bonds—some people raise a point about the cost for interest. But let us see how this cost at the present time compares with the cost in past years. The annual interest cost on today's debt amounts to $800,000,000. And you would naturally suppose, in view of the fact that the debt is the largest in our history, that the interest cost must also be the largest. But it is not.

We are carrying the greatest national debt in our history for less money than it cost back in 1925, when the national debt was smaller by $8,000,000,000.

Now, let's look ahead and see, first of all, what certainties the future holds. In July and August we know that we are going to retire $674,000,000 of interest-bearing Government securities. They are the Panama Canal bonds and United States consols that have already been called for redemption. The cash for that transaction is now in the Treasury.

Then we are going to finish the retirement of the Liberty bonds previously mentioned. For all practical purposes, this gigantic operation will be out of the way when the time comes to raise the bulk of the money needed for the President's new work-relief program.

In his message submitting the Budget for 1936 to the present Congress, the President said:

"If this Budget receives the approval of the Congress, the country will henceforth have the assurance that, with the single exception of emergency relief, every current expenditure of whatever nature will be fully covered by our estimates of current receipts. Such deficit as occurs will be due solely to emergency relief, and it may be expected to decline as rapidly as private industry is able to reemploy those who now are without work."

Since the President delivered that message, new developments that would bear upon his forecast have been mostly favorable.

In looking ahead we are cheered by the fact that tax receipts for the first 9 months of the present fiscal year are $145,000,000 above the estimates.

On June 30, 1936, we should have, according to the Budget estimates, a national debt of $34,000,000,000, but those estimates did not take into account the retirement of the $674,000,000 of Government securities which I mentioned a moment ago.

The work-relief program, for which Congress recently appropriated $4,880,000,000, is scarcely started. In view of these two facts and our present comfortable margin within the Budget estimates, it is entirely possible that we shall find on June 30, 1936, a national debt of considerably less than thirty-four billions.

In conclusion let us not forget a few central facts and figures. The new-deal expenditures are represented by money still right here at home. Some of it has been used to thaw out the frozen assets of banks for the benefit of depositors. Some of it is turning the wheels of industry. The greatest part of that portion which we shall not recover, in a material way, has been used to save human life and to preserve the morale of our people.

ACCOMPLISHMENTS OF THE AMERICAN LEGION

Mr. CLARK. Mr. President, I ask unanimous consent to insert in the RECORD a speech delivered over the radio by the junior Senator from Oregon [Mr. STEIWER] on April 6, 1935, regarding the American Legion and its accomplishments.

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

Upon this anniversary the American Legion may well take pride in its efforts and accomplishments in behalf of the general welfare. Citizens everywhere approve proposals for child welfare, care for war orphans, and support for the educational system of the Nation. To promote peace and security at home and abroad the Legion stands for law enforcement, for an adequate national defense, and for the related proposal of universal service of all our material resources as well as the conscription of men in time of war.

In addition to these objectives the American Legion fosters a true and living Americanism. It resists objectives which are un-American or anti-American. When we speak of un-American objectives, most often we refer to the destructive ideas of alien origin. Alien enemies of fundamental Americanism quarrel with our theory of government and rail and sneer against rights of property and our system of ordered liberty. My purpose tonight is not to denounce alien criticism but, rather, to deal with inimicable ideas born under our own flag. Economic depression invites a spirit of faithless disloyalty. The needy and impoverished, lacking necessities of life and too long whipped by adversity, find it difficult to remain loyal to a government which they are encouraged to feel is in some degree responsible for their suffering. They may be victimized by the evangelists of novel political doctrine, and even when not entirely mislead, they nevertheless often yield to doubt and indifference. It is but natural they should be more concerned over their own suffering than over the question whether a political or governmental concept is in keeping with American theory.

In my judgment, the most vexing problem that can come into the life of any American citizen, under any condition, cannot be of more permanent importance to that citizen than maintenance of his rights under our Government. This is true because nowhere else in the world, under any law, is there security to life and to property comparable to the security enjoyed under the American Constitution. Nowhere else will you find rights superior to the political and civil rights of an American citizen, the preservation of which may be hoped for only by reason of guaranties provided by the Constitution.

If I have your agreement to these propositions, then, I ask whether a threat against our Government coming from foreign lands is more destructive of our rights than a threat which has its inspiration in our own country and is suggested by our own citizens? A harmful proposal is not less evil, because it is suggested from within our own Government or by a citizen who is supposed to be devoted to the maintenance of our institutions. Unwieldy theoretical schemes for control of business and the regimentation of various groups who make up the citizenship of our country may lead to a condition as un-American as the socialism of the Soviet Union. It is growing increasingly evident that political and economic experiments rarely yield the results claimed for them. Yet there are those who believe our plan of government and our system of business have alike failed in the face of the depression. These disbelievers seek innovations. They would erect an enormous bureaucracy and place the entire country under its control. They would destroy private interests for a supposed but unreal public advantage. They would limit or deny the right of private property in very essential respects. They would deny and restrict the right to pursue a gainful occupation except with the consent of bureaucracy. They would limit opportunity everywhere, and casting all men in a common mold, they would take away the unequaled privilege which has belonged to the boys and girls of America to build themselves up from humble beginnings to positions of honor, affluence, and power. This spirit of bureaucracy threatens the liberty of the citizens of the Republic. Its evil is accentuated because proposals in its behalf are made in the name of the common good. Let there be an inventory of all these innovations and a new understanding of what they mean in terms of the destruction of fundamental American rights. Our institutions will remain secure only if the people of this country determine to scrutinize and to resist proposals which result in impairment of established civil, political, or religious rights.

I do not want it understood that I urge such a reactionary adherence to ancient forms that would prevent consideration of progressive ideas. Many reforms may be effectuated without violence to the Constitution. Even wealth sharing may be constitutionally attained by the indirect process of Federal taxation of inheritances and income. Every proposal for economic and social justice, including proposals for security for the aged, and every sound objective sought in the name of humanity, may be attained within the limitations of the American Constitution.

When I speak of the maintenance of constitutional right I, therefore, do not complain against laws for social reforms. The American Constitution provides and guarantees to the citizen both opportunity and justice. I do complain, however, against the spirit of contemptuous indifference of present-day theorists and experimentors who are too willing to disregard the constitutional limits and to destroy the basic rights of the individual citizen. There is nothing which bureaucracy can do for the people that is as valuable to them as the rights of the citizen which bureaucracy often denies and would seek to destroy. President Coolidge in his lifetime characterized Federal centralization as tyranny. He said:

"Unless bureaucracy is constantly resisted it breaks down representative government and overwhelms democracy. It is the one element of our institutions that sets up the pretense of having authority over everybody and being responsible to nobody."

In spite of hardship and suffering the people of the United States will not willingly part with representative government nor purposely destroy democracy as we know democracy. To preserve it we will resist destructive, un-American influences from abroad. There still remains the continuing danger of equally destructive, equally un-American influences at home, and then the one

important question: Will we, the citizens of this Republic, marshal the strength and maintain the spirit to resist this ugly threat against the principles and privileges of American citizenship?

LABOR DISPUTES AND THE FEDERAL GOVERNMENT

Mr. LOGAN. Mr. President, I ask unanimous consent to have printed in the RECORD an article which appeared in the American Bar Association Journal for April 1935, entitled "Labor Disputes and the Federal Government", by O. R. McGuire, member of the Bar Association's committee on administrative law.

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

LABOR DISPUTES AND THE FEDERAL GOVERNMENT

PERSISTENCE OF EFFORTS TO BRING INTRASTATE LABOR RELATIONS UNDER FEDERAL CONTROL MAY EVENTUALLY RESULT IN PROPOSAL OF A CONSTITUTIONAL AMENDMENT TO AUTHORIZE IT—IT IS THEREFORE DESIRABLE TO CONSIDER THE WORKINGS OF SUCH A PLAN IN THE FEDERATED DEMOCRATIC GOVERNMENT OF AUSTRALIA, WHERE A SYSTEM OF COMPULSORY REGULATION AND DECISION OF LABOR DISPUTES HAS LONG BEEN IN OPERATION

(By O. R. McGuire, member of American Bar Association's Committee on Administrative Law)

The Constitution of the United States, as it now exists, leaves little room for doubt that the Federal Government does not possess the power to prescribe the hours of labor, maximum or minimum wages, or terms and conditions of employment in intrastate business or industry nor may the Federal Government insist that there shall be followed any system of compulsory arbitration of such intrastate disputes. If previous opinions of the Supreme Court of the United States are to be accepted as establishing the law of the Constitution in this respect, it seems equally clear that manufacturing, farming and the bulk of other industries employing labor are intrastate in character.

However, the persistence with which efforts are being made to bring such intrastate labor relations under Federal control through the enactment of various statutes by the Congress may eventually culminate in a proposed constitutional amendment after the Supreme Court of the United States finally sustains the judgments of the lower courts holding unconstitutional or inapplicable Federal statutes attempting to regulate the relations of employer and employee in intrastate business or industry. Therefore, it not only appears appropriate but highly desirable to take a glance at the laws of another federated democratic government—the Commonwealth of Australia—where there has been long in operation a system of compulsory regulation and decision of labor disputes.

At the federal convention, which was held in Sydney in 1891 to discuss the proposed legislative powers to be conferred on the Commonwealth government, Mr. C. C. Kingston proposed that the Commonwealth Parliament should have power to establish courts of conciliation and arbitration for the settlement of industrial disputes. It was made quite clear in the official report of the debates in this convention that it was the intention of such proposal that industrial disputes confined to one State were to be left to the State concerned for settlement but nevertheless the proposal was defeated. Six years later the proposal was again advanced in the federal convention held at Adelaide, in 1897, when Dr. Higgins, later Justice Higgins, of the federal industrial court, proposed that the federal government should have power to deal with industrial disputes extending beyond the limits of any one State. He urged that industrial disputes could not always be confined in their evil effects to any one State and that when not so confined the Commonwealth government was the only government which could cope with them. The proposal was again defeated, but he advanced it the next year in the convention held at Melbourne, and this time with success, for it was incorporated in the Commonwealth constitution as section 51, paragraph 35, as follows:

"The parliament shall, subject to the constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State."

This federal constitutional provision was implemented by the Commonwealth conciliation and arbitration act of 1904, which has been several times amended. The chief objects of the act are set forth in section 2 thereof as being to prevent lockouts and strikes, to constitute a court of conciliation and arbitration, to provide for the exercise of the jurisdiction of the court by conciliation and compulsory arbitration in default of amicable agreement between employer and employees; to enable the states of the Australian Commonwealth to refer labor disputes to the Commonwealth court, to facilitate and encourage the organization of representative bodies of employers and employees, and to provide for the making and enforcing of industrial agreements.

Section 11 of this act of 1904 provided that the Commonwealth court of conciliation and arbitration should be a court of record, and section 12 provided that the president should be appointed by the Governor General of the Commonwealth from among the justices of the high court, the supreme court of the Commonwealth government, for a term of 7 years. Subsequently the high court held in the case of *Waterside Workers' Federation of Australia* v. *Alexander, Ltd.*, 25 C. L. R., 434, that since the Commonwealth constitution provided in section 72 that justices of the courts created by the Commonwealth Parliament should hold office for life and the justice of the Commonwealth arbitration court was appointed for a term of 7 years only, such court was incompetent to exercise any judicial power. The result thereof was an amendment of 1926 which provided that the judges of the Commonwealth arbitration court should be appointed for life. A prior act of 1920 had changed the title of the presiding judge from president to chief judge with authority in the Governor General to appoint such additional judges as might be required. Only barristers or solicitors of the high court or of the supreme court of a State of not less than 5 years' standing are eligible for appointment to the Commonwealth arbitration court. Since the 1926 amendment that court has freely exercised judicial powers such as the imposition of penalties for breaches of awards, the interpretation of awards, and the issuance of injunctions or prohibitions.

The States of the Australian Commonwealth likewise have their industrial courts. The wage board system was introduced in Victoria in 1895, and the powers and jurisdiction thereof was greatly enlarged in Victoria Act 3677 of 1928. Tasmania had a wages board act in 1910. South Australia, New South Wales, and Western Australia each had an industrial arbitration act in 1912. Queensland had an industrial peace act in 1912, and an industrial arbitration act in 1916. The organization of the industrial tribunals vary somewhat as among the various States of the Australian Commonwealth, and it would unduly extend the length of this paper to describe all of them in detail. The one in New South Wales, which is the principal industrial State in the Commonwealth, may be accepted as an illustration of similar organizations in the other States.

The Industrial Commission of New South Wales consists of three members, one of whom is called the president. A person to be qualified for appointment to that commission must be a puisne judge of the supreme court, a district court judge, a barrister of not less than 5 years' standing, or a solicitor of not less than 7 years' standing. Appointments are made by the governor. Each member has all the rights of a puisne judge of the supreme court of the State. The commission is a superior court of record, and the retiring age of the judges is 70 years. All members must be present at a sitting and decisions are reached by a majority vote. The commission may in a particular matter delegate any of its powers or functions to any one member or to a deputy commissioner appointed by the governor. Appeals lie to the commission from any order of a commissioner or deputy commissioner and the commission may vary such order or award in such manner as it thinks just. The commission may sit with assessors representing the interests of each of the parties before it and may commit to such assessors for determination or consideration and report any issue of fact.

This commission of New South Wales includes among its powers and functions the right to inquire into and determine any industrial matter referred to it by the minister of the State; to hear appeals from any order, determination, or award of a conciliator whose principal work is the making of awards and variations of awards in labor disputes; to determine, after public inquiry, but not more frequently than once in every 6 months, a standard of living, and to declare what shall be the living wages based upon such standard for adult male and adult female employees in the State; to hear and determine appeals under the act; to confer with any persons or industrial unions as to anything affecting the settlement of an industrial matter; and to summon any person before the commission for the purpose of giving evidence. Also, the commission has power to encourage the proper apprenticeship of minors and to provide for the welfare of juveniles in industry; to acquire and disseminate knowledge on all matters connected with industrial relationship between employers and workers, and to combat the evils of unemployment; to propound schemes for welfare work; to report on prices of commodities, monopolies, trade rings, etc.; to report upon the productivity of industries; to consider and report upon the industrial efficiency of the community; to collect and publish from time to time statistics of vital, social, and industrial matters; and to encourage and assist in the establishment in different industries of mutual welfare committees and industrial councils.

Under the statute any decision of the commission is made final and no award, order, or proceeding of the commission can be vitiated by reason only of any informality or want of form or be liable to be challenged, appealed against, quashed, reviewed, or called into question by any court of judicature on any account whatsoever. Also, under the statute, inspectors are appointed who may at any reasonable time inspect any premises and any work being done therein; call for and examine time sheets and pay rolls of employees; and examine any employee in regard to wages and hours of labor; and the inspectors are required to report to the minister of the State all breaches of the Factories and Shop Act of 1928 or of any award or industrial agreement which may come to the attention of such inspectors.

That is to say, we find in Australia that the Commonwealth government, functioning under a Federal constitutional provision, hereinbefore quoted, has established and endowed a Commonwealth arbitration court, appointed for life, with vast powers for the settlement of industrial labor disputes extending beyond the limits of any one State, and the various State governments have established and endowed arbitration courts under various names for the settlement of labor disputes within the respective States. In other words, Australia has a complete system of Federal and State arbitration courts with jurisdiction far beyond anything

heretofore attempted in this country—even beyond the legislation held unconstitutional in *Coppage* v. *Kansas* (236 U. S. 14), and *Atkins* v. *Children's Hospital* (261 U. S. 525).

What have been the results in Australia?

The Adelaide Chamber of Commerce Bulletin for February 1934 contains the statement that the position of industrial arbitration in Australia justified the remark of the late Mr. Justice Higgins—the man who succeeded in securing power in the Commonwealth Constitution to establish a Federal arbitration court—with reference to the "Serbonian bog of technicalities"; that there were Federal and State awards which overlap; that the bases of the different awards vary in different industries on varying costs of living figures computed on different bases; that the interpretation of the Federal Constitution and Commonwealth legislation thereunder—which overrode State legislation—had changed so as to give the greatest operation to the Commonwealth constitution and laws; and that the word "dispute" had been stretched to include cases where the mere exchange of correspondence between employers and a union has been held to constitute a dispute.

The British economic mission in its report of January 7, 1929, to the prime minister of the Commonwealth government stated, among other things, that it had consulted with employers and employees and that it was the consensus of opinion that the arbitration courts had not come up to expectations. Also:

"By workmen's representatives, not less emphatically than by representatives of the employers, it has been consistently represented to us that the arbitration courts are not achieving their purpose and that a system designed to arrive by judicial decisions at fair and prompt settlement of industrial disputes such as could be freely accepted by both sides must be held to have failed. The most important of the reasons which have been advanced for this view are that experience has shown that there arises between the two parties who appear before the arbitration court judge or arbitrator the spirit of antagonism inseparable from litigation, and that the object of prompt settlement is defeated by the delay occasioned by the necessity for the collection and presentation of detailed evidence in a form acceptable to a court. It is complained that the procedure of the arbitration tribunals occasions the expenditure of much time and money by the litigants, and involves very long absences from their ordinary occupations for a large number of persons whose time might be more profitably employed that the subject matter of the questions which are brought before such tribunals is not of a nature with which judicial tribunals, necessarily unversed in the practical problems of industry or in the economic questions to which they give rise, are best fitted to deal; and that the overlapping jurisdiction of the federal and State arbitration courts have led to an almost inextricable tangle of conflicting decision so complicated that large staffs have to be maintained to keep track of them and to endeavor to guard against involuntary contravention of any of them in the course of everyday business. The indictment of the system of the arbitration courts which we have heard is a heavy one; and we feel that it is well founded on many grounds, and particularly on the ground that the system has tended to consolidate employers and employees into two opposing camps, and has lessened the inducement to either side to resort to round-table conferences for that frank and confidential discussion of difficulties in the light of mutual understanding and sympathy which is the best means of arriving at fair and workable industrial agreements.

"A change in the method prevalent in Australia of dealing with industrial disputes appears to us to be essential, and we hold that there should be a minimum of judicial and governmental interference in them except insofar as matters affecting the health and safety of persons engaged in industry may be concerned."

The foregoing is the opinion of a British economic mission sent out to Australia to make a report respecting the very serious economic and industrial situation then confronting the people of Australia and is thus the judgment of a group of experts wholly detached from the political conditions in that Commonwealth.

With respect to conflicts between the Commonwealth and State arbitration courts, the opinion of the supreme, or high court of the commonwealth government in *Whybrow's case* (10 C. L. R., 266), placed the unions in a happy position. That opinion was to the effect that the federal arbitration court could fix a rate of wages higher than the rate fixed by the applicable State arbitration court with the result that the employees could try their luck with the federal court with the knowledge that the State rate of wages and conditions of work could not be reduced or made worse and might possibly be increased or bettered. In other words, where both a federal and a State award or determination of wages and working conditions operate in the one industry the employees are entitled to the higher wages and better working conditions in whichever award they are prescribed. In a subsequent case of *Cyde Engineering Co., Ltd.*, v. *Cowburn* (37 C. L. R. 462), the high court held that the State legislatures could not fix or authorize the State arbitration courts to fix a rate of wages or prescribe working conditions inconsistent with those fixed and prescribed in the award of the federal arbitration court.

A result of such a conclusion of the high court is stated in the above-referred-to bulletin of the Adelaide Chamber of Commerce with respect to rates of wages fixed by the federal arbitration court in a recent textile award. That award prescribed a flat rate of pay for all woolen mills, throughout the Commonwealth. Prior to that time the rates of wages in such mills had been fixed in the various States on the basis of the different costs of living in such States, but due to an allegation that such industry was highly competitive, it was concluded to make the rate of wages uniform. The chamber said:

"Such an award is based upon entirely wrong premises, and unfortunately the employers in the smaller States concerned, in endeavoring to obtain exemption, had to fight not only the union leaders, but also the lawyers of employers of the eastern States. Industry in the smaller States cannot long continue to stand up to the competition of manufacturers in the more populous States who have the benefit of a large home market."

The labor unions make no secret of the fact that they prefer the federal arbitration court to the State courts or boards. The vice president of the Australian council of trade unions (representing some 500,000 workers) is reported to have testified on March 19, 1928, before the royal commission on the Commonwealth constitution that he considered it was essential that the federal parliament should be given unrestricted power to deal with the problems of capital and labor throughout the country, whether interstate or intrastate in character and that to allow 13 differently constituted legislative bodies to deal with the problem in piecemeal was only courting disaster. On the other hand, Justice Brown said in the *South Australian Living Wage case for the Tinsmiths* (1 S. A. I. R. 55), that:

"Most industries in south Australia, however, as in other States, are domestic industries which call for, and should receive, domestic supervision. With regard to such industries, the proximity of the court, with its relative accessibility, and the relative ease with which it is subjected to criticism through one or the other of the various organs of public opinion, make it a more truly democratic tribunal than a centralized tribunal can claim to be, however generous might be its awards. Further, the fact that the local tribunal is more nearly in touch with local industries also serves to justify the maintenance of State industrial control alongside of the federal system. There is a great sphere of useful service for both. But if the public interest is to be served, there should be no marked divergency between the Commonwealth and State authorities as regards such basic matters as the living wage. I hope the time is not far distant when some arrangement will be made, formal or informal, for coordinate action."

While the struggle in Australia seems to be not unlike the struggle in this country between Federal and State rights, the Commonwealth government has been unable to secure the adoption of an amendment to the federal constitution authorizing the federal government to take over the control of labor conditions in purely State matters where such control has not been effected by virtue of the two above referred to judgments of the federal high court in the Whybrow and Clyde Engineering Co. cases. Such control over intrastate wages, hours of labor, etc., is very substantial as shown by the award of the federal arbitration court in the above referred to woolen manufacturing case.

Has such a scheme of arbitration or industrial courts brought about industrial peace in Australia? The answer is decidedly not. The Labor Report for 1932, issued by the Commonwealth bureau of census and statistics at Canberra states that the working days lost during 1932, due to industrial disputes, aggregated 212,318, and during 1931 aggregated 245,991 days. The estimated loss of wages during 1932, due to such industrial disputes, aggregated £165,582, and for 1931, the sum of £227,731. The number of industrial disputes in 1932 was 127, and the number in 1931 was 134, and in 1932, 32,917 people out of the comparatively small population of 5,435,734 in Australia were engaged in industrial disputes for that year. During the 5-year period from 1928 to 1932, inclusive, the said labor report is to the effect that an aggregate of 119,562 persons were engaged in labor disputes with a loss of 7,208,306 working days and £7,330,319 in wages. It is stated by the same authority that the main causes of industrial disputes in Australia are wage questions, working conditions, and employment "of particular classes of persons."

It is thus clear that the arbitration courts have not succeeded in Australia—with all of their vast power to either prevent or settle industrial disputes—and this seems to be due in some measure, at least, to the fact that while an award may be enforced against the employer by fines, such remedy is ineffective against the labor unions when they refuse to accept an award as satisfactory and the members either do not return to work or quit work. The high court held in the *Waterside Workers' case* (10 C. A. R. 429) that while an arbitration court may have fixed the minimum wages to be paid, the employees were under no obligation to accept employment at such wages. Even if the employer should succeed in securing a judgment against the union for violating an award by striking for higher wages, such judgments are often difficult if not impossible to collect.

Senator WAGNER introduced in the Senate of the United States on February 15, 1935 (S. 1958) to establish a National Labor Relations Board to be composed of three members which is to be authorized, among other things, "to prevent any person from engaging in any unfair labor practice (listed in sec. 8) affecting commerce." It is interesting to compare the provisions of such bill which the laws of the Commonwealth of Australia and its States for the regulation of labor disputes. Assuming for purpose of argument that such a law could be sustained in this country, either without or with an amendment to the Constitution to that end, it is difficult to see what would be the situation in this country with a three-judge court to hear industrial disputes. Australia has but a fraction of the population that we have in this country; in fact, the total population of Australia is less than the population of the State of New York and the industries of Australia are comparatively few. Yet, Mr. Charlton, a labor leader

in the Commonwealth House of Representatives, stated in a debate of June 8, 1928, that:

"The principal trouble in connection with the arbitration court has been caused by the delays in getting claims heard. Some industrial organizations have had to wait for 18 months or 2 years before their claims have been brought before the court; the excuse offered for this state of affairs being that there are not sufficient judges to cope with the work."

Senator Barnes, another labor leader, stated in the Commonwealth Senate on June 12, 1928, that:

"As a result of years of experience in the trade-union movement, I believe that the greatest factor in fomenting industrial unrest is not a desire of the workers to be everlastingly on strike, but the fact that there is so much delay in having their cases heard by the arbitration court. * * * Unionists are prepared to obey the law, but they strongly resent the delays which occur in getting an award from the court."

The system of arbitration courts in Australia, with their power to fix wages and hours of labor for all industries, may be compared with the board of mediation, boards of adjustment, and boards of arbitration established in this country by the act of May 20, 1926 (44 Stat. 577, 587), at a cost of $125,564 to the Federal Treasury for the fiscal year 1935, to consider disputes between the interstate railroads and their employees. While there are many points of difference between the two systems, the principal one is that under the act of May 20, 1926, the matter is a voluntary one between the railroads and their employees, while in Australia it is compulsory, and would be so here in event S. 1958 became law and was sustained.

However, in connection with the power of the Federal Government to fix wages and hours of labor in intrastate industry, presumably through the medium of codes of fair competition or under some such provision as section 7 of the act of June 16, 1933 (48 Stat. 198), or the proposed Wagner labor-relations bill, Donald R. Richberg, executive director of the National Emergency Council, in a radio address of March 18, 1935, referred to *United States* v. *Brims* (272 U. S. 549); *Coronado Coal Co.* v. *United Mine Workers* (268 U. S. 295); and *Local 167* v. *United States* (291 U. S. 293), and said:

"The last stronghold of an irreconcilable opposition appears to lie in legalistic arguments over the powers of the Federal Government. Here again public opinion is confused by sound and fury emanating from the bench and bar, instead of light. When judges and lawyers loudly proclaim that the power of the Federal Government to regulate interstate commerce does not authorize the regulation of manufacturing and mining or trade within a State, they are not stating the law. They are simply dodging the law, and repudiating the express and repeated rulings of the Supreme Court of the United States. * * * The quibblers and evaders of the law should not be allowed to confuse opinion as to the power of the Federal Government to restrain unfair competition in business practices or in labor conditions for the protection of interstate commerce. There is no question of the power. There is only the question of how and where that power should be most widely exercised."

It seems to me that in this connection the history and achievements of the Australian Arbitration Courts of the Commonwealth government, as well of the various states in that Commonwealth, should be carefully considered in this country.

REGULATION OF INTERSTATE TRAFFIC BY MOTOR CARRIERS

Mr. WHEELER. Mr. President, I move——

The VICE PRESIDENT. The attention of the Senator from Montana is called to the fact that this is Monday and there is a morning hour. The motion is not in order until the call of the calendar is completed, unless by unanimous consent.

Mr. WHEELER. I ask unanimous consent that, upon the completion of the calendar, the Senate shall proceed to the consideration of the bill (S. 1629) providing for the regulation of transportation by motor busses and trucks.

The VICE PRESIDENT. The Senator from Montana asks unanimous consent that at the conclusion of the call of the calendar the Senate proceed to the consideration of the bill referred to by him.

Mr. McNARY. Mr. President, there was some discussion concerning this matter on Friday before adjournment. Is this the bill the Senator then mentioned which he would like to take up today?

Mr. WHEELER. This is the bill about which I spoke to the Senator.

The VICE PRESIDENT. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

AGRICULTURAL DEPARTMENT APPROPRIATION BILL—CONFERENCE REPORT

Mr. COPELAND. Mr. President, I understand that the conference report on the Agricultural Department appropriation bill has been agreed to and will be laid before the Senate in due time. I have asked the chairman of the subcommittee having the matter in charge [Mr. RUSSELL] to defer any effort to have the conference report adopted until Wednesday, because I desire to make an attack on the conference report and to give specific reasons to the Senate why I feel I should do so. To be prepared to do this it is necessary for me to have a day or two in which to give the matter consideration.

Mr. ROBINSON. Mr. President, to what measure is the Senator referring?

Mr. COPELAND. I am referring to the agricultural appropriation bill and the conference report thereon, and specifically to the fact that the conferees have reduced the appropriation for the Food and Drug Administration below the amount to which the Senate agreed.

As the Senator knows, and as the Senate knows, I am eager not alone to have the present law strengthened, but certainly if we are not to have any new law, then there must be money enough allotted to the Food and Drug Administration to enable them properly to administer the present law. I feel very strongly that submission on the part of our conferees to the House in this matter—and I say it with all respect—was a great mistake.

It is my purpose on Wednesday or at some future time to tell the Senate frankly why I think the money should be appropriated. That is the purpose of the announcement. The chairman of the subcommittee having the matter in charge has told me that, so far as he is concerned, he is willing to have the matter go over until Wednesday. I speak of it in order that it may be known, when the report is brought up, that I desire to be heard.

The VICE PRESIDENT. Does the Senator from New York ask unanimous consent with reference to consideration of the conference report?

Mr. COPELAND. Yes. I should like to have unanimous consent, if the report should come up, that action on it be deferred until Wednesday.

Mr. ROBINSON. The Senator has stated that such an arrangement is satisfactory to the subcommittee chairman in charge of the bill.

Mr. COPELAND. Yes; and I really see no reason why any action should be taken by the Senate. However, I want it clearly understood that before final action shall be taken by the Senate I shall have an opportunity to express such views as I have.

The VICE PRESIDENT. Does the Senator withdraw his request for unanimous consent?

Mr. COPELAND. Yes; I do.

THE CALENDAR

The VICE PRESIDENT. Morning business is closed. The calendar is in order under rule VIII.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 396) to amend section 1180 of the Code of Laws for the District of Columbia, with respect to usury, was announced as first in order.

Mr. AUSTIN. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 944) to amend section 5 of the Federal Trade Commission Act, was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909 (35 Stat. 1109, U. S. C., title 18, sec. 203), and for other purposes, was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam, was announced as next in order.

Mr. ROBINSON. In the absence of Senators who are specially interested, I think the bill should go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1878) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co., was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest, was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 35) authorizing the Committee on the Judiciary to investigate certain phases of the National Recovery Act, was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 875) for the relief of Michael F. Calnan, was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2029) to authorize naval and Marine Corps service of any officers to be included in computing dates of retirement, was announced as next in order.

Mr. KING Let it go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 74) to investigate the public and official conduct of James A. Farley was announced as next in order.

Mr. ROBINSON. Let the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 2119) for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, and/or the widows of such of them as may be deceased, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

REGULATION OF SMALL-LOAN BUSINESS IN THE DISTRICT

The bill (S. 1162) to regulate the business of making small loans in the District of Columbia, and to amend an act to regulate the business of loaning money, etc., approved February 4, 1913, was announced as next in order.

Mr. SCHALL. Mr. President, I ask leave to have printed in the RECORD a letter or statement by Paul E. Jamieson, of this city, and a statement from the Washington Times for March 23, 1935, relative to the District of Columbia small-loan bill.

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

WASHINGTON, D. C., *February 23, 1935.*

Honorable Senators of the Committee:

Your chairman, Senator KING, has been gracious enough to afford me an opportunity to be heard on Senate bill 1162, entitled "A bill to regulate the business of making small loans in the District of Columbia, and to amend an act to regulate the business of loaning money, and so forth, approved February 4, 1913." In my opposition to this bill I not only speak as an individual interested in the civic welfare of the District of Columbia, but also as general counsel of the City Fire Fighters' Association, comprised of several hundred members of the rank and file of the District of Columbia Fire Department, and as chairman of the law and legislation committee of the Burroughs Citizens' Association, whose membership comprises several hundred other residents of the District of Columbia; both of which associations have gone on record, without a single dissenting vote, as being opposed to Senate bill 1162.

I understand that this committee has previously reported favorably on the bill, which bill I understand emanated in the District Building rather than in the minds of any of you gentlemen; and that your approval of the bill was based on flowery reports of civic need for such legislation given to you by officials and ex-officials of the District Government, in whom you should have confidence but who, I submit, are either consciously or unconsciously misleading you in the object and purport of this bill.

I will now read to you part of the report of Corporation Counsel Prettyman dated November 2, 1934:

"It is quite obvious that the small-loans business in the District urgently needs governmental regulation, inspection, and supervision. The problem here, however, is peculiar in several respects. In the first place, we are closely surrounded with concerns doing business at 3½ percent per month. Any regulation which has the effect of driving business out of the District will merely result in requiring our residents to go to these outside concerns and pay their rate of interest. In the second place, there has been for 20 years a law on the books which has been officially so construed as not to apply to concerns now doing business by the methods now used. Such long-standing administrative construction stands in the way of peremptory court action upon any change of opinion as to the meaning and effect of that act. In the next place, Congress has refused upon three occasions to enact a small-loans law for the District carrying a 3½ percent per month interest rate.

"The small-loan business is a legitimate business when properly conducted and there are many such concerns in the District. At the same time it is a vicious business when improperly conducted, and there are such concerns in the District."

The act of February 4, 1913, limits interest on small loans to 1 percent per month on the actual amount of the loan and provides that "this charge shall cover all fees, expenses, demands, and services of every character, including notarial and recording fees and charges, except upon the foreclosure of the security." (See title 17 sec. 25 of the new Code on p. 156.)

The corporation counsel and the Commissioners would have you believe that the present act of February 4, 1913, is grossly ineffective to protect the residents of the District of Columbia, because of adverse court constructions of that law; and yet this contention is not borne out by the record, because court adjudications have upheld, and have liberally construed in favor of the Government the act of February 4, 1913. Following are typical adjudications on the subject cited in Torbert's Digest:

"The act of February 4, 1913, is not intended to regulate the rate of interest to be charged generally in the legitimate business of loaning money in this District, but to regulate interest rates in the loaning of small sums of money, and is within the police power of Congress. (*Reagan* v. *District of Columbia*, 41 App. D. C. 409; 42 W. L. R. 88.)

"The terms of the act of February 4, 1913, are broad enough to punish all lending of money of the kind described, without regard to the particular form which the debt may be made to assume: and so held that where borrowers executed receipts and delivered them for the purpose of preserving evidence of the loan the transaction was within the purview of the law. (*Chew* v. *District of Columbia*, 42 App. D. C. 410; 42 W. L. R. 710.)

"An accommodation maker of a note can take advantage of usurious payments made by the party accommodated, although the latter makes no claim for them or to have them credited on the note; and the situation is not changed by the fact that the usurious interest was from time to time exacted on notes which were paid by the giving of renewal notes. (*Van Senden* v. *Egan* (S. C. D. C.), 44 W. L. R. 578.)

"Under 1183 of the Code, the penalty for usury applies to the action brought on usurious contract for the money loaned thereunder, irrespective of who may be defendants in the suit. (*Van Senden* v. *Egan* (S. C. D. C.), 44 W. L. R. 578.)

"There is no statute of limitations which bars the defendant in a suit on a note from having usurious interest payments credited on the debt, although made more than 3 years before suit brought. (*Van Senden* v. *Egan* (S. C. D. C.), 44 W. L. R. 578.)

"A corporation, of which the parties receiving usurious payments were officers and agents, held not to be in the position of an innocent holder for value of the notes infected with usury. (*Mollohan* v. *Masters*, 45 App. D. C. 414; 44 W. L. R. 727.)

"The custom of brokers and real-estate agents of exacting exorbitant commissions from borrowers under pretense of services to be rendered in the future, condemned; and in this case the deduction of $75 from a loan of $475 held usury. (*Kidwell* v. *White*, 44 App. D. C. 600; 44 W. L. R. 281.)

"If a suit is brought on the principal debt after payment of usurious interest such usury may be made a valid offset against the principal debt; but usury upon obligations paid and canceled cannot be used as a set-off against a subsequent obligation even between the same parties, either in law or equity. A party claiming relief from an usurious contract who failed to claim an offset against the enforcement of that particular contract has his remedy at law to recover back the amount prescribed by statute as the penalty for usury. (*Metropolitan Loan & Trust Co.* v. *Schaffer*, 44 App. D. C. 356; 44 W. L. R. 114.)

"One conducting the business of pawnbroker through combined District and Virginia offices, the place where applications for loans are made, applications for loans, disclosure of security, safe-keeping of the property pledged, and return of the pledge being in the District, while the appraisement of the security, agreement for the loan and its repayment, payment to the borrower, and delivery of the pledge, and repayment of the loan with agreed interest is performed in the Virginia office, held to be engaged in the business of loaning money in the District in violation of the act of February 4, 1913. (*District of Columbia* v. *Horning*, 47 App. D. C. 413; 46 W. L. R. 146.)"

"The act of February 4, 1913 (37 Stat. 657), known as the "loan-shark law", was intended to apply only to persons making small loans upon personal security, and so held not to apply to a transaction which debt of $177,500 was secured by a first trust on real estate so that the payer of a small bonus for an extension in the payment of interest might recover one-fourth of the great principal sum, but such case is covered by sections 1180 and 1181 of the code (*Von Rosen* v. *Dean*, 59 App. D. C. 359; 58 W. L. R. 475; 41 F. R. (2d) 982).

"Money exacted by the lender from the borrower for the use of money in excess of the legal rate allowed by statute is usury, whatever name or pretense the exaction or forbearance may be designated (*Von Rosen* v. *Dean*, 59 App. D. C. 359; 58 W. L. R. 475; 41 F. R. (2d) 982)."

Before proceeding with a discussion of the charges allowed in S. 1162, it might be helpful to consider the history of usury, and for this purpose I quote from 66 Corpus Juris, 142:

"It seems that the taking of interest for the loan of money, or at least taking excessive interest, has been regarded with abhorrence from the earliest times. We are told that such usury was prohibited by the early laws of the Chinese and Hindus and by the Koran. The mosaic law prohibited the Jews from exacting interest on loans to their brethren, but permitted interest to be taken from Gentiles. Among the Athenians moderate interest charges were allowed, but custom fixed the maximum rate at 12 percent, and anyone exacting a higher rate was looked on with contempt as being vile. Among the Romans interest charges were limited by the Twelve Tables, and subsequently totally abolished. Commercial necessity revived the practice of making loans at interest, which were, however, stricty regulated by later legislation. During the Middle Age the people of England, and especially the English Church, entertained the opinion then current in Europe—that the taking of any interest for the loan of money was a detestable vice, hateful to man, and contrary to the laws of God. It is said that not only was the usurer liable during his life to the censures of the church, but after his death his chattels were forfeited to the King and his lands escheated to the lord of the fee. Contracts for interest not exceeding 10 percent were expressly legalized by act of Parliament in 1545; but it was also provided that a contract for a loan at a rate of interest in excess of 10 percent should be wholly void both as to principal and interest. This act was repealed in 1555, but restored in 1570. Subsequent acts gradually reduced the rate of interest allowed until 1714, when by statute the lawful rate was fixed at 5 percent, where it remained until 1854, when all restrictions on interest charges were removed. The early colonial usury acts were modeled after the English act, the rate of interest allowed being usually higher, however. These early enactments, as would be expected, adopted the penalty for usury fixed by the statute of the mother country, and made all usurious contracts wholly void. The tendency of subsequent statutes, however, has been steadily to mitigate the punishment inflicted on the usurer, who now, in most of the American jurisdictions, is required to forfeit only the usurious interest, either wholly or as to the illegal excess, although it appears to have been thought in the early times that no action could be maintained on any contract to pay interest, since such contracts were unlawful and void. There is not wanting authority for the statement that contracts for reasonable interest were valid at common law."

With this in mind we proceed to a specific consideration of the interest rates and charges which would be permitted under S. 1162, and I submit that an analysis of them indicates that S. 1162 is a set-up for would-be loan sharks, who under the bill could with legal vestment prey upon those unfortunate residents of the District of Columbia who can least afford to be preyed upon.

Turning to section 12 of the bill we find that 2 percent per month is allowed on the unpaid principal balances of the loan, which is 24 percent per annum. (The present small-loan law of February 4, 1913, allows but 1 percent per month or a rate of 12 percent per annum.)

Further, under section 12–A, on loans of $35 or less for a period of 30 days or less (the types of loans which the poorest element, and those who can least afford to be charged burdensome rates) are permitted not only interest of 2 percent per month (or 24 percent per annum) but in addition a fee of $1 for credit report. So a typical loan hereunder, say for $35 for 1 month, by addition of the $1 for credit report, and 2 percent interest (which is 70 cents), we have a total charge which may be made of $1.70 on the $35 loan for 1 month; which reduced to a per annum percentage figure entails the terrific rate of 43 percent. I submit that such a rate is burdensome and oppressive, and contrary to public morals and policy, whether or not Congress will say as a matter of technical law that it is legal. Whether or not the lender gets the full return of the 43 percent, the poor borrower, nevertheless, is chargeable with the 43-percent rate.

Continuing on to section 12–B where the loan is for more than $35 for 30 days or less, we find that the fees allowed are as much as $3 (in addition to interest and other charges); and applying the rate of 2 percent per month (being as stated a rate of 24 percent per annum), and adding thereto the $3 on a typical loan of say $50 for 2 months, we have a charge of $2 interest and $3 in fees, or a total of $5 for the $50 loaned for 2 months, which is thus a rate of 10 percent for the 2 months or a 60-percent rate per annum.

The above are on so-called "character" loans. However, never do these loan sharks rely much on mere character. They always protect themselves with comakers, endorsers, and every other safeguard to assure a return of the amount loaned, along with the tremendous interest; and this procedure is recognized in section 12–B of the act by an allowance for investigating proposed endorsers. Why allow tremendous interest in such a case, when the risk is not so great to the lender, but indeed burdensome to the borrower, who must resort to these loan sharks either through dire need or weakness, to get a mere $35, $50, or the like.

Under section 12–C are treated loans on collateral (secured loans), notwithstanding which, the burden on the borrower, to the unjust enrichment of the loan shark, continues in S. 1162. By this I mean that not only the basic 24 percent per annum rate can be charged, but also a charge of $1 for recording the chattel mortgage, $3 for examination of titles, and so forth. Therefore, including these charges with the basic 24 percent per annum rate we have a rate which in many cases would come as high as 48 percent per annum. For example: A man borrows $100 on his automobile for 2 months, and is charged $1 for recording the chattel mortgage and $3 for examining the title, in addition to the 24 percent per annum interest rate regularly allowed under the bill. The extra allowance of $4 is 4 percent of $100 for, say, 2 months (the duration of a loan), or 24 percent per annum, which added to the 24 percent rate of interest allowed, makes a total of 48 percent per-annum rate. Obviously, if the loan were for a shorter period than 2 months (say 6 weeks) the percentage rate would be even higher than 48.

In summarizing my objection to S. 1162 I point to the fact that a basic rate of 24 percent per annum is allowed in S. 1162 instead of 12 percent under the act of February 4, 1913; the act of February 4, 1913, with its real teeth, would be repealed in large measure by S. 1162; the broad powers given the Commissioners and superintendent of insurance might raise rates to a still greater degree of burden on a poor borrower than the already burdensome rates basically prescribed in the bill; pawnbrokers who left the District with the enactment into law of the act of February 4, 1913 (which the District Building claims to be ineffective), would return, and again we would have wholesale pledgings of household articles by weak and shiftless people, with attendant burden on their families; and S. 1162 will invite loan sharks to operate here and will thus also tacitly invite chattel mortgages on household necessities (the only things owned by the class of people who must appeal to a loan shark), and thus cause the risk of depriving these poor people and their families of the exemptions otherwise allowed them by general law with respect to attachments.

I have seen those who have felt the "sting" of the loan shark before, and in my small way have sought to assist by defending some of these unfortunates in successfully pleading the act of February 4, 1913, as showing that as a matter of public policy Congress had pointed the finger of condemnation at loan sharks.

Finally, I might suggest that with the tendency of these times, in line with the policy of the present national administration, to make legitimate loans accessible to borrowers at lower interest rates than for many, many years, it behooves us to consider carefully a contrary policy of exorbitant rates, oppressive to a borrower, as is involved in S. 1162.

If the true intention of officials at the District Building is to get legislation to control "procurers" and to tighten the existing small-loan act of February 4, 1913, why is this not done, and this alone done, in S. 1162 rather than to have a more liberal law, with greatly liberalized rates which can be thrust on a poor borrower to the unjust enrichment of the lender.

At our meetings at the District Building last fall, when regulations of the same import as S. 1162 were under consideration by the corporation counsel, there were two general classes present: (1) The civic-minded group, who had no interest in the subject matter save the welfare of the District of Columbia, and who opposed any liberalization of the law of February 4, 1913, which, due to the stringent penalties and low interest rates, now effectively keeps loan sharks out of the District of Columbia; and (2) the "shylocks" and/or their attorneys who, for selfish reasons, were in favor of a liberal small-loan law so that they or their clients can operate a small-loan business in the District of Columbia, and under authority of law make burdensome charges, and with impunity grind a poor defaulter under their heels by heartless foreclosures, etc.

The corporation counsel at that time made a list of everyone who attended the meetings, with their interests and affiliations; and it should enlighten the members of this committee to study this list and see for themselves just who is interested in this legislation, and to thus draw a conclusion as to the whys and wherefores.

I trust that this committee will further study S. 1162 and will not approve a bill which, while it might otherwise thus ultimately become a law of the realm, would, nevertheless (in the words of Lord Coke), still be against the law of nature and against the law of God.

Respectfully submitted.

PAUL E. JAMIESON.

[From the Washington Times of Mar. 23, 1935]

SENATOR KING'S LOAN BILL RAPPED

Charges that the small-loans bill, sponsored by Senator WILLIAM H. KING, will protect "loan sharks" were made today by Rolf Nugent, director of the department of remedial loans of the Russell Sage Foundation, in statements to the Commissioners and members of the Senate District Committee.

Mr. Nugent submitted a tabulation of interest rates which he said would be possible under the proposed bill. The tabulation indicates that persons borrowing $5 for a period of 1 week would have to pay 1,560 percent interest.

The bill authorizes $1 fee and interest at 2 percent a month with a minimum interest charge of 50 cents, for all unsecured loans of $35 or less for a 30-day period.

Mr. Nugent stated: "The King bill throws aside all the experience with small-loan legislation over a quarter of a century. Instead of prohibiting the exorbitant charges for small loans which prevail in the District, it would furnish an enabling act for their continuation. It resembles bills proposed 20 years ago by loan sharks themselves, some of which became law and were later repealed."

The Russell Sage Foundation, Mr. Nugent pointed out, is in favor of a flat 3-percent charge on the first $100 loan with a 2-percent charge for additional sums.

Mr. SCHALL. Mr. President, Senate bill 1162 provides for 2 percent per month interest on small loans, not to exceed $300, in the District of Columbia, as opposed to the present law, which provides for 1 percent interest per month on small loans. In addition, Senate bill 1162 provides for a fee of $1 and additional interest and other charges, not to exceed 50 cents, on loans of $35 or less for a period of 30 days or less.

It has been pointed out by a director of the department of remedial loans of the Russell Sage Foundation that under the provisions of Senate bill 1162, persons borrowing $5 for a period of 1 week would have to pay 1,560 percent interest. He has also stated:

The King bill throws aside all the experience with small-loan legislation over a quarter of a century. Instead of prohibiting the exorbitant charges for small loans which prevail in the District, it would furnish an enabling act for their continuation. It resembles bills proposed 20 years ago by loan sharks themselves, some of which became law and were later repealed.

At the hearings held by the Senate Committee on the District of Columbia it was the contention of quite a number of representatives of various District civic organizations that the present law, providing for 1 percent per month interest, had never been enforced, and that various lending companies are now operating in violation of the present law, which was passed by Congress in 1913. Corporation Counsel Prettyman made the statement at one of these hearings that the present law had never been enforced, but that if Senate bill 1162 failed of enactment by Congress this year he would see to it that the present law was enforced, this also being the viewpoint expressed by People's Counsel Roberts. It was brought out also at these hearings that no exhaustive or extensive study had been made of the small-loan situation, either here in the District of Columbia or elsewhere by the committee.

The legislatures of many States are now making extensive efforts to decide just what is the correct rate of interest applicable to small loans. The result of these studies will be known during the course of the year.

It is interesting here to note that there is at present in the hands of the House Subcommittee No. 8 on the Post Office and Post Roads a bill (H. R. 3252) which provides that no lending company may advertise through the medium of the mails, periodicals, radio, and so forth, where such advertising would pass over State boundaries, any rate of interest over 15 percent per year, or 1¼ percent per month, and that this bill has already received favorable review by the subcommittee. This would seem to indicate that Congress desired to show its aversion to higher interest rates. With this in view, it seems strange that Congress should be desirous of raising the present interest rate in the District of Columbia from 12 percent to 24 percent per year for small loans, and allow extra charges that could total an enormous interest on loans under $35.

It is suggested that the present law, as enacted in 1913 by Congress, providing for 1 percent per month, or 12 percent per year, be enforced, and that by next year, after a year's trial of a law that, although in effect for 22 years, has never been properly enforced, according to Corporation Counsel Prettyman, more information will be available as to the advisability of changing the present law.

Mr. ROBINSON. Mr. President, I think the Senator from Utah, who is the author of the bill, should make a brief statement analyzing it.

Mr. KING. Mr. President, I shall be glad to do so.

This bill is not the product of the committee. It came to the committee from the District Commissioners after they had given consideration to the subject for a number of years. Representatives of civic organizations of the District appeared before the Senate committee and endorsed the measure. They said that they had for years attempted to secure the passage of a measure which would be satisfactory, and that this measure more nearly represented their views than any that had been suggested.

I call attention to the report of the committee, which, in part, is as follows, and which is explanatory of the bill:

On February 4, 1913 (37 Stat. 660, c. 26), there was enacted a bill to regulate the loaning of money in the District of Columbia. Under this bill the rate of interest upon any loan made by a licensed loan company was limited to 1 percent per month on the actual amount of the loan, to include all fees, expenses, and demands for services of every character. Only one person was ever licensed under this act, and for many years no one has been so licensed.

Since 1930 there has been pending before the Senate a series of small-loans laws, many of which were of the so-called "uniform law type", specifying a rate of interest of 3½ percent per month on unpaid balances of loans up to $300. Although this type of legislation received very strong support from organizations said to be philanthropic in nature, it was strongly opposed in the District of Columbia as authorizing unconscionably large rates of interest.

At the hearings conducted on previous bills and during consideration of the present bill a great deal of information was secured as to operations of loan sharks in the District of Columbia at the present time. Numerous instances were found where rates, including charges, as high as 30 percent of the face amount of the loan were being demanded and received. It has been found difficult to prosecute in such cases, as the stated interest rate is given as 6 percent and the dealer purports to act as the procurer of the loan only.

As a result of years of administrative interpretation of the Loan Shark Act of 1913, the application of that act to certain conditions is not clear. The committee found a general agreement of all civic organizations, social agencies, and officials that the business of making small loans should be the subject of regulation. Numerous conferences were held for the purpose of so fixing the charges and conditions that loans would be still available to the persons in need but at the lowest possible rates consistent with the expense of conducting the business.

The present act describes as interest not only the simple interest stated in the note but anything of value required to be paid as compensation for the loan, including charges, fees, and expenses of all natures, and specifies that interest so determined shall not exceed 2 percent per month on the monthly unpaid principal balance of the loan. The interest may not be compounded and neither the interest nor the fees can be deducted from the principal of the loan.

The provisions governing fees themselves divide loans into three classes and provide that loans of $35 or less for a period of 30 days or less in instances where no collateral is required, fees not to exceed $1 to be charged for a credit report if such a report is actually secured or made and not to exceed 50 cents for interest for all other charges in addition to the $1 for the credit report is permitted. It is in this class of loans for small amounts for short periods that the greatest abuses are prevalent at present, known instances of charges as high as $10 and $15 being made even on collaterally secured loans.

Section 12 of the act specifies the fees which may be charged for other types of loans up to $300. Section 13 has been modified so as to permit the licenses to make loans greater than $300 but so as to restrict the charges which may be made on amounts of above $300 under the statutes governing usury, as there is no occasion to permit the higher rates necessitated by the proration of charges on the smaller loans.

NECESSITY FOR THE LEGISLATION

It was clearly shown to the committee that many thousands of the residents of the District of Columbia are in such financial condition that they must resort to money lenders to meet minor financial emergencies. Great numbers of these unfortunate persons are now compelled to borrow money from lenders in the District of Columbia at rates vastly in excess of those prescribed in the bill. Many others use loan companies in nearby Maryland and Virginia operating under statutes which permit the collection of 3½ percent per month. Although much testimony was introduced under the auspices of the Russell Sage Foundation to the effect that small-loan companies cannot conduct their operations at less than 3½ percent per month, the committee is of the definite opinion that with the present trend in interest rates responsible companies can conduct a small-loans business in the District of Columbia at the rates herein prescribed. This opinion is confirmed by a number of responsible loan operators and by the investigations of the officials of the District of Columbia.

This legislation has been carefully considered by the Board of Commissioners of the District of Columbia, the corporation counsel, the people's counsel, and various citizens' associations of the District of Columbia. It has received the unanimous approval of the above persons and organizations, as well as the unanimous approval of the District Committee. The Commissioners of the District of Columbia submitted the draft of the bill and urge its passage.

As I have stated, the Commissioners favored the bill, as did the corporation counsel and the people's counsel.

The contention is made that there is a law here now fixing the rate of 1 percent per month. The fact is that no organization will take out the necessary license to make for 1 percent these small loans where there is no collateral, where the person offers no security whatever. Usually it costs a dollar or a dollar and a half to make the necessary investigation. Moreover, the losses are so great that no organization will make loans of these small amounts for 1 percent.

It is true that a law prescribing a rate of 1 percent per month has been on the statute books for years, but attempts to enforce it were futile. The principal opponents of the bill, as indicated, were those who favored the Russell Sage plan, referred to by the Senator from Minnesota [Mr. SCHALL], which prevails in a large number of States. The District Commissioners and representatives of civic organizations here declined, however, to accept the Russell Sage plan, and, as stated, formulated this bill now before us.

Now, as to the rate of interest: It is true that for a very small loan, say $5 for 1 month, the rate is high, largely due to the examination which is made before the credit is extended.

If the loan is $100 for a year, the rate that may be charged under the bill is $27, but under the Russell Sage plan it would be $42. For a loan of $300 for a year, the bill provides a rate of interest of $72, while the Russell Sage plan would cost $126.

Mr. NORRIS. Mr. President, the present law, as I understand, provides that interest may be charged at the rate of 1 percent. That is 1 percent a month, is it not?

Mr. KING. Yes.

Mr. NORRIS. That means 12 percent a year.

Mr. KING. To be sure.

Mr. NORRIS. The bill now before the Senate provides for 2 percent a month, which would be 24 percent a year.

Mr. KING. That is correct; but that includes all fees, expenses, and expenses in ascertaining the standing of the person seeking the loan—the rate charged by the Russell Sage Foundation plan is——

Mr. NORRIS. The Russell Sage Foundation bill is not pending here.

Mr. KING. No; but that is the one which was urged by the opponents of this measure.

Mr. NORRIS. I wonder if a bill would have any standing if a rate of 50 percent a year were charged.

Mr. KING. The Commissioners and the citizens' organizations appearing before the committee regarded this bill as very much better than the present law. Undoubtedly they would oppose 50 percent, as they opposed the Russell Sage plan, which authorizes more than 36 percent per annum.

Mr. NORRIS. Does not the Senator think a rate of interest of 24 percent a year is unconscionable, and would it not be better if the prospective borrowers were not able to borrow at all?

Mr. KING. But they will and do borrow, many crossing into Maryland and Virginia, as the hearings disclosed.

Mr. NORRIS. All right. That is a confession that we are unable to pass a law that will govern these people. They are bigger than the Government.

Mr. KING. We have a law here providing for a rate of 1 percent, but small loans cannot be attained on that basis.

Mr. NORRIS. I should think the committee would be able to bring in a bill that would stop all methods of evasion of the law. Certainly we can do that.

Mr. KING. I may say to the Senator that the representations made to the Senate committee were that the present law does not meet the situation; that it is difficult, if not impossible, to obtain small loans at the present rate.

Mr. NORRIS. They are made for a greater rate?

Mr. KING. A greater rate or——

Mr. NORRIS. Then what is the use of having any law on the subject, if the people who make these loans will not pay any attention to it, and they are greater than Congress is? Why not let them charge anything they desire to charge?

Mr. KING. There is a usury statute, but it is not enforced, and it is claimed that with respect to these small loans it cannot be enforced.

Mr. NORRIS. I cannot understand why we are asked to pass a law of this kind when it is said that 1 percent may be charged now, but nobody will loan at that rate. Those who have money to loan apparently pay no attention to the law, but loan for a higher rate, and we are unable to provide any method of enforcement of the law, or to pass any new law that could be enforced.

Mr. KING. May I say that many States have adopted the Russell Sage Foundation plan, regarding it as superior to any other.

Mr. NORRIS. Yes; and I read the propaganda before one of the State legislatures that had investigated the subject. Different organizations from all over the United States that were then loaning at very high, usurious rates spent literally hundreds of thousands of dollars in this propaganda, and they were able to defeat any modification of the bill by the legislature.

Mr. KING. I will say to my friend that if he will come before the committee and present a better way of dealing with this subject, I shall be very happy to have him do so. This is the best bill that the District Commissioners and a number of civic organizations were able to evolve, and they were aided by the corporation counsel, and the people's counsel, both of whom recommend it.

Mr. NORRIS. That may all be true, Mr. President——

Mr. KING. I have said all I care to say.

Mr. NORRIS. But it is shocking to me that we are about to legalize such a rate of interest.

People would probably be better off if they were not able to borrow at all. If one has to borrow and starts in paying at these rates for 30 days, and renewing the note every 30 days or every 60 days, whenever he once starts, he can never get through with it.

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

Mr. NORRIS. I yield.

Mr. LOGAN. I wish to state to the Senator that the question of regulating small-loan companies has been before the State legislatures for many years. Twenty-five years ago, I believe it was, I became interested in the matter before the Legislature of Kentucky, and at every meeting of the legislature since then there has been an attempt to get a similar bill through, and the same objection has always been made to it which the Senator from Nebraska is now making. About 2 years ago, however, after a quarter of a century, a bill was enacted, and from newspaper reports, and from what I hear, it is working remarkably well.

Mr. NORRIS. If it will work, we ought to repeal the usury laws, and permit the national banks to lend money at 24 percent per annum. It seems to me we should not take up such a measure as this under a unanimous-consent consideration of the calendar. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (S. 1476) to provide for unemployment relief through development of mineral resources; to assist the development of privately owned mineral claims; to provide for the development of emergency and deficiency minerals, and for other purposes, was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

FEDERAL PATRONAGE IN PRESIDENTIAL ELECTIONS

The bill (S. 509) to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order, and was read, as follows:

Be it enacted, etc, That no person holding an appointive office of trust or profit under the Government of the United States shall be officer, delegate, or alternate of any political convention, having for its aim the nomination or election of any candidate, avowed or unavowed, for President or Vice President of the United States.

SEC. 2. Violations of section 1 hereof shall be punishable by fine of not more than $1,000 and by loss of the official position of such person committing such violation.

Mr. KING and Mr. GERRY asked that the bill go over.

Mr. STEIWER. Mr. President, may I be advised who made objection to the consideration of this bill?

The PRESIDENT pro tempore. Two or three objections were made.

Mr. GERRY. I objected, Mr. President.

Mr. STEIWER. I ask that the objection be withheld momentarily. I wish to have the opportunity only to advise the Senate that the bill is similar to a bill which was introduced in the Senate at the last session, referred to the Committee on the Judiciary, carefully considered, and reported to the Senate favorably, with some amendments, which are incorporated in the pending bill. In other words, the measure now on the Calendar is in the same form in which the bill was reported by the Committee on the Judiciary at the last session of the Congress.

I shall not detain the Senate to discuss the bill at this time, but I hope that those who are objecting will familiarize themselves with its purposes and afford us an opportunity to have the bill considered without the necessity of moving to bring it up. I very much doubt whether anyone in the majority party would have any very substantial objection to the measure. It is a bill which, in the main, will refer in practical effect to the minority party, and to the conventions held by the minority party. So far as I know, it would have but little practical relation to anything which the majority party might do. I thank Senators.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 24) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching, was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 164) for the relief of Donald L. Bruner, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1452) providing for the employment of skilled shorthand reporters in the executive branch of the Government, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1453) to create a board of shorthand reporting, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 363) to increase the efficiency of the Veterinary Corps of the Regular Army was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BAIL IN CRIMINAL CASES—RECOMMITTAL OF BILLS

The bill (S. 18) to amend section 1015 of the Revised Statutes was announced as next in order.

Mr. COPELAND. Mr. President, I ask unanimous consent that Order of Business No. 364, being Senate bill 18, and Order of Business No. 365, being Senate bill 17, making it a contempt to willfully fail to appear after having been admitted to bail, be recommitted to the Committee on the Judiciary. These bills have to do with the suppression of crime, and ought to be recommitted, for the reason that the Senator from Montana [Mr. WHEELER] and the Senator from Georgia [Mr. GEORGE] have both pointed out to me that certain changes should be made, and I think the changes should be made by the committee, because, so far as those of us who introduced the bills are concerned, we are not lawyers, and it seems that the objection is a legal one. Therefore, it ought to be passed on by the Committee on the Judiciary.

The PRESIDENT pro tempore. Without objection, the request of the Senator from New York [Mr. COPELAND] is granted, and the bills will be recommitted.

BILLS PASSED OVER

The bill (S. 5) to prevent the manufacture, shipment, and sale of adulterated or misbranded food, drink, drugs, and cosmetics, and to regulate traffic therein; to prevent the false advertisement of food, drink, drugs, and cosmetics, and for other purposes, was announced as next in order.

Mr. COPELAND. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 87) to prevent the shipment in interstate commerce of certain articles and commodities, in connection with which persons are employed more than 5 days per week or 6 hours per day, and prescribing certain conditions with respect to purchases and loans by the United States, and codes, agreements, and licenses under the National Industrial Recovery Act, was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

MODIFICATION OR CANCELATION OF CONTRACTS

The joint resolution (S. J. Res. 93) to extend the time within which contracts may be modified or canceled under the provisions of section 5 of the Independent Offices Appropriation Act, 1934, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That section 5 of the Independent Offices Appropriation Act, 1934, is amended by striking out "April 30, 1935" and inserting in lieu thereof "October 31, 1935."

PREVENTION OF BLINDNESS IN INFANTS

The Senate proceeded to consider the bill (S. 2153) to provide for the prevention of blindness in infants born in the District of Columbia, which had been reported from the Committee on the District of Columbia with an amendment, on page 1, beginning with line 3, to strike out section 1, as follows:

That the health officer of the District of Columbia shall prepare and place in suitable containers a 1-percent solution of silver nitrate, or another silver preparation of recognized merit, the contents of each container being the exact quantity necessary for treating two eyes. Instructions for the use of such solution shall accompany each container. It shall be the duty of each physician, midwife, or other person in attendance upon any case of childbirth to secure a container of such solution from the health officer and administer it as a prophylactic against inflammation of the eyes of the new-born child.

And to insert in lieu thereof the following:

That the health officer of the District of Columbia shall cause to be prepared and placed in suitable containers a 1-percent solution of silver nitrate or other preparation which, in his opinion, is suitable for use as a prophylactic against inflammation of the eyes of the new-born child, the contents of each container being the exact quantity necessary for the treatment of one eye and two such containers shall be furnished for use in each case of childbirth. It shall be the duty of each physician, midwife, or other person in attendance upon any case of childbirth to administer such solution as a prophylactic against inflammation of the eyes of said new-born child. It shall be the duty of each midwife or other person, except licensed physicians, to secure containers of such solution from the health officer for use in each case of childbirth.

So as to make the bill read:

Be it enacted, etc., That the health officer of the District of Columbia shall cause to be prepared and placed in suitable containers a 1-percent solution of silver nitrate or other preparation which in his opinion is suitable for use as a prophylactic against inflammation of the eyes of the new-born child, the contents of each container being the exact quantity necessary for the treatment of one eye and two such containers shall be furnished for use in each case of childbirth. It shall be the duty of each physician, midwife, or other person in attendance upon any case of childbirth to administer such solution as a prophylactic against inflammation of the eyes of said new-born child. It shall be the duty of each midwife or other person, except licensed physicians, to secure containers of such solution from the health officer for use in each case of childbirth.

SEC. 2. Whenever any physician, midwife, or other person in attendance upon any case of childbirth finds that the new-born child has inflammation of the eyes, attended by a discharge therefrom, such physician, midwife, or other person shall communicate such fact in writing or otherwise to the health officer within 6 hours after the existence of such discharge becomes known to such physician, midwife, or other person. Upon receipt of such com-

munication the health officer shall issue an order directing the parents of such child (or other person charged with its care) either to (1) place such child in the care of a registered physician, or (2) submit immediately satisfactory proof of inability to pay for such medical service. If the health officer finds such proof sufficient to establish such inability to pay, he shall order the parents (or such other person) to place the child under the treatment of a physician selected by him at the expense of the health department.

SEC. 3. No person other than a registered physician shall treat any case of inflammation of the eyes, attended by a discharge therefrom, of a new-born child for any period longer than may be necessary to obtain the services of a registered physician.

SEC. 4. Any person convicted of violating any provision of this act, or any order or regulation issued pursuant to the provisions of this act, shall be fined not more than $100 or imprisoned not more than 30 days, or both.

The amendment was agreed to.

Mr. DICKINSON. Mr. President, I believe the Senator from New York [Mr. COPELAND] desires to offer an amendment to this bill.

Mr. COPELAND. Mr. President, there is an amendment on the desk of the clerk which I desire to suggest to the bill.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 3, line 15, after the word "physician" and the period it is proposed to insert the following:

The provisions of this act shall not be construed to apply to persons treating human ailments by prayer or spiritual means as an exercise or enjoyment of religious freedom.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

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

AMENDMENT OF DISTRICT CODE—NEGLIGENT HOMICIDE

The Senate proceeded to consider the bill (S. 2100) to amend an act of Congress entitled "An act to establish a Code of Law for the District of Columbia" approved March 3, 1901, as amended, by adding three new sections to be numbered 802 (a), 802 (b), and 802 (c), respectively, which was read, as follows:

Be it enacted, etc., That the act of Congress entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, as amended, be further amended by adding immediately following section 802 three new sections to be numbered 802 (a), 802 (b), and 802 (c), respectively.

"SEC. 802. (a) Negligent homicide: Any person who, by the operation of any vehicle at an immoderate rate of speed or in a careless, reckless, or negligent manner, but not willfully or wantonly, shall cause the death of another, shall be guilty of a misdemeanor, and shall be punished by imprisonment for not more than 1 year or by a fine of not more than $1,000, or both.

"It shall be the duty of the coroner of the District of Columbia, upon any inquisition taken before him which results in the jury finding that negligent homicide, as defined herein, has been committed on the deceased, to require such witnesses as he thinks proper to give recognizance to appear and testify, or in default thereof to be committed to jail for appearance, in either the Supreme Court or the police court of the District of Columbia, and the coroner shall return to either said court the said inquisition, testimony, and recognizance or order by him taken or given.

"SEC. 802. (b) Negligent homicide included in manslaughter where death due to operation of vehicle: The crime of negligent homicide defined in section 802 (a) shall be deemed to be included within every crime of manslaughter charged to have been committed in the operation of any vehicle, and in any case where a defendant is charged with manslaughter committed in the operation of any vehicle, if the jury shall find the defendant not guilty of the crime of manslaughter such jury may, in its discretion, render a verdict of guilty of negligent homicide.

"SEC. 802. (c) Immoderate speed not dependent on legal rate of speed: In any prosecution under section 802 (a) or 802 (b), whether the defendant was driving at an immoderate rate of speed shall not depend upon the rate of speed fixed by law for operating such vehicle."

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

Mr. ROBINSON. Mr. President, I inquire of the Senator from Utah what change is made in existing law by the measure just read.

Mr. KING. Mr. President, the bill which is before us is patterned after a Michigan statute. It was found in Michigan, as it has been found in the District of Columbia, that with the extreme punishment which is permissible for negligent homicide, it is difficult to secure convictions. After a full consideration of all the questions involved, the District Commissioners and the corporation counsel recommended the pending bill. It lessens the punishment in certain cases, and they think that it will lead to better results.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

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

SAMUEL KAUFMAN

The Senate proceeded to consider the bill (H. R. 3105) for relief of Samuel Kaufman, which had been reported from the Committee on Military Affairs with an amendment, to strike out all after the enacting clause and to insert in lieu thereof the following:

That the President of the United States be, and he is hereby, authorized to summon Samuel Kaufman, late major, Dental Corps, Medical Department, Regular Army, before a retiring board to inquire whether at the time of his resignation, December 15, 1922, he was incapacitated for active service, and whether such incapacity was a result of an incident of service, and if, as a result of such inquiry, it is found that he was so incapacitated, the President is authorized to nominate and appoint, by and with the advice and consent of the Senate, the said Samuel Kaufman a major of the Dental Corps, Medical Department, and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for officers of the Regular Army: *Provided*, That the said Samuel Kaufman shall not be entitled to any back pay or allowances by the passage of this act.

Mr. KING. Mr. President, does not the Senator from New Jersey desire to make an explanation of the bill?

Mr. BARBOUR. Yes, Mr. President. The bill would simply give to the claimant the right to appear before a retiring board to present his case. It is a permissive bill, merely authorizing the President to summon the claimant before a retiring board.

This man has already received a disability rating of 50 percent by the Veterans' Administration, but other circumstances and developments in his case have arisen since, and in the Committee on Military Affairs we feel unanimously that the claimant should certainly at least be given an opportunity to come before a retiring board. This is only fair.

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

Mr. BARBOUR. I yield gladly.

Mr. ROBINSON. It is observed from the message of the Secretary of War addressed to the Chairman of the Committee on Military Affairs that the recommendation of the War Department on the bill is adverse.

Mr. BARBOUR. Mr. President, that, I think, is a perfunctory position on the part of the War Department, if I may put it that way; and is presented in the light of the fact that the War Department probably really cannot do otherwise in the sense that they do not wish to be the ones to suggest that any officer come before a retiring board. But, after all, if we are simply going to leave to the departments the veto of any and all bills which come from the committees of the Senate, we will be in quite a helpless position.

As I have said, this bill would do nothing but give the claimant an opportunity to go before a retiring board; it merely authorizes the President to bring him before a board if he cares to do so.

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

Mr. BARBOUR. I yield.

Mr. KING. In addition to what was said by the Senator from Arkansas, I discover from the record that this gentleman tendered a voluntary resignation. We have had a number of cases where officers in the Army have resigned and gone into private life, and in some instances, because they did not make good, they have sought to be reinstated, or to secure reconsideration of their resignations, in order that they might be placed upon the retired list. It seems to me that in the light of the frequency of measures of this kind, this bill ought to go over.

Mr. BARBOUR. Many requests of the kind referred to by the Senator do, indeed, come before the Committee on Military Affairs, but in the great majority of cases they are not

granted or recommended by the committee. This case appealed to the committee because of developments subsequent to the disability rating allowed by the Veterans' Administration, and there seemed to be every reason for giving this particular individual, in the light of the facts in this case, an opportunity to appear before a retiring board. The bill simply authorizes, as I have said, the President to bring this claimant before a board if he, the President, sees fit to do so. I hope very much the Senator will not insist on his objection.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the question is on the engrossment of the amendment and the third reading of the bill.

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

The bill was read the third time and passed.

COMPUTATION OF NAVAL AND MARINE CORPS SERVICE

Mr. CAREY. Mr. President, I ask unanimous consent to recur to Order of Business 289, being Senate bill 2029, to authorize naval and Marine Corps service of any officers to be included in computing dates of retirement.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 2029) to authorize naval and Marine Corps service of any officers to be included in computing dates of retirement, which was read as follows:

Be it enacted, etc., That in computing service for the purpose of retirement of an officer of the Army, there shall be included, in addition to service now authorized by law to be included, all service in the Navy or Marine Corps which is authorized by law to be included for the purpose of retirement of an officer of the Navy or Marine Corps.

Mr. KING. Mr. President, will the Senator from Wyoming explain the purpose of this measure. How many officers will be affected by it, and what will be the cost to the Government?

Mr. CAREY. The purpose of the bill is to provide that the same treatment shall be accorded to officers of the Army who have served in the Marine Corps or Navy as is accorded officers of the Marine Corps and the Navy who have had Army service. In figuring their period of service the bill allows the time which these officers served in the Navy to be taken into consideration. As I have stated, officers of the Navy who have served in the Army have that privilege. It is simply a matter of treating the Army officer who has served in the Navy in the same way that officers in the other service are treated.

Mr. ROBINSON. It would seem that there is inequality in the two services in that an officer serving in the Navy may have credit for the time he served in the Army or the Marine Corps, but one serving in the Army is not given credit for service in the Navy or Marine Corps.

Mr. CAREY. That is true; and it only affects 87 officers.

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

Mr. CAREY. I yield.

Mr. KING. Suppose a person served in the Navy and then resigned, or his term expired, and there was an interregnum of several years before he entered the Army, would that service in the Navy then be attached to the service in the Army for the purpose of establishing length of service?

Mr. CAREY. I am not certain on that question.

Mr. KING. It would seem to me if there was an interim during which the person was out of the service he ought not to be given credit for the previous period.

Mr. CAREY. I should like to say that there are a number of officers in the Army who are Annapolis graduates. For some reason or other they did not want to remain in the Navy, resigned from the Navy, and received commissions in the Army. However, as I have stated, a man who has been in the Army and then goes in the Navy or Marine Corps gets this credit; so it is rank discrimination not to give these men who have gone into the Army the same privilege which is extended to those in the other service.

Mr. KING. Mr. President, if there was an interregnum after a man resigned either from the Army or the Navy during which period he went into private life, and remained there for several years, and then for reasons best known to himself went into the Army or into the Navy again, I do not think he should be permitted to tack onto his present service in the Army or in the Navy the time of service which he may have had in either branch of the service before he resigned and went into private life.

Mr. CAREY. I do not think he would be permitted to do that but I cannot say positively that he would not.

Mr. ROBINSON. In any event this bill simply makes applicable to persons serving in the Army the same right as to credit for service in any other military branch as applies now to those who are serving in the Navy.

Mr. CAREY. It treats the Army officer the same as the men are treated in the other service, and I think it is just and fair that they should be accorded the same treatment.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

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

BILLS PASSED OVER

The bill (S. 1589) authorizing the purchase of United States Supreme Court decisions and digest was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 477) to provide for the appointment of two additional judges for the Southern District of New York and two additional judges for the Southern District of California was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2356) to amend the act entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes", approved August 25, 1919, as amended by act of March 6, 1920, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

PUBLIC-SCHOOL DISTRICTS IN GLACIER COUNTY, MONT.

The Senate proceeded to consider the bill (S. 1522) to provide funds for cooperation with public-school districts in Glacier County, Mont., in the improvement and extension of school buildings to be available to both Indian and white children.

Mr. ROBINSON. Mr. President, there is a considerable number of bills which seem to be embraced within the same principle or theory as the one just announced. I should like to have an explanation of them.

Mr. WHEELER. I made an explanation the last time the calendar was called. What has happened is that the Bureau of Indian Affairs as a permanent policy at the present time is closing up various Indian boarding schools throughout the United States and is placing the Indian children in the public schools. It has been found that by placing them in the public schools a saving to the Government is effected, because the cost is much lower. It has also been found that by sending the Indian children to the public schools they become better able to take their place in our modern life after they have gotten through school, and they are better fitted to go out and get positions than they are when they come out of boarding schools.

Mr. ROBINSON. That is, instead of being instructed in schools maintained exclusively for Indian children, they are given instruction in the public schools?

Mr. WHEELER. Yes. In many jurisdictions the white population objects to Indian children going to the public schools, but in Montana in the particular places we have under consideration the school districts have said, "We are perfectly willing that you should send these Indians to school here; but we do not have the requisite facilities, and

consequently we want you to cooperate in building additional rooms so that the Indian children may be taken into our schools."

These bills provide for a very meritorious object, and I am sure the Bureau of Indian Affairs has recommended them. At the last session of Congress most of these bills which are now on the calendar were passed without objection.

Mr. ROBINSON. Are the necessary appropriations proposed to be made from the General Treasury fund?

Mr. WHEELER. From the General Treasury fund.

Mr. ROBINSON. How are the Indian schools maintained which are now being closed?

Mr. WHEELER. The funds come out of the General Treasury. Many of the Indian boarding schools at the present time are dilapidated, and it would be necessary to spend much money on them. Not only that, but the cost to the Government of sending the Indian children to the boarding schools is much greater than is the cost of sending them to the public schools.

Mr. ROBINSON. On that statement of facts the policy would seem to be justified.

Mr. WHEELER. I do not think there is any doubt about it. The Committee on Indian Affairs made a thorough study of the question throughout the United States, and the committee came to the conclusion unanimously that it was the best policy wherever it was possible to adopt it.

Mr. ROBINSON. How do the Indians themselves like the change in policy? I made a study of this subject some years ago and found that they were reluctant to leave their own institutions and be educated in institutions primarily maintained for white students.

Mr WHEELER. That is true in some instances, but in Montana particularly the better elements of the Indians have all come to the conclusion that they had better send their children to public schools, because it better fits them to take their places in the world after they have graduated.

Mr. ROBINSON. Why should not these appropriations be carried in a general bill?

Mr. KING. In the Indian appropriation bill?

Mr. ROBINSON. Yes; in the Indian appropriation bill.

Mr. WHEELER. I think they should. My idea is that if these bills shall pass the Senate the money will probably be paid out of the public-works fund.

Mr. ROBINSON. But these bills do not authorize that to be done.

Mr. WHEELER. No; I understand they do not.

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

Mr. WHEELER. I yield.

Mr. KING. I wish to inquire of the Senator whether or not any of the Indian boarding schools, so called, which have been costing for several years $10,000,000 a year, are being closed?

Mr. WHEELER. It is my understanding that some of them are being closed; and, so far as my opinion goes, many more of them should be closed.

Mr. KING. As I understood when Dr. Ryan went into the Bureau of Indian Affairs he was pledged to reduction in the number of Indian schools, and to the adoption of a plan something along the line indicated by the Senator from Montana, and I was wondering whether that course was being carried out.

Mr. WHEELER. It is being carried out so far as it can be carried. There has been some objection to closing the Indian boarding schools on the part of the local people in the communities. The Riverside School is an exceedingly expensive school to the Government of the United States, and when the Indians go there they are brought up in surroundings which totally unfit them for the life on an Indian reservation. The bill, in my judgment, is a great forward step for the Indian children.

Mr. KING. Mr. President, one further question. I see that a large appropriation is made by the Government. Do the counties and school districts make a corresponding contribution?

Mr. WHEELER. Oh, yes; the school districts at the present time in each one of these instances have school buildings. The bills provide for additions to such school buildings for the purpose of taking care of the Indian children. The local districts are practically all in counties where the great portion of the land is in Indian ownership, and it pays no taxes whatsoever.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $100,000, of which $60,000 is to be used for the purpose of cooperating with school district no. 9 in Glacier County, Mont., in the improvement and extension of high-school buildings, and $40,000 to be used in the improvement and extension of school buildings in other public-school districts in said Glacier County: *Provided*, That said schools shall be available to both white and Indian children without discrimination, except that tuition may be paid for Indian children attending in the discretion of the Secretary of the Interior: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

SCHOOL DISTRICT NO. 23, POLSON, MONT.

The bill (S. 1524) to provide funds for cooperation with school district no. 23, Polson, Mont., in the improvement and extension of school buildings to be available to both Indian and white children, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $40,000 for the purpose of cooperating with school district no. 23, Polson, Mont., in the improvement and extension of public-school buildings: *Provided*, That the schools maintained by the district shall be available to both Indian and white children without discrimination, except that tuition may be paid for Indian children attending in the discretion of the Secretary of the Interior: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

JOINT SCHOOL DISTRICT NO. 28, LAKE AND MISSOULA COUNTIES, MONT.

The bill (S. 1525) to provide funds for cooperation with joint school district no. 28, Lake and Missoula Counties, Mont., for extension of public-school buildings to be available to Indian children of the Flathead Indian Reservation, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $100,000 for the purpose of cooperating with joint school district no. 28, Lake and Missoula Counties, Mont., for the extension and improvement of public-school buildings, namely, at Arlee in the sum of $40,000, at Roman in the sum of $30,000, and at St. Ignatius in the sum of $30,000: *Provided*, That the expenditure of any money so appropriated shall be subject to the condition that the schools maintained by said district shall be available to all Indian children of the Flathead Indian Reservation, Mont., on the same terms, except as payment of tuition, as other children of said school district: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

PUBLIC-SCHOOL BUILDING AT BROCKTON, MONT.

The bill (S. 1526) to provide funds for cooperation with the school board at Brockton, Mont., in the extension of the public-school building at that place to be available to Indian children of the Fort Peck Indian Reservation was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $40,000 for the purpose of cooperating with the public-school board of district no. 55, town of Brockton, and county of Roosevelt, Mont., for the extension and betterment of the public-school building at Brockton, Mont.: *Provided*, That the expenditure of any money so appropriated shall be subject to the express conditions that the school maintained by the said school district in the said building shall be available to all Indian children of the Fort Peck Indian Reservation, Mont., on the same

terms, except as to payment of tuition, as other children of said school district, and that accommodations in said enlarged building to the extent of one-half its capacity shall be available for Indian children from the Fort Peck Reservation: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

PUBLIC HIGH SCHOOL AT FRAZER, MONT.

The bill (S. 1530) to authorize appropriations for the completion of the public high school at Frazer, Mont., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized, out of any funds in the Treasury not otherwise appropriated, the sum of $25,000 for the completion of the public high school at Frazer, Mont., and for necessary equipment in connection therewith for manual, laboratory, and other lines of training.

INCREASE OF LINE OF THE NAVY

The bill (H. R. 5599) to regulate the strength and distribution of the line of the Navy, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of this measure?

Mr. TRAMMELL. Mr. President, the general purpose of the bill is to provide for increasing the strength of the line of the Navy to meet with the treaty strength. We have passed legislation at previous sessions, at the last session particularly, providing ultimately for building up the Navy to treaty strength, but we did not pass any legislation bearing upon the question of the personnel. This measure according to the plan of promotion, provides for officers and enlisted men, upon the basis that prevails within the Navy. It contemplates increasing their number according as we gradually acquire new ships and extend the activities of the Navy. That is in substance the purpose of the bill.

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

Mr. TRAMMELL. I yield.

Mr. KING. Does the Senator refer to the Washington Treaty of 1922 or to the London Treaty? The fact must be borne in mind that we have increased to only a very small extent the personnel, and why should we begin providing for an increase in admirals and high officers in the Navy before we have brought the Navy up to what the Senator calls "treaty strength"? We may never go to the strength authorized by the London Treaty, and in that event we would have officers without ships and without personnel. I think we could take care of the officers after we get the Navy.

Mr. TRAMMELL. This bill does not contemplate the number being increased all at once. It contemplates progressive increases along with the progress that is being made in the matter of building and commissioning ships. That is the way I understand the bill. It does not contemplate loading the Navy down with a lot of officers who are not needed, but it authorizes them when they are needed according to the demands and needs of the Navy. The bill passed the House after very thorough hearings held by the committee of that body. I hope it will pass the Senate at this time.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTIGAN. I request that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

LONGEVITY PAY IN THE NAVY

The bill (S. 2287) to authorize the crediting of service rendered by personnel (active or retired) subsequently to June 30, 1932, in the computation of their active or retired pay after June 30, 1935, was announced as next in order.

Mr. KING. Over.

Mr. TRAMMELL. Mr. President, may I make a brief explanation of the bill before the Senator finally objects?

Mr. KING. I withhold the objection.

Mr. TRAMMELL. When the Congress provided a reduction of salary, first of 15 percent, then of 10 percent, then of 5 percent, that applied alike, of course, to all naval officers just as it did to the civilian employees. Notwithstanding that the salary reduction was lifted on the 1st of April, it still applies in a certain way against naval officers. The regulations and the law in regard to the Navy provide that naval officers shall have a 5-percent increase in longevity based upon periods of 3 years.

During the entire 3 years the salary reduction was in force all these officers lost their longevity pay for that particular 3-year period. This bill provides that hereafter in fixing their salaries those 3 years shall not be considered as having been lost, but the bill does not provide any back pay or any restitution of the salary based upon that longevity during the period of the salary reduction. Without this proposed legislation all naval officers will continue to suffer a reduction of 5 percent because of that period practically of 3 years. While all civilian employees and all Army officers have had their salaries restored in full, the naval officers will lose a 5-percent reduction in their salaries if we do not correct this hiatus in regard to longevity pay. That is the object of this bill, that naval officers shall not continue to suffer that 5-percent reduction.

Mr. KING. I withdraw the objection to the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2287) to authorize the crediting of service rendered by personnel (active or retired) subsequently to June 30, 1932, in the computation of their active or retired pay after June 30, 1935, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the suspension during the fiscal years 1933, 1934, and 1935 of the longevity increases provided for in the tenth paragraph of section 1 of the Pay Adjustment Act of 1922, the personnel (active or retired) so affected shall be credited with service rendered subsequently to June 30, 1932, in computing their active or retired pay accruing subsequently to June 30, 1935: *Provided*, That this section shall not be construed as authorizing the payment of back longevity pay for the fiscal years 1933, 1934, and 1935 which would have been paid during such years but for the suspension aforesaid.

BILL PASSED OVER

The bill (S. 1492) to compensate the Chippewa Indians of Minnesota for lands set aside by treaties for their future homes and later patented to the State of Minnesota, under the Swamp Land Act, was announced as next in order.

Mr. ROBINSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

WHITE SWAN SCHOOL DISTRICT, YAKIMA COUNTY, WASH.

The bill (S. 1535) to provide funds for cooperation with White Swan School District, No. 88, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, from any moneys in the Treasury not otherwise appropriated, the sum of $50,000 for the purpose of cooperating with White Swan School District, No. 88, Yakima County, Wash., for extension and improvement of public-school buildings: *Provided*, That the expenditure of any moneys so appropriated shall be subject to the condition that the schools maintained by said district shall be available to all Indian children of the district on the same terms, except as to payment of tuition, as other children of said school district: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

PUBLIC SCHOOL AT COVELO, CALIF.

The bill (S. 1536) to provide funds for cooperation with the public-school board at Covelo, Calif., in the construction of public-school buildings to be available to Indian children of the Round Valley Reservation, Calif., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, from any funds in the Treasury not otherwise appropriated, the sum of $50,000 for the purpose of cooperating with the Round Valley Union High School District Board of School Trustees, town of Covelo, and County of Mendocino, Calif., for construction of a new public high-school plant at Covelo, Calif.: *Provided*, That the expenditure of any money so appropriated shall be sub-

ject to the express conditions that the school maintained by the said school district in the said building shall be available to all Indian children on the same terms, except as to payment of tuition, as other children of said school district: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

BILLS PASSED OVER

The bill (S. 1426) providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army, and his retirement in that grade was announced as next in order.

Mr. KING. Mr. President, I should like an explanation of the bill.

Mr. HATCH. Mr. President, the bill was reported by the Senator from Oklahoma [Mr. THOMAS]. The report is very full and ample and sets forth the details about the bill. I think it is quite a meritorious measure, but I should rather have it go over until the Senator may have an opportunity to familiarize himself with it.

Mr. KING. I thank the Senator very much.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1932) for the relief of the State of California was announced as next in order.

Mr. ROBINSON. I think that bill had better go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2213) to define the exterior boundaries of the Navajo Indian Reservation in New Mexico, and for other purposes, was announced as next in order.

Mr. HATCH. Over.

The PRESIDENT pro tempore. The bill will be passed over.

LEAVE OF ABSENCE TO HOMESTEAD SETTLERS

The bill (S. 1776) granting a leave of absence to settlers of homestead lands during the year 1935 was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That any homestead settler or entryman who, during the calendar year 1935, should find it necessary, because of economic conditions, to leave his homestead to seek employment in order to obtain the necessaries of life for himself and/or family or to provide for the education of his children may, upon filing with the register of the district, his affidavit, supported by corroborating affidavits of two disinterested persons showing the necessity of such absence, be excused from compliance with the requirements of the homestead laws as to residence, cultivation, improvements, expenditures, or payment of purchase money, as the case may be, during all or any part of the calendar year 1935, and said entries shall not be open to contest or protest because of failure to comply with such requirements during such absence; except that the time of such absence shall not be deducted from the actual residence required by law, but a period equal to such absence shall be added to the statutory life of the entry: *Provided*, That any entryman holding an unperfected entry on ceded Indian lands may be excused from the requirements of residence upon the conditions provided herein, but shall not be entitled to extension of time for the payment of any installment of the purchase price of the land except upon payment of interest, in advance, at the rate of 4 percent per annum on the principal of any unpaid purchase price from the date when such payment or payments became due to and inclusive of the date of the expiration of the period of relief granted hereunder.

NATIONAL TRAINING SCHOOL FOR BOYS

The bill (H. R. 3959) for the relief of the National Training School for Boys, and others, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any funds not otherwise appropriated, to Claude D. Jones, superintendent of the National Training School for Boys, in full settlement of all claims against the Government of the United States, the sum of $414, to be used in the payment of expenses incident to the illness of John Henry Tackett, former inmate of the National Training School for Boys, which resulted in amputation of the leg on March 22, 1932, such sum to be expended as follows: For hospitalization, Sibley Hospital, Washington, D. C., $129; for medical and surgical treatment, Dr. Curtis Lee Hall, $135; for the purchase of an artificial limb, $150: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

YELLOW DRIVURSELF CO.

The bill (H. R. 2353) for the relief of the Yellow Drivurself Co. was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement of all claims against the Government of the United States, to E. C. Matthews, Karl Matthews, and C. G. Matthews, all of Chattanooga, Tenn., a partnership trading as the Yellow Drivurself Co., the sum of $512. Such sum represents the amount of a claim against the United States under contract no. W6145qm-4, entered into October 28, 1930, in good faith, by such Yellow Drivurself Co. and the constructing quartermaster at Fort Oglethorpe, Ga., for the War Department. Such company furnished a car as specified in such contract, but the Comptroller General was unable to allow the payment of any claim for rental under such contract because such expenditure was not specifically authorized by law, as required by section 5 of the Legislative, Executive, and Judicial Appropriation Act of July 16, 1914 (U. S. C., title 5, sec. 78): *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

PUBLIC SERVICE COORDINATED TRANSPORT OF NEWARK, N. J.

The Senate proceeded to consider the bill (H. R. 2439) authorizing adjustment of the claim of the Public Service Coordinated Transport of Newark, N. J., which had been reported from the Committee on Claims with an amendment.

Mr. KING. Mr. President, I should like to have an explanation of that bill.

Mr. BAILEY. Mr. President, this bill calls for the payment of the sum of $122,442.23, and I think it well that attention should be called to it, although the bill is, as the Committee on Claims thinks, a meritorious one.

The bill has been before the Congress since the Seventy-first Congress; it was favorably reported in the Senate in the Seventy-first, Seventy-second, and Seventy-third Congresses, and has again been favorably reported now in the Seventy-fourth Congress. It has been before the Committee on War Claims in the House of Representatives since the Seventy-first Congress, and has been favorably reported by that committee. The bill has been passed upon by Mr. McCarl, the Comptroller General, and thoroughly reviewed by him. He has recommended the payment and the form of the bill in which it now is.

The claim is based, as stated on its face, upon the destruction and removal during the late war of certain tracks, car houses, storage tracks, and so forth, belonging to the claimant company or its predecessor from their original location to new locations and the War Department's failure to restore them to the original location in accordance with the informal arrangement respecting the matter.

As I have said, the whole case has been reviewed very carefully by the Comptroller General. His letter addressed to the Congress will be found on page 3 of the report. He has gone over it in great detail, and I do not think it is necessary for me to go further into it, but if Senators require me to do it, I will undertake to read the letter of Mr. McCarl, in which he analyzes the claim, defines the items, and declares that the payment is justly due the claimant company.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. O'MAHONEY. Mr. President, may I address an inquiry to the Senator from North Carolina?

Mr. BAILEY. Certainly.

Mr. O'MAHONEY. I note that there is a limitation by amendment as to the amount which may be paid to attorneys. Is it designed to make that 10 percent the limitation upon all the compensation for attorneys, or may any agent receive pay up to 10 percent?

Mr. BAILEY. The limitation involves attorneys; but, I take it, it includes agents or any others. We have attached that limitation, I may say, in the Claims Committee as a matter of form to all bills, unless there is some special rule, and then we may change it; but in general the 10-percent limitation is provided.

Mr. O'MAHONEY. So that all attorneys may not receive in the aggregate more than 10 percent?

Mr. BAILEY. That is correct.

The PRESIDENT pro tempore. The amendment reported by the committee will be stated.

The amendment was, on page 2, after the word "claim", at the end of the bill, to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to settle and adjust the claim of the Public Service Coordinated Transport of Newark, N. J., arising out of the removal by the War Department during the late war of certain tracks, car house, storage tracks, etc., belonging to said company or its predecessor, from their original locations to new locations, and the War Department's failure to restore same to their original location in accordance with an informal arrangement respecting the matter, and to allow in full and final settlement of any and all claims arising out of said transactions an amount not exceeding $122,442.43. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $122,422.43, or so much thereof as may be necessary, for the payment of said claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

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

The bill was read the third time and passed.

BILL PASSED OVER

The bill (S. 2312) for the relief of the Western Construction Co. was announced as next in order.

Mr. KING. I should like an explanation of the bill, and, pending that, I will ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

WESTERN ELECTRIC CO., INC.

The bill (S. 2487) for the relief of the Western Electric Co., Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust, settle, and certify for payment, out of any money in the Treasury not otherwise appropriated, the claim of the Western Electric Co., Inc., for supplies delivered to the Navy Mine Depot, Yorktown, Va., under requisition no. 96, Bureau of Ordnance, dated May 24, 1920, the said supplies having been delivered to and accepted by the United States, but payment therefor not having been made because of the absence of a formal written contract, as required by section 3744 of the Revised Statutes, as amended by the act of June 17, 1917 (40 Stat. 198): *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MOTHER'S DAY

The resolution (S. Res. 106) favoring an expression on Mother's Day of our love and reverence for motherhood, submitted by Mr. COPELAND on the calendar day March 15, 1935, and reported from the Committee on Education and Labor without amendment, was read, considered, and agreed to, as follows:

Whereas by House Joint Resolution 263, approved and signed by President Wilson, May 8, 1914, the second Sunday in May of each year has been designated as Mother's Day for the expression of our love and reverence for the mothers of our country; and

Whereas there are throughout our land today an unprecedentedly large number of mothers and dependent children who, because of unemployment or loss of their bread earners, are lacking many of the necessities of life: Therefore be it

Resolved, That the President of the United States is hereby authorized and requested to issue a proclamation calling upon our citizens to express, on Mother's Day this year, our love and reverence for motherhood;

(a) By the customary display of the United States flag on all Government buildings, homes, and other suitable places;

(b) By the usual tokens and messages of affection to our mothers; and

(c) By making contributions, in honor of our mothers, through our churches or other fraternal and welfare agencies, for the relief and welfare of such mothers and children as may be in need of the necessities of life.

The preamble was agreed to.

BILLS PASSED OVER

The bill (S. 672) for the relief of the city of Baltimore was announced as next in order.

Mr. WHEELER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2530) to protect American and Philippine labor and to preserve an essential industry, and for other purposes, was announced as next in order.

Mr. AUSTIN. Over.

The PRESIDENT pro tempore. The bill will be passed over.

GERALD MACKEY

The Senate proceeded to consider the bill (H. R. 378) for the relief of Gerald Mackey.

Mr. KING. Mr. President, I should like an explanation of the bill.

Mr. WHITE. Mr. President, this is a bill authorizing the Comptroller General of the United States to examine, investigate, and pay this claim in such amount as he may find proper.

The injured man was a member of the fire company at Tupper Lake, in up-State New York. There was a reciprocal arrangement between that town and the Veterans' Administration facility at Sunmount, in New York, for services to be rendered one to the other in case of emergency. There was a fire at the Veterans' Administration facility. This Tupper Lake fireman went there; he was mounting a ladder carrying a hose with a full head of water to play on the flames. The ladder broke and he was injured. The Veterans' Administration has said there is a moral obligation to make compensation, and it suggested the general form of the bill. The bill has passed the House, and it seemed to the committee there was justification for its passage by the Senate.

Mr. KING. May I ask the Senator another question?

Mr. WHITE. Certainly.

Mr. KING. Under the general retirement act or under the act providing for compensation to persons injured while in the service of the State or municipalities, would not this case be covered?

Mr. WHITE. No. The town itself had an insurance arrangement, but for some reason it was held that the insurance did not cover an injury of the character involved in this particular case.

Mr. KING. I am advised that the bill authorizes the Comptroller General to fix the amount.

Mr. WHITE. That is correct. That form of bill was suggested by the Veterans' Administration, as I think has been done in other cases. The Comptroller General has not a reputation for prodigality in the payment of claims.

Mr. KING. It seems to me, unless the bill were referred to the Court of Claims, where all the facts could be investigated,

it is rather dangerous to commit to some officer of the Government the determination of damages in case of a tort.

Mr. WHITE. It is not a case where there is a legal claim. There is no legal claim upon which the Court of Claims should pass. It is purely the recognition of a moral or equitable claim or debt.

Mr. KING. It seems to me the Court of Claims ought to find the amount due.

Mr. WHITE. The report of the House committee shows the maximum amount claimed by the man is $1,200, to cover all expenses and everything incident to the accident.

Mr. KING. Why does not the Senator offer an amendment providing that, while the Comptroller general may make the examination and determine the amount, yet in no event shall more than $1,200 or $1,000, whichever the committee thinks fair, shall be paid.

Mr. WHITE. If I must offer the amendment in order to have the bill passed, of course I shall do so. The bill passed the House in this form, and the Claims Committee thought it was perfectly safe in reporting it in this form.

Mr. O'MAHONEY. Mr. President, it seems to me that it creates rather an unusual precedent that a Government official may have the sole determination of what the compensation shall be. Is there any real objection to providing that it shall not exceed $1,200, the amount which is stated in the report?

Mr. WHITE. Very well. I move to amend, on page 1, line 7, after the word "Mackey", by inserting the words "not to exceed $1,200."

The PRESIDENT pro tempore. The amendment will be stated.

The amendment was, on page 1, line 7, after the word "Mackey", it is proposed to insert the words "not to exceed $1,200", so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to examine, investigate, and pay the claim of Gerald Mackey in such amount as the Comptroller General may determine to be fair and proper compensation for actual damages to the person of Gerald Mackey, not to exceed $1,200, including medical and hospital expenses and actual loss of earnings proximately resulting from injuries sustained while assisting in extinguishing the fire at the Veterans' Administration facility, Sunmount, N. Y., January 25, 1933, while serving as a member of the volunteer fire department of Tupper Lake, N. Y. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, such sum as the Comptroller General may find necessary for payment of the said claim, and payment by the Comptroller General in accordance with this act shall be full and final settlement of the said claim of Gerald Mackey against the United States on account of such injuries: *Provided*, That in addition to the evidence otherwise required and as a condition to payment of the claim, the said Gerald Mackey shall be required to submit proof satisfactory to the Comptroller General that he has not obtained settlement of the claim from a person other than the United States and shall be required to surrender to the United States any and all claim on account of the injuries heretofore described as against any person other than the United States.

The amendment was agreed to.

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

The bill was read the third time and passed.

ESTATE OF THOMAS PERAGLIA

The Senate proceeded to consider the bill (H. R. 530) granting compensation to the estate of Thomas Peraglia, deceased, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "sum of", to strike out "$7,500" and insert "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to the estate of Thomas Peraglia, deceased, late of Palisades Park, Bergen County, N. J., in full settlement of all claims against the Government of the United States for the death of the said Thomas Peraglia, resulting from injuries he sustained when shot by a Federal prohibition officer at Palisades Park, Bergen County, N. J., February 12, 1927: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. KING. Mr. President, will the Senator explain the merits of the case?

Mr. WHITE. Mr. President, this is another House bill. It is a case of the kind which often comes before the Claims Committee. It provides for reimbursement because of the shooting of a person by a prohibition officer.

Prohibition officers heard there was a still being operated on certain premises in the town of Palisades Park, N. J. They went there, found the still, and were in possession of the premises. While they were on the premises Peraglia entered. The prohibition officer immediately shot him. The bullet went through his right lung. The man ran for a short distance, fell, and was found there. He was not armed. The bullet of the prohibition officer penetrated the right lung. The man lived about 5 years with an open rubber drain in the lung during that entire period of time; the man died, leaving a wife and children.

Mr. KING. I have no objection to the bill. The only regret I have is that we cannot compel the man who did the shooting to pay the claim.

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

The amendment was agreed to.

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

The bill was read the third time and passed.

KNUD O. FLAKNE

The bill (S. 1446) for the relief of Knud O. Flakne was announced as next in order.

Mr. KING. Over.

Mr. WHITE. Mr. President, will the Senator withhold his objection for a moment?

Mr. KING. Very well.

Mr. WHITE. In the last Congress there was enacted legislation seeking to adjust the claims growing out of the draining of Mud Lake. That legislation designated the beneficiaries and specified the amount each beneficiary was to receive. Included among these designated beneficiaries was the F. H. Wellcome Co. Flakne was not named at all in the original legislation.

When the claim was presented to the Interior Department it appeared there was a conflict as to title. The bill does not increase the amount at all, it does not enlarge the obligation or liability of the United States over the legislation of last year, but it makes possible the determination of whether the amount of money named in the legislation of last year rightfully belongs to Wellcome Co. or to Flakne. That is all that is involved in it.

Mr. KING. I withdraw my objection.

There being no objection, the Senate proceeded to consider the bill (S. 1446) for the relief of Knud O. Flakne, which had been reported from the Committee on Claims with an amendment on page 1, line 7, after the words "amended by", to strike out the words "striking out the words F. H. Wellcome Co. and inserting in lieu thereof the words Knud O. Flakne", and inserting in lieu thereof the words "inserting the words 'or Knud O. Flakne' after the words 'F. H. Wellcome Co.'", so as to make the bill read:

Be it enacted, etc., That the act entitled "An act for the relief of certain riparian owners for losses sustained by them on the drained Mud Lake bottom in Marshall County in the State of Minnesota", approved June 26, 1934 (Private, No. 368, 73d Cong.), is hereby amended by inserting the words "or Knud O. Flakne" after the words "F. H. Wellcome Co."

The amendment was agreed to.

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

MARY C. MORAN

The Senate proceeded to consider the bill (S. 1447) for the relief of Mary C. Moran, which had been reported from

the Committee on Claims with an amendment on page 1, line 7, after the word "amended" to strike out the words "by striking out the words 'Clarence Larson' and inserting in lieu thereof the words 'Mary C. Moran'", and inserting in lieu thereof the words "by inserting the words 'or Mary C. Moran' after the words 'Clarence Larson'", so as to make the bill read:

Be it enacted, etc., That the act entitled "An act for the relief of certain riparian owners for losses sustained by them on the drained Mud Lake bottom in Marshall County in the State of Minnesota", approved June 26, 1934 (Private, No. 368, 73d Cong.), is hereby amended by inserting the words "or Mary C. Moran" after the words "Clarence Larson."

The amendment was agreed to.

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

ALEXANDER C. DOYLE

The bill (H. R. 240) for the relief of Capt. Alexander C. Doyle was announced as next in order.

Mr. ROBINSON. Mr. President, I should like to have an explanation of the bill.

Mr. WHITE. Mr. President, this is a bill authorizing the Comptroller General to adjust and settle the claim, but in a specified amount.

It appears from the papers in the case that this officer was stationed at Schofield Barracks, Hawaii. He was charged there with a great many duties. He was responsible for several million dollars' worth of Government property. He had direction of the police and sanitation. He was finance officer for the barracks. He was charged with the handling of the pay roll for the men and all the employees engaged in the various undertakings.

While he was engaged in these duties it was disclosed that there were irregularities in the pay roll amounting to some $3,300. The pay rolls were made up by subordinates in his office, submitted to him with their certification, and then approved by him.

The captain was court-martialed. He was tried and charged with neglect of duty, as the result of which it was alleged this loss occurred. The court martial which tried him exonerated him on every charge. There was no suggestion of wrong intent on his part. There was no suggestion that he profited in any way by the irregularities. There was no suggestion in the ultimate finding of the court martial that he was guilty of neglect or in any other respect was involved.

However, pending the investigation, pending the trial by the court martial, and notwithstanding the acquittal of the officer on all these charges, the War Department withheld a portion of his pay. Your committee felt that if the tribunal established by the War Department found him guiltless, the Department itself ought not administratively to penalize him. In other words, we felt that the War Department ought to abide by the verdict of its own tribunal, which was the court martial, and which, as I said, exonerated him in all respects of all charges.

Mr. ROBINSON. Did the Government sustain a loss by reason of his alleged neglect of duty?

Mr. WHITE. My impression is that there was a loss; but I desire again to emphasize to the Senator from Arkansas that the court martial exonerated this officer of the charge of neglect of duty. The basis of the court-martial proceedings was neglect of duty on his part, from which the loss resulted. That was the issue tried before the court martial; and he was acquitted not only upon that charge but upon various other suggestions which were involved in the court-martial proceeding. In other words, he got from the tribunal set up by the War Department a complete clean bill of health.

Mr. ROBINSON. Was there a report on the bill from the War Department?

Mr. WHITE. Yes.

Mr. ROBINSON. I do not see it in the report of the committee.

Mr. WHITE. It does not appear in the report of the committee, and I shall have to confess to the Senator that I cannot answer that question.

Mr. ROBINSON. I ask that the bill go over for the present.

The PRESIDENT pro tempore. The bill will be passed over.

BROWN & CUNNINGHAM, OF PORT DEPOSIT, MD.

The Senate proceeded to consider the bill (S. 684) for the relief of Brown & Cunningham, of Port Deposit, Md., which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the word "and", to strike out "Frank J. Cunningham" and insert "Nellie R. Cunningham"; in line 8, after the words "sum of", to strike out "$3,368.65" and insert "$2,400"; and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fred S. Brown and Nellie R. Cunningham, doing business under the name of Brown & Cunningham, Port Deposit, Md., the sum of $2,400, in full satisfaction of their claims against the United States for damages on account of loss of business and destruction of certain stock and fixtures caused by a Marine Corps truck (no. 1394), when such truck crashed into the store owned by said Brown & Cunningham at Port Deposit, Md., on October 12, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

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

BILLS PASSED OVER

The bill (S. 2367) to create the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, to engage in rural rehabilitation, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2357) to amend an act entitled "An act to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley; to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes", approved May 18, 1933, was announced as next in order.

Mr. KING. Mr. President, obviously that bill cannot be considered under the 5-minute rule.

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

TRIAL FOR MURDER BY NAVAL COURTS MARTIAL

The Senate proceeded to consider the bill (S. 1207) to authorize trial by court martial of any person in the naval service charged with the crime of murder committed without the geographical limits of the States of the Union and the District of Columbia, which was read, as follows:

Be it enacted, etc., That article 6 of section 1624 of the Revised Statutes is amended to read as follows:

"ART. 6. Any person in the naval service who is charged with the crime of murder may be tried by court martial and on conviction shall suffer death or such other punishment as a court martial may direct; but no person shall be tried by court martial for murder committed within the geographical limits of the States of the Union and the District of Columbia in time of peace."

Mr. ROBINSON. Mr. President, I inquire of the Senator from Florida [Mr. TRAMMELL] whether there is not now authority for the trial of persons serving in the Navy who are charged with homicide, where the crime is alleged to have been committed outside the geographical limits of the United States?

Mr. TRAMMELL. If they are connected with a vessel of the Navy, there is a law which provides for it; but if they are stationed at some post, the law does not cover a situation of that character. The Navy Department recommended the passage of this bill so that if an officer or other person in the naval service were entirely detached from a vessel he would be subject to its jurisdiction, instead of having to be turned over to the local authorities, wherever he might happen to be, outside of the United States. That is the purpose of the bill.

Mr. ROBINSON. I have no objection to the bill.

Mr. KING. Mr. President, may I ask the Senator whether in handling such a case under this bill a different method would be employed than that which would prevail if the man committed the homicide while on board a ship of the Navy?

Mr. TRAMMELL. That is a detail which has not been gone into in the discussion of the bill; but, of course, the accused would be tried by court martial at the post where he might happen to be, instead of being turned over to the local authorities. The explanation for the bill, as I understand, is that the present law provides for the trial of men connected with ships, but not for the trial of men stationed at some post without the United States.

Mr. KING. But they have to be in the naval service in order to be tried by court martial?

Mr. TRAMMELL. Oh, they have to be in the naval service.

Mr. KING. Suppose, however, the authorities of the country in which the homicide was committed arrested the man and sought to take jurisdiction of the crime. They would do so. We could not prevent their doing so.

Mr. TRAMMELL. Of course, that would depend upon the law of the particular nation involved.

Mr. KING. Suppose a national of the country in which the post was located should be killed by a seaman at the post. Then, quite likely, the government of that national might claim jurisdiction over the offending person.

Mr. TRAMMELL. Ordinarily I should not think our law would supersede their law unless by some treaty arrangement, and so forth, it should be done.

Mr. ROBINSON. I think the object is to give the naval authorities jurisdiction in just such cases as the Senator from Utah has suggested. The report states that under present conditions, unless a man is attached to a ship, there is no jurisdiction in the naval authorities to try him. Under this bill he would be tried by naval court martial whether or not he were attached to a ship.

Mr. TRAMMELL. That is the object of the proposed legislation, which I think is much more desirable than leaving the matter open as it is at present, so that he would be turned over to the authorities of the country in which he was located.

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

ASSISTANTS TO COMMANDANT OF MARINE CORPS

The bill (S. 1211) authorizing the assignment of two officers on the active list of the United States Marine Corps not below the rank of colonel to duty as assistants to the Major General Commandant of the Marine Corps was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That an officer on the active list of the United States Marine Corps not below the rank of colonel may be detailed as first assistant to the Major General Commandant, and, in case of the death, removal, retirement, resignation, absence, or sickness of the Major General Commandant, shall, unless otherwise directed by the President, as provided by section 179 of the Revised Statutes, perform the duties of the Major General Commandant until his successor is appointed or such absence or sickness shall cease.

SEC. 2. That an officer on the active list of the United States Marine Corps not below the rank of colonel may be detailed as second assistant to the Major General Commandant and in case of the death, removal, retirement, resignation, absence, or sickness of both the Major General Commandant and the first assistant to the Major General Commandant, shall, unless otherwise directed by the President as provided by section 179 of the Revised Statutes, perform the duties of the Major General Commandant until his successor is appointed or such absence or sickness shall cease.

BONDS OF OFFICERS OF NAVAL SUPPLY CORPS

The Senate proceeded to consider the bill (S. 1212) to amend section 1383 of the Revised Statutes of the United States, which was read, as follows:

Be it enacted, etc., That section 1383 of the Revised Statutes of the United States is amended to read as follows:

"SEC. 1383. Every officer of the Supply Corps of the United States Navy shall, before entering upon the duties of his office, give good and sufficient bond to the United States, to be approved by the Secretary of the Navy and in such sum as the Secretary may direct, faithfully to account for all public funds and property which he may receive. The Secretary of the Navy may, in his discretion, waive the requirements of this section in the case of officers of the Supply Corps who are not accountable for public funds or public property."

Mr. ROBINSON. Mr. President, what is the effect of this bill?

Mr. TRAMMELL. This is an administration measure, recommended by the Navy Department. It seems that under the present law all supply officers of the Navy are required to give bond whether or not they have custody of any funds or any supplies. The Navy Department recommends that the law be amended so that bond shall be required only in the event the officer is entrusted with funds or property. The bill seeks to relieve officers of the necessity of giving bond where not required for the protection of the Government.

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

LEADERS OF NAVY BAND AND MARINE CORPS BAND

The bill (S. 1609) for the relief of the present leaders of the United States Navy Band and the band of the United States Marine Corps was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That from and after the date of approval of this act the present leader of the United States Navy Band and the present leader of the band of the United States Marine Corps shall have the rank, pay, and allowances of a lieutenant in the Navy and of a captain in the Marine Corps, respectively; and in the computation of their pay and allowances all service in the Navy and the Marine Corps of whatever nature rendered by said leaders shall be counted as if it were commissioned service; and the said leaders of the United States Navy Band and the band of the United States Marine Corps shall, at such time as the President in his discretion may direct, be entitled to retirement as a lieutenant in the Navy and as a captain in the Marine Corps, in the same manner as other officers of the Navy and the Marine Corps of such rank and length of service, computed as stated above, would be entitled to retirement.

EXCHANGE OF LANDS AT QUANTICO, VA.

The bill (S. 1611) to authorize an exchange of lands between the Richmond, Fredericksburg & Potomac Railroad Co. and the United States at Quantico, Va., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized on behalf of the United States to accept from the Richmond, Fredericksburg & Potomac Railroad Co., a corporation of the State of Virginia, free from all encumbrances and without cost to the United States, all right, title, and interest in fee simple in and to the following lands, together with all the right, title, and interest in and to the platted streets and riparian rights in Quantico Creek as may attach to the lots conveyed in subsection (a):

(a) Lots no. 21, 22, 23, 38, 39, 51, 58, 59, 72, and 85 in the town of Carborough, county of Prince William, State of Virginia, as shown on the original plat filed with the condemnation of the above lots by the Potomac Railroad Co., that lie to the east of a line drawn 100 feet east from and parallel to the present center line of the Richmond, Fredericksburg & Potomac Railroad Co., purchased from the Potomac & Manassas Railroad Co. by deed dated August 15, 1871, recorded January 1, 1872, in the clerk's office of Prince William County in deed book no. 28, page 452, excepting therefrom that portion of lot no. 22, sold by the Potomac Railroad Co. to J. W. Norton by deed dated November 24, 1883, recorded in the clerk's office, Prince William County, on December 8, 1883, in deed book no. 34, page 424, which portion is more particularly designated and described as lot no. 22–A on plan marked "V. D. 41–4, R., F. & P. R. R. Co. Proposed exchange of lands at Quantico, scale 1"=100 feet dated October 1, 1932, revised September 4, 1933", beginning at the United States Marine Corps Reservation corner no. 154 along the boundary between the United

States Marine Corps Reservation and lot no. 23, south 55° 16′ east, a distance of 38.3 feet to the corner of lot no. 23, the place of beginning; thence along boundary line of United States Marine Corps Reservation south 55°16′ east 131.7 feet to boundary monument no. 153 of United States Marine Corps Reservation; thence on said boundary line north 34°44′ east 141.6 feet to a point; thence leaving said boundary line north 64°46′ west 60 feet to a point; thence north 78°46′ west 48.5 feet to a point; thence south 59°54′ west 64.5 feet to a point; thence south 34°43′ west 53.8 feet to the point of beginning, containing three hundred and forty-eight thousandths of an acre.

(b) That certain parcel of land lying on the west side of the right-of-way north of Potomac Avenue, town of Quantico, county of Prince William, Va., beginning at a point where the western right-of-way line of the Richmond, Fredericksburg & Potomac Railroad Co. intersects the northern curb line of Potomac Avenue; thence along said western right-of-way line in a northerly direction 316.3 feet to a point; thence at right angles in an easterly direction 20 feet to a point; thence by a line parallel to the present western right-of-way line and 20 feet east from it in a southerly direction 175.3 feet to a point; thence at right angles in a westerly direction 7.5 feet to a point; thence in a southerly direction by a line parallel to and 12.5 feet east from the present western right-of-way line, 139 feet to a point on the northern curb line of Potomac Avenue; thence in a westerly direction along said northern curb line of Potomac Avenue 13.2 feet to the point of beginning, containing 5,256 square feet, subject, however, to the easement for a right-of-way for ingress and egress to the rear of the building leased to the Mutual Ice Co. over and through the above-described lot; said parcel being more particularly shown outlined in red on the map marked "R. F. & P. R. R. Co.,—Location Plan Buildings, Tracks, etc., Potomac Avenue; Quantico, Va., dated Nov. 13, 1931, No. 10–D–27."

The above properties, when transferred to the United States shall become a part of the Marine Corps Reservation, Quantico, Va.

SEC. 2. In exchange for the above-described lands, the Secretary of the Navy is authorized to transfer by appropriate conveyance to the Richmond, Fredericksburg & Potomac Railroad Co., free from all encumbrances, and without cost to the Richmond, Fredericksburg & Potomac Railroad Co., all right, title, and interest of the United States in and to the lands contained within the Marine Corps Reservation at Quantico, Va., described generally as follows:

(1) Those two small parcels of land, part of what is known as the "Shipping Board Tract" as shown on the map of the United States Marine Corps Reservation, Prince William County, Va., dated June 25, 1920, signed Thomas J. Brady, Jr., Public Works officer, that lies to the west of a line drawn parallel to and 100 feet east from the present center line of the Richmond, Fredericksburg & Potomac Railroad Co. and lying within the right-of-way of said railroad company, such land being shown more particularly in yellow on the map marked "V. D. 41–4—R. F. & P. R. R. Co.—Proposed exchange of land at Quantico, Scale 1″=100 feet dated Oct. 1, 1932, revised Sept. 4, 1933."

(2) That parcel of land adjoining the present eastern right-of-way line of the Richmond, Fredericksburg & Potomac Railroad Co. between Fifth and Sixth Streets in the town of Quantico, Prince William County, Va., beginning at a point where the present southern line of Fifth Street intersects the present eastern right-of-way line of the Richmond, Fredericksburg & Potomac Railroad; thence in an easterly direction along said southern line of Fifth Street 10.13 feet to a point; thence in a southerly direction by a line parallel to and 10.13 feet east from the present eastern right-of-way line of the Richmond, Fredericksburg & Potomac Railroad 56.58 feet to a point; thence bearing to the east by a line that is at right angles to the northern line of Sixth Street 180.17 feet to a point in said northern line of Sixth Street; thence in a westerly direction 39.57 feet to the eastern right-of-way line of the Richmond, Fredericksburg and Potomac Railroad; thence in a northerly direction along said right-of-way line 239.14 feet to the point of beginning; containing 5,047 square feet, all as more particularly shown in yellow on the map marked "V. D. 41–101—R. F. & P. R. R. Co. Easement desired from U. S. Govt. of Quantico, Va., dated Sept. 12, 1932."

JOHN J. MORAN

The bill (S. 211) for the relief of John J. Moran was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and paid to John J. Moran the sum of $296.42, being the amount paid by Mr. Moran as postmaster at Southington, Conn., to Raymond F. Keating and Keron R. Welch, employees at the post office for the period August 16 to September 30, 1918, which amount was not allowed by the Post Office Department, plus interest at the rate of 4 percent per annum.

BILLS PASSED OVER

The bill (S. 1439) amending the postal laws to include as second-class matter religious periodicals publishing local information was announced as next in order.

Mr. ROBINSON. Mr. President, let us have an analysis of this proposed change in the postal laws.

The PRESIDENT pro tempore. The bill was introduced by the Senator from Massachusetts [Mr. WALSH] and reported by the Senator from Tennessee [Mr. MCKELLAR]. Neither of those Senators appear to be in the Senate Chamber.

Mr. ROBINSON. Then the bill may be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1539) relating to undelivered parcels of the first class was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

PUNISHMENT FOR DELIVERY OF NONMAILABLE MATTER—RECOMMITTAL

The bill (S. 1541) to punish persons knowingly causing the delivery by mail of certain nonmailable matter was announced as next in order.

Mr. LA FOLLETTE. Mr. President, this bill was recently reported from the Committee on Post Offices and Post Roads, and it is my information that the bill did not have very careful consideration. It is rather sweeping in its effect. After a conference with the author of the bill, the Senator from Arizona [Mr. HAYDEN], he has agreed that the bill shall be recommitted to the committee for further consideration, especially in the light of certain hearings which have been held by the House committee.

I therefore ask unanimous consent that the bill may be recommitted to the Committee on Post Offices and Post Roads.

Mr. ROBINSON. Mr. President, the Senator has stated that that meets the approval of the Senator from Arizona [Mr. HAYDEN]?

Mr. LA FOLLETTE. It meets the approval of the author of the bill.

The PRESIDENT pro tempore. The Senator from Wisconsin asks unanimous consent that Senate bill 1541 be recommitted to the Committee on Post Offices and Post Roads. Without objection, it is so ordered.

ANNIVERSARY OF FOUNDING OF HUDSON, N. Y., AND PROVIDENCE, R. I.

The Senate proceeded to consider the bill (H. R. 6457) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the founding of the city of Hudson, N. Y.

Mr. METCALF. Mr. President, I wish to offer certain amendments to the bill which will authorize the issuance of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of the city of Providence, R. I. This is one of the few bills introduced in Congress which will not cost the Government anything.

The PRESIDENT pro tempore. The amendments offered by the Senator from Rhode Island will be stated.

The CHIEF CLERK. On page 1, line 6, after the word "pieces", it is proposed to insert "and in commemoration of the three hundredth anniversary of the founding of the city of Providence, R. I., there shall be coined by the Director of the Mint 50,000 silver 50-cent pieces, in each case such coins to be."

The amendment was agreed to.

The CHIEF CLERK. On page 2 it is proposed to strike out lines 1 to 4, inclusive, and to insert:

SEC. 2. Coins commemorating the founding of the city of Hudson, N. Y., shall be issued at par, and only upon the request of the committee, person, or persons duly authorized by the mayor of the city of Hudson, N. Y., and the coins commemorating the founding of the city of Providence, R. I., shall be issued at par, and only upon the request of the Providence Tercentenary Committee.

The amendment was agreed to.

The CHIEF CLERK. On page 2, line 7, it is proposed to strike out all after the word "authorized" down to and including the word "projects", in line 9, and to insert "in section 2, and all proceeds shall be used in furtherance of the commemoration of the founding of the cities of Hudson, N. Y., and Providence, R. I., respectively."

The amendment was agreed to.

The CHIEF CLERK. On page 2, line 20, it is proposed to strike out all after the word "they" down to and including the word "coins", in line 23, and to insert "may be requested by the committee, person or persons duly authorized by said mayor of Hudson, N. Y., in the case of coins issued in commemoration of the founding of that city, and by the Providence Tercentenary Committee in the case of coins commemorating the founding of the city of Providence, R. I., and in each case only upon payment to the United States of the face value of such coins."

The amendment was agreed to.

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

The bill was read the third time and passed.

The title was amended so as to read: "An act to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the founding of the city of Hudson, N. Y., and of the three hundredth anniversary of the founding of the city of Providence, R. I., respectively."

OSAGE TRIBE OF INDIANS

The Senate proceeded to consider the bill (S. 2375) authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States, which was read as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated the sum of $776,742.03, being the net amount received by the United States from the sale of land of the Osage Tribe of Indians in the State of Kansas under article I of the treaty of September 29, 1865 (14 Stat. L. 687), credited to the "Civilization Fund" on the books of the Treasury of the United States and used for the benefit of Indian tribes other than the Osage, said Osage Tribe of Indians referred to herein now residing in the State of Oklahoma, as found by the Court of Claims in its opinion of May 28, 1928 (66 Ct. Cl. 64), in a case known as "B–38", entitled "Osage Nation of Indians against United States of America", instituted under act of February 6, 1921 (41 Stat. L. 1097).

SEC. 2. Said amount, when appropriated, shall be placed in the Treasury of the United States to the credit of the Osage Tribe of Indians and distributed in accordance with the rules and regulations governing payment of moneys accruing to members of the Osage Tribe of Indians.

SEC. 3. Said appropriation shall be in full, complete, and final settlement of the claim of the Osage Tribe of Indians against the United States arising under the treaty of 1865, above cited.

SEC. 4. The Secretary of the Interior is hereby authorized and directed to pay, out of said appropriation when made, the fees and expenses of the attorneys of record, in accordance with provisions and percentages in their contract as approved by the Secretary of the Interior May 5, 1931.

Mr. KING. Mr. President, I should like an explanation of this bill. It seems to appropriate a very large sum.

Mr. THOMAS of Oklahoma. Mr. President, a similar bill was passed by the Senate in the last Congress, carrying the same amount, with interest. The bill went to the House of Representatives, and the House attached an amendment striking out the provision for interest; but at that time it was too late to get the bill back to the Senate and have it passed.

The theory of the bill is this: A long time ago the Government made a treaty with the Osage Indians, who at that time were wholly illiterate, non-English speaking. The treaty was made in 3 hours, and in the treaty a clause was inserted providing that certain lands of the Osages should be sold, and the proceeds taken for a "civilization fund" to be expended among Indians residing within the United States. The Indians did not have any words in their language which meant "civilization" or "fund", so, apparently, they had no conception of what those words meant. After the land was sold the Government took the money and spent it among the other tribes, and the Osages got only $189. When the Osages learned what "civilization" meant and what "fund" meant, their money was gone; so they presented a claim, and the claim was approved by the Bureau of Indian Affairs, and has always been approved by the Bureau of Indian Affairs.

The Budget Bureau report that the bill is in conflict with their program. Of course all appropriations now are in conflict with their program.

That is a statement of the purpose of the bill. The Osages not having received the money, and the land having been theirs, they are convinced that this money should be appropriated for their benefit.

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

BILL PASSED OVER

The bill (S. 1504) authorizing the Arapahoe and Cheyenne Indians to submit claims to the Court of Claims, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, I desire to ask the Senator from Montana [Mr. WHEELER] a question in regard to this bill. I observe that the statute of limitations is waived. The bill is not very clear as to the issues involved and the possible liability of the Government.

Mr. WHEELER. I ask to have the bill go over for the present.

The PRESIDENT pro tempore. The bill will be passed over.

PROTECTION AGAINST SOIL EROSION

The Senate proceeded to consider the bill (H. R. 7054) to provide for the protection of land resources against soil erosion, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. KING. Mr. President, may I state to the Senator from New Mexico [Mr. HATCH], who reported this bill, that a number of appeals have been made to me during the past 2 or 3 days—whether they have any merit or not I cannot say—that the bill ought to go over, for the reason that under the $5,000,000,000 appropriation measure which was passed a few days ago there will probably be considerable funds allotted for this particular purpose, and an organization under Mr. Bennett is now functioning, although I do not know the extent of its activities.

Mr. HATCH. Mr. President, before the objection is made, may I make just a brief explanation, and I believe the Senator will withhold his objection?

Mr. KING. I yield.

Mr. HATCH. It is quite true that under the work-relief law which has just been enacted a considerable fund is set up for soil-erosion-control work, but the purpose of the pending bill is to coordinate all the different branches of the Government which have been doing soil-erosion-control work in the past, the F. E. R. A., the Forestry Department, and other branches. This bill would create a new agency in the Department of Agriculture for the express purpose of coordinating all these activities, and making the funds to be expended by this particular agency applicable to the provisions of the work-relief law.

The pending bill was introduced in the House of Representatives by the Representative from New Mexico, Representative DEMPSEY. Previous to that the Senator from Arizona [Mr. HAYDEN] and the Senator from Colorado [Mr. COSTIGAN] and myself had introduced a bill in the Senate, and several other bills have been introduced in the Senate and in the House all having the same general purpose.

We have conferred with Director Bennett, the Secretary of Agriculture, and all the department heads interested. A subcommittee composed of the Senator from Kansas [Mr. MCGILL], the Senator from North Dakota [Mr. FRAZIER], and myself held quite extensive hearings on the bill, and we think it is very desirable to have the bill enacted as soon as possible in order that the organization may be set up and the work be coordinated and that duplication of efforts may be avoided in this very important work.

Mr. KING. Mr. President, one of the objections which has been urged to the bill, and it is one which appeals to me, is that it would place this activity in the hands of the Department of Agriculture, rather than in the Department of the Interior. As the Senator knows, there are millions of acres, perhaps nearly 200,000,000 acres, of public land under the control of the Department of the Interior. Some of us have a great deal of confidence in Mr. Ickes; I have, and I

should be pleased if his Department had control of this enterprise.

Mr. HATCH. The activity has already been turned over to the Department of Agriculture by Executive order.

Mr. KING. I regard it as a mistake to take away from the Department of the Interior control over the public domain.

Mr. HATCH. The transfer has already been made.

Mr. ROBINSON. Mr. President, surveys relating to soil erosion, it seems to me, clearly belong within the Department of Agriculture. I think an analysis of the work to be done would justify that conclusion.

Mr. KING. Mr. President, I dislike to disagree with the Senator from Arkansas, but with respect to the public domain, instead of a dual control of lands under the public domain, where titles are to be granted and surveys are to be made, there should be some one jurisdiction over such domain, and I doubt the wisdom of placing the public lands under the control of the Department of Agriculture.

Mr. ROBINSON. It seems to me the whole problem can better be handled by one department than by two.

Mr. HATCH. All the departments interested, as I have explained, have been consulted. The bill does not change the situation at all. It does create an agency in the Department of Agriculture.

Mr. KING. I shall withhold the objection, with the understanding and with the agreement that if upon further examination this afternoon and tomorrow I desire to move to reconsider, the Senator will join in granting the motion, and having the bill restored to the calendar.

Mr. HATCH. I shall be very glad to do so.

Mr. KING. And that the House of Representatives shall not be notified in the meantime of the affirmative action of the Senate on the bill.

Mr. HATCH. I agree.

The PRESIDENT pro tempore. The clerk will state the first amendment of the Committee on Indian Affairs.

The first amendment of the committee was, on page 1, line 7, after the word "provide", to insert the word "permanently", and on line 11, after the word "protect", to insert the words "public health", so as to read:

Be it enacted, etc., That it is hereby recognized that the wastage of soil and moisture resources on farm, grazing, and forest lands of the Nation, resulting from soil erosion, is a menace to the national welfare, and that it is hereby declared to be the policy of Congress to provide permanently for the control and prevention of soil erosion and thereby to preserve natural resources, control floods, prevent impairment of reservoirs, and maintain the navigability of rivers and harbors, protect public health, public lands, and relieve unemployment, and the Secretary of Agriculture, from now on, shall coordinate and direct all activities with relation to soil erosion, and in order to effectuate this policy is hereby authorized, from time to time.

The amendments were agreed to.

The next amendment of the committee was, in section 3, on page 3, line 8, after the word "enactment", to strike out the word "and" and to insert the words "of reasonable safeguards for the", and after the word "of", on line 9, to insert the words "State and", so as to read:

SEC. 3. As a condition to the extending of any benefits under this act to any lands not owned or controlled by the United States or any of its agencies, the Secretary of Agriculture may, insofar as he may deem necessary for the purposes of this act, require—

(1) The enactment of reasonable safeguards for the enforcement of State and local laws imposing suitable permanent restrictions on the use of such lands and otherwise providing for the prevention of soil erosion.

Mr. HATCH. Mr. President, I desire to propose a change in the committee amendment. On line 8 the word "of" in the committee amendment is not correct, and the word "and" should be inserted in place thereof.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

The next amendment of the committee was, in section 4, on page 3, line 23, after the word "except", to strike out the words "that employees of the organization heretofore established for the purpose of administering those provisions of sections 202 and 203 of the National Industrial Recovery Act which relate to the prevention of soil erosion may be continued without regard to the civil-service laws or regulation and the classification act for a period not to exceed 4 months from the date of this enactment", and to insert in lieu thereof the words "for a period not to exceed 8 months from the date of this enactment, the Secretary of Agriculture may make appointments and may continue employees of the organization heretofore established for the purpose of administering those provisions of the National Industrial Recovery Act which relate to the prevention of soil erosion, without regard to the civil-service laws or regulations and the classification act, as amended"; on line 12, after the word "technical", to strike out the words "and expert" and to insert in lieu thereof the words "or practical"; on line 13, after the word "knowledge", to strike out the words "connected with any educational or research institution"; on line 14, after the word "be", to strike out the word "jointly"; on line 15, after the word "act", to strike out the words "and by such institution"; on line 23, after the word "act", to strike out the words "and any violation of any such regulation shall be punishable by a fine of not to exceed $100", so as to make the section read:

SEC. 4. For the purposes of this act, the Secretary of Agriculture may—

(1) Secure the cooperation of any governmental agency;

(2) Subject to the provisions of the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation of such officers and employees as he may deem necessary, except for a period not to exceed 8 months from the date of this enactment, the Secretary of Agriculture may make appointments and may continue employees of the organization heretofore established for the purpose of administering those provisions of the National Industrial Recovery Act which relate to the prevention of soil erosion, without regard to the civil-service laws or regulations and the Classification Act, as amended; and any persons with technical or practical knowledge, may be employed and compensated under this act on a basis to be determined by the Civil Service Commission; and

(3) Make expenditures for personal services and rent in the District of Columbia and elsewhere, for the purchase of law books and books of reference, for printing and binding, for the purchase, operation, and maintenance of passenger-carrying vehicles, and perform such acts, and prescribe such regulations, as he may deem proper to carry out the provisions of this act.

The amendments were agreed to.

The next amendment of the committee was, in section 5, on page 4, line 26, after the word "agency", to insert the words "to be known as the Soil Conservation Service", so as to make the section read:

SEC. 5. The Secretary of Agriculture shall establish an agency to be known as the "Soil Conservation Service", to exercise the powers conferred on him by this act and may utilize the organization heretofore established for the purpose of administering those provisions of sections 202 and 203 of the National Industrial Recovery Act which relate to the prevention of soil erosion, together with such personnel thereof as the Secretary of Agriculture may determine, and all unexpended balances of funds heretofore allotted to said organization shall be available until June 30, 1937, and the Secretary of Agriculture shall assume all obligations incurred by said organization prior to transfer to the Department of Agriculture. Funds provided in House Joint Resolution 117, "An act making appropriation for relief purposes" (for soil erosion) shall be available for expenditure under the provisions of this act; and in order that there may be proper coordination of erosion-control activities the Secretary of Agriculture may transfer to the agency created under this act such functions, funds, personnel, and property of other agencies in the Department of Agriculture as he may from time to time determine.

The amendment was agreed to.

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

The bill was read the third time and passed.

The PRESIDENT pro tempore. It has been agreed by unanimous consent that the bill shall not be sent to the House of Representatives until after tomorrow, so that a motion may be made for reconsideration if any Senator shall desire to make such a motion.

SETTING ASIDE RICE LAKE FOR CHIPPEWA INDIANS

The bill (S. 2532) to amend an act entitled "An act setting aside Rice Lake and contiguous lands in Minnesota for the exclusive use and benefit of the Chippewa Indians of Minnesota", approved June 23, 1926, and for other purposes, was

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

Be it enacted, etc., That the act entitled "An act setting aside Rice Lake and contiguous lands in Minnesota for the exclusive use and benefit of the Chippewa Indians of Minnesota", approved June 23, 1926 (44 Stat. L. 763), be, and the same is hereby, amended to read as follows:

"That there be, and is hereby, created within the county of Clearwater, State of Minnesota, a permanent reserve to be known as 'Wild Rice Lake Indian Reserve', which reserve shall include Rice Lake and the following-described contiguous lands: Beginning at the northwest corner of the northeast quarter southeast quarter section 8, township 145 north, range 38 west, and running due east to the northeast corner of southeast quarter section 9; thence south to northeast corner of northeast quarter section 16; thence due east to northeast corner of northeast quarter section 14, township 145 north, range 38 west; thence due south to southeast corner of northeast quarter section 2, township 144 north, range 38 west; thence due west to southwest corner of northwest quarter section 3 of said township and range; thence due north to southwest corner of northwest quarter section 15, township 145 north, range 38 west; thence due west to southwest corner of northwest quarter section 16; thence due north to northwest corner of northwest quarter said section 16; thence west to southwest corner of southeast quarter southeast quarter section 8; thence north to point of beginning, which, excluding the lake bed, contains approximately 4,500 acres.

"SEC. 2. All unallotted and undisposed-of public or Indian lands held in trust by the United States within the area described in section 1 hereof are hereby permanently withdrawn from sale or other disposition and are made a part of said reserve; and the Secretary of the Interior is authorized to (a) accept in the name of the United States voluntary conditional grants, conditioned only upon the continued permanent use of said lands for the purpose hereinafter stated, and none other, of any lands within said reserved area now held in public, private, State, or Indian ownership; (b) acquire by purchase any of said lands not so conditionally granted at such price as he may deem fair and equitable; or (c) acquire by condemnation any of said lands not acquired by conditional grants or by purchase, so as to vest in the United States for the purposes of this act good title to all land included in any such reserve.

"SEC. 3. The Secretary of the Interior is authorized, in his discretion, to establish not to exceed three additional wild-rice reserves in the State of Minnesota, which shall include wild-rice-bearing lakes situated convenient to Chippewa Indian communities or settlements, including all lands which, in the judgment of said Secretary, are necessary to the proper establishment and maintenance of said reserves and the control of the water levels of the lakes. The Secretary is authorized to withdraw and acquire, on the same terms provided in section 2 hereof, all lands which, in his judgment, may be necessary for the proper establishment, control, maintenance, and operation of any reserve established under this section.

"SEC. 4. Any reserves established under this act, including the water levels therein, shall be maintained and operated under the supervision and control of the Secretary of the Interior, in conformity with such rules and regulations as he may prescribe, for the primary purpose of conserving wild-rice beds for the exclusive use and benefit of the Chippewa Indians of Minnesota. The said Secretary, upon such terms and conditions as he may deem proper, may enter into an agreement in writing with the State of Minnesota, through its department of conservation, or other proper State agency, for the administration of any reserve created under this act, and for its use for other or different purposes, conditioned only that such other and different uses shall not impair the primary purpose for which said reserve was created and its administration in strict conformity with said rules and regulations prescribed by said Secretary.

"SEC. 5. All costs of establishing the reserves herein authorized, including the acquisition of the lands and the construction of dams or other structures to regulate the water levels, are hereby authorized to be paid by the Secretary of the Interior out of the trust funds of the Chippewa Indians of Minnesota in the Treasury of the United States."

INCLUSION OF HOPS AS A BASIC AGRICULTURAL COMMODITY

The Senate proceeded to consider the bill (S. 626) to amend the Agricultural Adjustment Act so as to include hops as a basic agricultural commodity, which was read as follows:

Be it enacted, etc., That section 11 of the Agricultural Adjustment Act, as amended, is amended by adding after the word "rice" a comma and the word "hops."

Mr. KING. I ask that this bill go over.

Mr. McNARY. Mr. President, I hope the Senator will withhold his objection for the present, at least.

Mr. KING. Very well.

Mr. McNARY. The production of hops is a major horticultural industry in the far West. Hops are grown in Oregon, Washington, and California, and have a very strong appeal to those who are poor and are able to harvest the crop.

I introduced this bill after very many conferences with the hop growers in the West during the last summer and fall. I think I may say that practically 100 percent of the growers of hops are pledged to this measure, and realize that its enactment is vital to the industry.

The bill went before the Agricultural Adjustment Administration and received approval after a very exhaustive study. It received a favorable report from the Director of the Budget, and the Committee on Agriculture and Forestry.

I do not often urge an amendment of the act in the face of opposition, but the hop crop is ready now for cultivation and culture. Spraying time has come, training time has arrived, and if there is to be control of this commodity, the bill should be passed at once.

I have been a loyal supporter of the A. A. A. and of designating any commodity as a basic commodity. It has generally been understood that if the growers of a commodity wanted to come within the provisions of the act, they should have that opportunity, and I plead in behalf of the growers of this commodity, who must have this proposed legislation enacted at once, or there will be a very great loss in carrying on the industry. I have heard of no opposition to the bill. Every report has been favorable, and inasmuch as it is vital that action should be taken, I appeal to the Senator from Utah to allow the bill to be considered at this time. I cannot imagine that anyone in his State would object to it. Hops is a western product. It is a horticultural commodity which affects the women and children in the States where it is grown. It is important and imperative that quick action be taken, and I ask the Senator at this time to permit the measure to be considered.

Mr. KING. Mr. President, primarily I object to this bill because I do not regard it as properly within the functions of the Federal Government. I think many of the activities of the Agricultural Department denominating certain agricultural commodities as basic have been great mistakes, and that great harm has resulted.

I have received two letters in regard to this measure. I have not them with me, but I will say to the Senator that I have no personal interest in the matter, and I will withdraw the objection if we may have an understanding that upon examining the letters again by tomorrow morning, if I find that I should insist upon the objection, the Senator will be willing that the bill may be restored to the calendar. Then I will have no objection to taking it up at an early date.

Mr. McNARY. The Senator means that he will allow action to be taken on the measure today, and then that there may be a motion to reconsider tomorrow if he desires to object?

Mr. KING. Yes.

Mr. McNARY. Very well.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

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

The PRESIDENT pro tempore. It is agreed that the clerk will not send the bill to the House of Representatives until after tomorrow, so that if objection shall be made, there may be reconsideration.

Mr. McNARY. I thought definite action was taken; but if the Senator persists in his objection tomorrow, the bill will be restored to the calendar.

The PRESIDENT pro tempore. The bill has already been passed.

MYSTIC SHRINE CONVENTION IN THE DISTRICT

The joint resolution (S. J. Res. 97) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 8, 1935, to June 17, 1935, both inclusive, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the sum of $50,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, payable wholly from the revenues of the District of Columbia, to enable

the Commissioners of the District of Columbia to maintain public order and protect life and property in the District of Columbia from the 8th day of June 1935 to the 17th day of June 1935, both inclusive, including the employment of personal services, the payment of allowances, traveling expenses, hire of means of transportation, and other incidental expenses in the discretion of the said Commissioners. There is hereby further authorized to be appropriated the sum of $4,000, or so much thereof as may be necessary, payable as aforesaid, for the construction, rent maintenance, and for incidental expenses in connection with the operation of temporary public-convenience stations, first-aid stations, and information booths, including the employment of personal services in connection therewith during such period.

STABILIZATION OF BITUMINOUS COAL-MINING INDUSTRY

The bill (S. 2481) to stabilize the bituminous coal-mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a drawback under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected with a national public interest; to conserve the bituminous-coal resources of the United States and to establish a national bituminous-coal reserve; to provide for the general welfare; and for other purposes, was announced as next in order.

Mr. LOGAN. Mr. President, I move that the Senate bill 2481, together with the printed hearings held by the subcommittee of the Committee on Interstate Commerce, be referred to the Committee on Mines and Mining.

The motion was agreed to.

Mr. WHEELER subsequently said: Mr. President, with reference to Senate bill 2481, introduced by the Senator from Pennsylvania [Mr. GUFFEY], I understand a motion was agreed to, referring it to the Committee on Mines and Mining.

Mr. LOGAN. Mr. President, that is true. That is where it should have been referred when it was originally introduced.

Mr. WHEELER. I cannot agree with the Senator. Similar bills have been introduced at previous sessions and have always been referred to and hearings had upon them by the Committee on Interstate Commerce.

Mr. LOGAN. If the Senator will pardon me, the last investigation, during which there were most extensive hearings, contained in some three volumes, amounting to 4,000 pages, was held by the Committee on Mines and Mining year before last.

Mr. WHEELER. That may be true with regard to year before last; but before that time similar bills were before the Congress, and hearings on the bills were had before the Committee on Interstate Commerce.

Mr. LOGAN. This bill refers exclusively to mining, the largest industry we have; and if there is any bill which should go to the Committee on Mines and Mining, this is the bill.

Mr. WHEELER. Mr. President, I am not interested in that. At the moment I am interested only in the fact that the Senator from Pennsylvania [Mr. GUFFEY] is not on the floor. He is interested in the bill. The Senator from West Virginia [Mr. NEELY], who presided at the hearings on this bill, is not present on the floor at this moment. It is not fair that a bill in which they have taken such interest, and which is on the calendar, should be sent to some other committee in their absence.

I ask the Senator from Kentucky if he will not wait until the Senator from Pennsylvania and the Senator from West Virginia are on the floor, so that they may be heard?

Mr. LOGAN. If the Senator from Montana will agree to have them on the floor when this bill comes up, I have no objection to that. However, I do not think it is unfair to make a motion to refer such a bill to the Committee on Mines and Mining for consideration simply because the author of the bill, or some Senator who is interested in the bill, is not here to look after it.

I do not have the slightest objection to waiting until the measure may be taken up when the Senator from Pennsylvania and the Senator from West Virginia are here; but I assert that I shall most earnestly urge the adoption of my motion. The Committee on Interstate Commerce has held hearings on this bill, but the Committee on Mines and Mining has the right to consider it before there shall be a final report or final consideration of the bill.

Mr. WHEELER. I have no interest whatsoever in the bill. The bill was introduced by the Senator from Pennsylvania [Mr. GUFFEY], and at his request came to the Committee on Interstate Commerce. I was requested to appoint a subcommittee. I did appoint a subcommittee, of which the Senator from West Virginia [Mr. NEELY] was chairman, which held hearings on the bill for something like a month, heard coal operators, heard miners, heard everyone interested in the bill who appeared. Even night sessions were held. In view of the fact that the Senator from Pennsylvania is so much interested in the bill, as is also the Senator from West Virginia, I feel it is not quite fair that the bill be taken up and summarily sent to another committee in their absence.

Mr. ROBINSON. Mr. President, it is my information that the order to refer the bill to the Committee on Mines and Mining has been entered by the Senate.

The PRESIDENT pro tempore. That is true.

Mr. ROBINSON. If that be true, it would be necessary to reconsider the vote by which that action was taken.

Mr. LOGAN. It is perfectly agreeable to me that that be done. I ask unanimous consent that the vote by which the bill was ordered referred to the Committee on Mines and Mining be reconsidered, and that the bill may stand on the calendar; and at some other time I shall make a motion to refer it to the Committee on Mines and Mining for consideration.

Mr. WHEELER. I thank the Senator for taking that action.

Mr. CONNALLY. Mr. President, on the question of propriety of taking that action, I think it ought to be said to the Senator from Kentucky that the bill was reached regularly on the calendar, and when a bill is before the Senate it is subject to any action which the Senate may see fit to take; and it is not the fault of Members who are present that other Members, who are absent and ought to be present, are not in the Chamber to be heard.

Mr. LOGAN. I thank the Senator from Texas for his statement, because it is true. The bill was regularly reached on the calendar. It would have been unfair to call it out of order, but that was not done by the Senator from Kentucky. It was reached in its regular order. However, I am sorry I left the impression upon anyone that what I asked to have done was unfair.

Mr. CONNALLY. When a bill is reached in its regular order, it can be objected to and passed over without referring the matter to anyone.

The PRESIDENT pro tempore. The Senator from Kentucky asks that the vote by which the Senate bill 2481 was referred to the Committee on Mines and Mining be reconsidered. Is there objection? The Chair hears none. The bill will be restored to the calendar.

Mr. LOGAN. And I ask that the bill be passed over.

The PRESIDENT pro tempore. At the request of the Senator from Kentucky, the bill will be passed over.

BERYL M. M'HAM

The Senate proceeded to consider the bill (S. 1578) for the relief of Beryl M. McHam, which had been reported from the Committee on Military Affairs with an amendment, at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Beryl M. McHam, who served in Company C, Twenty-sixth Regiment, and Company C, Eighth Regiment, United States Infantry, World War, shall hereafter be held and considered to have been honorably discharged from the military service of the United States on the 7th day of July 1920: *Provided*, That no pay, compensation, benefit, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, may I ask the Senator from Oklahoma [Mr. THOMAS] if this bill is similar to the one which was vetoed by the President last year?

Mr. THOMAS of Oklahoma. Yes, Mr. President; but the bill has been modified by the committee so as to conform to the veto.

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

ROBERT A. WATSON

The Senate proceeded to consider the bill (S. 373) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson, which had been reported from the Committee on Claims with an amendment, on page 1, line 10, after the word "Justice", to strike out the comma and the words "and for interest upon the amount of such damages at the rate of 6 percent per annum from the date of such importation to the date of the final judgment of the Court of Claims pursuant to this act."

The amendment was agreed to.

Mr. KING. Mr. President, may I ask if that bill has not been before the Senate and rejected on a number of occasions? Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

HENRY HILBUN

The bill (S. 2252) for the relief of Henry Hilbun was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding there is no official record of his enlistment, appointment, or service in the United States Army, Henry Hilbun, of Laurel, Miss., who, while in France, voluntarily reported to the regimental commander, Three Hundred and Sixteenth Regiment United States Engineers, in July 1918, and requested training; who was accepted and attached by order of the regimental commander to a company of the Three Hundred and Sixteenth Regiment, United States Engineers, for such training; and who, while so attached, actively participated in the St. Mihiel and Meuse-Argonne offensives and was wounded in action, shall be considered to have served as a member of the United States Army and to have been honorably discharged therefrom on October 10, 1918: *Provided*, That this act shall confer no rights, past or future, to bounty, compensation, pay, pension, or allowance.

SCHOOL FACILITIES AT QUEETS, WASH.

The bill (S. 1534) to provide funds for cooperation with the school board at Queets, Wash., in the construction of a public-school building to be available to Indian children of the village of Queets, Jefferson County, Wash., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $10,000 for the purpose of cooperating with the public-school board of district no. 20, Jefferson County, Wash., for the construction, extension, and betterment of a public-school building at Queets, Wash.: *Provided*, That the expenditure of any money so appropriated shall be subject to the express conditions that the school maintained by the said school district in the said building shall be available to all Indian children of the village of Queets and Jefferson County, Wash., on the same terms, except as to payment of tuition, as other children of said school district: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

FIVE CIVILIZED TRIBES IN OKLAHOMA

The bill (S. 2148) to provide for the leasing of restricted Indian lands of Indians of the Five Civilized Tribes in Oklahoma was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That from and after 30 days from the date of approval of this act the restricted lands belonging to Indians of the Five Civilized Tribes in Oklahoma of one-half or more Indian blood, enrolled or unenrolled, may be leased for periods of not to exceed 5 years for farming and grazing purposes, under such rules and regulations as the Secretary of the Interior may prescribe and not otherwise. Such leases shall be made by the owner or owners of such lands, if adults, subject to approval by the superintendent or other official in charge of the Five Civilized Tribes Agency, and by such superintendent or other official in charge of said agency in cases of minors and of Indians who are non compos mentis.

OSAGE INDIAN DRUG AND LIQUOR ADDICTS

The bill (S. 2214) conferring jurisdiction on United States district courts over Osage Indian drug and liquor addicts was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That whenever the superintendent of the Osage Tribe of Indians shall become satisfied that any person of Osage Indian blood is an habitual drunkard, or an habitual user of narcotics, then it shall be the duty of such superintendent to file a complaint in the United States district court in the district in which such Osage Indian may reside, charging said Indian with being an habitual drunkard from the use of intoxicating liquors, or an habitual user of narcotics; and if the court, after at least 5 days' notice to the person so complained against, shall find that such Indian is an habitual drunkard from the use of intoxicating liquors or an habitual user of narcotics, it shall order that such Indian be committed to some Government institution designated by the court where treatment is given for habitual drunkards, or habitual users of narcotics; and said court shall order and direct that such Indian remain in such institution until the proper authorities thereof shall be of the opinion that he or she is sufficiently recovered from the use of alcoholic liquors, or narcotics, to be able to refrain from the use of such intoxicating liquors or narcotics. Jurisdiction is hereby conferred upon the district courts of the United States to hear and determine such cases, and the judgment of such courts thereon shall be final. The court shall hear and determine said actions without a jury. It shall be the duty of the United States district attorney in the district where such cases are filed to prosecute the same.

SEC. 2. Any person who shall sell, trade to, or dispose of any intoxicating liquors or narcotic drugs to any Osage Indian who has been committed as provided in section 1 above shall be guilty of a felony, and upon conviction thereof shall be punished by imprisonment in the United States penitentiary for a term of not less than 1 year nor more than 5 years, and shall pay a fine of not less than $100 nor more than $500, and such person shall not be eligible to a parole unless said fine is paid, and then only under such rules and regulations as are provided by the Department of Justice of the United States.

OSAGE INDIANS OF OKLAHOMA

The Senate proceeded to consider the bill (S. 2482) relating to the tribal and individual affairs of the Osage Indians of Oklahoma.

Mr. ROBINSON. Mr. President, this appears to be a rather important bill. What are the purpose and effect of it?

Mr. THOMAS of Oklahoma. Mr. President, this bill was drawn by the Bureau of Indian Affairs after consultation and agreement with the tribal council of the Osage Indian Tribe. The main point in the bill relates to the payment to the Indians of the income on their oil leases. At the present time they are restricted to their income from such leases. This bill provides that if an Indian has as much as $10,000 surplus funds on deposit with the Bureau of Indian Affairs, and if his income is less than $1,000 a quarter, the Bureau of Indian Affairs is authorized to take from his surplus an amount sufficient to make up $1,000 per quarter and pay it to the Indian.

That is the most important provision of the bill. The remainder of the bill simply provides for a little change in their business affairs. The bill was drawn, as I stated, to conform to the wishes of the Osage Indian Tribe, and has the recommendation of the Bureau of Indian Affairs.

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

Be it enacted, etc., That hereafter the Secretary of the Interior shall cause to be paid to each adult member of the Osage Tribe of Indians not having a certificate of competency or his or her pro rata share, either as a member of the tribe or heir or devisee of a deceased member, of the interest on trust funds, the bonus received from the sale of oil or gas leases, and the royalties therefrom received during each fiscal quarter, not to exceed $1,000 per quarter, and if such adult member has a legal guardian, his current income not to exceed $1,000 per quarter may be paid to such legal guardian in the discretion of the Secretary of the Interior: *Provided*, That when an adult restricted Indian has surplus funds in excess of $10,000 there shall be paid such Indian sufficient funds from his accumulated surplus in addition to his current income to aggregate $1,000 quarterly; and in event any adult restricted Indian has surplus funds of $10,000 or less, such Indian shall receive quarterly only his current income not to exceed $1,000 per quarter: *And provided further*, That upon application and consent of any restricted Osage Indian the Secretary of the Interior may cause payment to be made of additional funds from the accumulated surplus to the credit of any Osage Indian under such rules and regulations as he may prescribe. Whenever minor members of the Osage Tribe of Indians have funds or property subject to the control or supervision of the Secretary of the Interior, the said Secretary may in his discretion pay or cause to be paid to the parents, legal guardian, or any person, school, or institution having actual custody of such minors, such amounts out of the income or

funds of the said minors as he deems necessary, and when such a minor is 18 years of age or over the Secretary of the Interior may, in his discretion, cause disbursement of funds for support and maintenance or other specific purposes to be made direct to such minor. The payments above provided shall be subject to such control and supervision as the Secretary of the Interior shall deem proper. Rentals due such adult members from their lands and their minor children's lands and all income from such adults' investments, including interest on deposits to their credit, shall be paid to them in addition to their current allowances above provided.

SEC. 2. That that part of section 1 of an act of Congress of February 27, 1925 (43 Stat. L. 1008), providing that—

"The Secretary of the Interior shall invest the remainder, after paying the taxes of such members, in United States bonds, Oklahoma State bonds, real estate, first-mortgage real-estate loans not to exceed 50 percent of the appraised value of such real estate, and where the member is a resident of Oklahoma, such investment shall be in loans on Oklahoma real estate, stock in Oklahoma building and loan associations, livestock, or deposit the same in banks in Oklahoma, or expend the same for the benefit of such member, such expenditures, investments, and deposits to be made under such restrictions, rules, and regulations as he may prescribe: *Provided*, That the Secretary of the Interior shall not make any investment for an adult member without first securing the approval of such member of such investment."

be, and hereby is, amended to read as follows:

"Hereafter the Secretary of the Interior in his official capacity may invest the accumulated funds to the credit of restricted members of the Osage Tribe, after paying taxes of such members, in United States bonds or other bonds guaranteed by the United States Government as to principal and interest. With the consent of adult Indians the Secretary of the Interior may purchase real estate and livestock, such expenditures and investments to be made under such rules and regulations as the Secretary may prescribe."

SEC. 3. That part of section 17 of the act of May 25, 1918 (40 Stat. L. 561–579), which provides for the change of designation of homestead allotments of Osage Indians to an equal area of their unencumbered surplus is hereby amended to read as follows: "That any and all members of the Osage Tribe may change the present designation of their respective homesteads to an equal area of their unencumbered surplus lands in Osage County, upon application to and under such rules and regulations as the Secretary of the Interior may prescribe; and the members of the tribe whose balances at the Osage Indian Agency are insufficient for the payment of taxes on taxable lands may in the same manner change the present designation of their respective homesteads to an equal area of the unencumbered inherited, purchased, or otherwise acquired lands in Osage County: *Provided*, That each tract after the change and designation shall take the status of the other as it existed prior to the change in designation, as to alienation, taxation, or otherwise, and that any order of change of designation shall be recorded in the proper office of Osage County."

SEC. 4. That section 3 of the act of March 2, 1929 (45 Stat. L. 1478) is hereby repealed.

SEC. 5. That no administrator or executor of an estate of an Osage Indian of half or more Indian blood or who does not have a certificate of competency at date of death, shall be appointed except on the written application or approval of the Secretary of the Interior.

SEC. 6. That section 5 of an act of Congress of March 3, 1921 (41 Stat. L. 1249), is hereby amended to read as follows:

"That the State of Oklahoma is authorized from and after the passage of this act to levy and collect a gross production tax upon all oil and gas produced in Osage County, Okla., and all taxes so collected shall be paid and distributed, and in lieu of all other State and county taxes levied upon the production of oil and gas as provided by the laws of Oklahoma, the Secretary of the Interior is hereby authorized and directed to pay, through the proper offices of the Osage Agency, to the State of Oklahoma, from the amount received by the Osage Tribe of Indians as royalties from production of oil and gas, the percent levied as gross production tax, to be distributed as provided by the laws of Oklahoma."

CONSOLIDATED HIGH SCHOOL, SHANNON COUNTY, S. DAK.

The bill (S. 1537) to provide funds for cooperation with the school board of Shannon County, S. Dak., in the construction of a consolidated high-school building to be available to both white and Indian children was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $125,000 for the purpose of cooperating with the public-school board of Shannon County, S. Dak., for the construction and equipment of a consolidated public high-school building at Pine Ridge, S. Dak.: *Provided*, That such school shall be conducted for both white and Indian children without discrimination, and that practical training for vocations and home economics be provided, and that the cost of education of white children shall be defrayed by the State and local public-school authorities, in accordance with such agreement or agreements as may be made between the Secretary of the Interior and State or local officials, and any and all sums of money obtained by reason of such agreement or agreements shall be available for reexpenditure for support and maintenance of said school.

BILL PASSED OVER

The bill (S. 2265) extending the benefits of the Emergency Officers Retirement Act of May 24, 1928, to provisional officers of the Regular Establishment who served during the World War, was announced as next in order.

Mr. GEORGE. Mr. President, on behalf of the senior Senator from Utah [Mr. KING], I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

LAND IN SOUTH CAROLINA

The bill (S. 1610) authorizing the Secretary of the Navy to accept on behalf of the United States a certain strip of land from the State of South Carolina was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act authorizing the Secretary of the Navy to accept on behalf of the United States title in fee simple to a certain strip of land and the construction of a bridge across Archers Creek in South Carolina", approved February 14, 1927, is amended to read as follows:

"That the Secretary of the Navy is hereby authorized to accept on behalf of the United States, free from encumbrances and without cost to the United States, for military purposes, the title to the following-described parcel of land, to be used for a road from Jericho Point to the Marine Corps Reservation on Parris Island, S. C.: Starting at a point on the north bank of Archers Creek, north 64°29′ west, 6,563 feet from monument no. 31 at the marine barracks, Parris Island, S. C., thence north 13°40′ west, 4,605 feet to a point at the mean high-water line near Jericho Point; thence north, 87°39′ east, 204 feet to a point also at the mean high-water line near Jericho Point; thence south, 13°40′ east, 4,565 feet to a point on the north bank of Archers Creek; thence south 76°20′ west, 200 feet to the point of beginning: *Provided, however*, That the acceptance of such tract of land by the Secretary is made upon the express condition and limitation that such tract shall be used only for military purposes, and when it shall cease to be actually used for military purposes the title and right of possession shall immediately revert to the State of South Carolina without notice, demand, or action brought."

PUERTO RICAN HURRICANE RELIEF COMMISSION

The joint resolution (S. J. Res. 88) to abolish the Puerto Rican Hurricane Relief Commission and transfer its functions to the Secretary of the Interior was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Puerto Rican Hurricane Relief Commission, created by joint resolution entitled "Joint resolution for the relief of Porto Rica", approved December 21, 1928, is hereby abolished and all of the functions of the said Commission, together with its employees, records, supplies, equipment, and property of every kind, and unexpended balances of appropriations are hereby transferred to the Division of Territories and Island Possessions, Department of the Interior, to be administered under the supervision of the Secretary of the Interior: *Provided*, That personnel now temporarily assigned to the Puerto Rican Hurricane Relief Commission from the War Department and from the Department of Agriculture shall, without in any way affecting their permanent status in such Departments, continue to serve in their present capacity, but under supervision of the Secretary of the Interior, until June 30, 1935, unless sooner relieved by the Secretary of the Interior, and that the length of such service shall not be continued beyond June 30, 1935, except by special agreement between the Secretary of the Interior and the heads of the other Departments concerned.

REGULATION OF INTERSTATE TRAFFIC BY MOTOR CARRIERS

The PRESIDENT pro tempore. The calendar having been completed, the Chair, under the unanimous-consent agreement heretofore entered into, lays before the Senate, Senate bill 1629.

The Senate proceeded to consider the bill (S. 1629) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes, which had been reported from the Committee on Interstate Commerce, with amendments.

Mr. WHEELER obtained the floor.

Mr. ROBINSON. Mr. President, this is a very important bill. I understand the Senator from Montana [Mr.

WHEELER] expects now to explain its provisions. I ask if he will yield in order that I may suggest the absence of a quorum.

Mr. WHEELER. I yield for that purpose.

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

The PRESIDENT pro tempore. The clerk will call the roll.

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

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

The PRESIDING OFFICER (Mr. MOORE in the Chair). Eighty-one Senators having answered to their names, a quorum is present.

Mr. WHEELER. Mr. President, in taking up the consideration of Senate bill 1629, for the regulation of trucks and busses, I wish to state that I introduced the bill at the request of the Interstate Commerce Commission or, more particularly, at the request of the coordinator (Mr. Eastman). The bill came before the Interstate Commerce Committee of the Senate, where hearings were held on it for something like 2 weeks, and everyone who had a desire to be heard was heard. Meetings were held every morning, and sometimes in the afternoon.

This bill, in one form or another, has been before the Congress of the United States for 6 or 8 years. On one occasion a bill to regulate busses and trucks passed the House of Representatives, came over to the Senate, and was reported by the Committee on Interstate Commerce, with provisions confining its operations to busses. As I recall, it was directed to be sent back to the Committee on Interstate Commerce by the Senate, for the reason that it did not include provisions for the regulation of trucks. It has been before the Interstate Commerce Committee for elaborate hearings on several occasions.

This particular bill, introduced by me and reported by the Committee on Interstate Commerce with amendments, has the endorsement of the American Trucking Associations, Inc.; it has the endorsement of many of the shippers; it has the endorsement of the Interstate Commerce Commission; and, in most particulars, it has the endorsement of practically all the State commissions throughout the country. I make that statement, however, with the reservation that in one or two minor details they have suggested that amendments be made, but, generally speaking, the truck industry and all the bus industry of the United States have endorsed the provisions of the bill.

It provides for the regulation by the Interstate Commerce Commission of common carriers by motor vehicle, contract carriers by motor vehicle, brokers, and private carriers of property by motor vehicle insofar as qualifications, maximum hours of service of employees, and safety of operation and equipment are concerned. This provision, however, is only operative after investigation by the Interstate Commerce Commission and if the need is found for such regulation.

Wholly exempted from the bill are school busses solely transporting children and teachers to or from schools, and likewise exempted from the bill are taxicabs, hotel busses, busses in national parks and national monuments, and trolley busses. Furthermore, an exemption is made, unless the Interstate Commerce Commission finds that the law cannot be made to work without its inclusion to some extent, of the transportation of property locally or between contiguous municipalities or commercial zones, as between New York City and New Jersey, and also, for instance, as between Washington and Alexandria, and other contiguous cities where the transportation is regulated by the local governments themselves.

Transportation of passengers in similar localities or zones, provided the several States having jurisdiction regulate the operation, is also exempted and also casual or occasional or reciprocal transportation. In other words, we have exempted from the provisions of this bill the casual or the occasional person who engages in transportation for others, such as the farmer who may take his neighbors' products to market from their farms.

Common carriers must obtain certificates of public convenience and necessity; but all those operating in 1934 are blanketed in under what is known as the "grandfather clause."

All others operating when the act becomes effective can, if they file applications within 120 days, operate until ordered to stop.

Contract carriers must obtain a permit to do a contract business, but all operating in 1934 are blanketed in under the so-called "grandfather clause", and all others operating when the law takes effect have 120 days in which to apply and may continue until ordered to stop by the Interstate Commerce Commission.

All brokers must obtain licenses, but those in business when the act becomes effective have 120 days in which to apply and may continue until ordered to cease.

I am going now to analyze the principal provisions of the bill. The bill amends the Interstate Commerce Act and is designated as part II thereof. A companion bill, which is known as "Senate bill 1632", providing for the regulation of water carriers in domestic and foreign commerce, was originally designated as part II, but owing to the fact that the pending bill was reached first in the executive sessions of the committee, it has been renumbered part II, and all section numbers correspondingly changed.

I might say for the benefit of the Senate that the Interstate Commerce Committee also held hearings on Senate bill 1632, known as the "water carriers' bill", but that bill has not yet been reported out of the committee. I may say, however, that I am hopeful that we may secure action upon that bill before the session shall close.

Section 202 of the pending bill has to do with the declaration of policy and the delegation of jurisdiction.

Subsection (a) contains a comprehensive declaration of policy. As amended, it makes clear that the policy of the Congress is to deal fairly and impartially with transportation by motor carriers and to preserve the natural advantages of such transportation.

There was a fear upon the part of some of the bus and truck operators at first that if they were brought under the Interstate Commerce Commission they would not be dealt fairly with, and that their rates would be raised so as to make it possible for the railroads to get the business now carried on by them, but we specifically wrote into the bill, in the declaration of policy provision, and at other places throughout the bill, that the peculiar features of transportation by truck and by bus should be taken into consideration at all times by the Interstate Commerce Commission, and we put such a provision in the declaration of policy.

The exercise of authority by the Commission under certain sections of the bill is directly related to the declaration of policy and the added provisions with respect to discrimination, preference, and unfair or destructive competitive practices lay a stronger and more definite basis for administrative action.

Paragraph (b), page 3, describes the application of the bill and invests jurisdiction in the Interstate Commerce Commission. The committee amendments broaden the statement to include the operations of brokers, which are regulated by later provisions of the bill, and of persons who

as lessors of vehicles or otherwise may engage in transportation as common or contract carriers.

Paragraph (c), page 3, expresses a general policy of noninterference with regulation by the States, except to the extent that such regulation causes undue or unreasonable disadvantage or prejudice to persons or localities in interstate commerce.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Florida?

Mr. WHEELER. Certainly.

Mr. FLETCHER. If the Senator will allow me to interrupt him, I desire to say that I am not clear in my own mind as to the distinction between common carriers and contract carriers. Will the Senator explain the difference?

Mr. WHEELER. A common carrier is one that is engaged in the transportation of goods or passengers for the benefit of the general public. A contract carrier is one who goes out and takes a special job for a special group of individuals or for a particular individual. The regulation relating to common carriers is quite different from the regulation relating to contract carriers. In other words, there is more regulation of common carriers than there is of contract carriers. I shall come to that a little later.

Paragraphs (14) and (15), page 6: The term "common carrier by motor vehicle" includes both regular and irregular route operators and embraces the motor-vehicle operations of rail, water, express, and forwarding companies, except to the extent that these operations are subject to the provisions of part I. To the definitions of both common and contract carriers the committee added language intended to check evasion of the act by bringing within its terms such transportation operations as are performed through the leasing of motor vehicles or other similar arrangements which may constitute either common or contract carriage, according to the particular nature of the arrangements. The language inserted will enable the Commission to strike through such evasions where the facts warrant it.

The bill was drafted originally by Coordinator Eastman and approved by the Interstate Commerce Commission, which transmitted it to Congress. When it came to the committee and after the hearings, the committee took up the bill and spent every morning on it for perhaps a week and went over it in conjunction with Coordinator Eastman, and amended it and liberalized it as we felt it should be.

Paragraph 16, page 7: Attention is called to the fact that the term "motor carrier" includes common carriers and contract carriers and does not include private carriers.

Paragraph 17, page 7: The definition of "private carrier of property by motor vehicle" is transferred by the Committee from a later section and applies to persons transporting their own goods in their own vehicles for commercial purposes. The only regulation to which such carriers are subjected is that with respect to the maximum hours of service and qualifications of employees and the safety of operation and equipment—section 204 (a) (3). Such regulation is conditioned upon a finding, after investigation, of need therefor.

The reason why we put that regulation in the bill was because of the fact that in some instances, as was testified before the committee, private carriers, contract carriers, and common carriers frequently have their employees driving trucks and busses on the road for long periods of time without any effective regulation of any kind whatsoever. It seemed to us that there is really much more cause for regulating the hours of service of the truck drivers, contract, private, and otherwise, and the drivers of these great busses, than there is as a matter of fact for regulating the hours of labor on the railroads themselves. This is for the reason that when an engineer is on a railroad he has a track upon which his train runs; but a truck driver or bus driver is on the open highway, and if he should fall asleep he is not only endangering the lives of himself and his passengers, but likewise the lives of the general public.

Paragraph 18, page 7: The term "broker" was not defined in the original bill. The definition supplied is intended to cover the varied forms which brokerage operations now take. Without provision for the regulation of such operations, the act would be seriously defective.

By "brokers" we mean those persons who are engaged, for instance, in some city in going out and collecting business, and then letting the work out to various carriers, whether contract carriers or common carriers. The experience which the Michigan Commission has had, as disclosed by the testimony before the committee, has been such as to lead the Coordinator to believe that the brokers would have to be regulated and should be regulated because of the fact that otherwise they would completely break down the rate structure and everything else in the carriage of either freight or passengers.

One letter came to us stating that the brokers would solicit the business; that a common carrier or contract carrier by motor truck would come for the business and be told there was no business; that they would wait until the last minute before leaving to go home, and then would be told, "We have some business, but we cannot give it to you except at the very lowest possible rate." In that way they would beat him down in his price. The only person who would get the benefit of it would be the so-called "scalper" or broker and not the shipper.

Paragraph (19), page 7: The definition of "services" and "transportation" is intended to cover all facilities owned and used by motor carriers. The changes made by the committee remove any possibility of a construction which would include the facilities of shippers or others which the motor carriers may use for pickup or delivery of shipments.

Subsection (b): This paragraph wholly exempts from regulation, first, motor vehicles used solely in transporting school children and teachers to or from school; second, taxicabs; third, hotel busses; fourth, vehicles operated by or under the control of the Secretary of the Interior; and fifth, trolley busses.

Provision is also made that regulation shall not apply to what may be termed "intramunicipal" or "occasional" operations "unless and to the extent that the Commission shall from time to time find that such application is necessary to carry out the policy of Congress enunciated in section 202." The first of these two conditional exemptions concerns the transportation of passengers or property in interstate or foreign commerce within a municipality or between contiguous municipalities or within a zone adjacent to and commercially a part of any such municipality or municipalities, except when such transportation is part of a continuous carriage or shipment to or from a point without such local area. The committee has added an outright exemption of the operations of carriers of passengers in such local areas where such carriers are also lawfully engaged in the intrastate transportation of passengers over the entire length of their interstate route or routes in accordance with the laws of each State having jurisdiction.

At the present time some are regulated by each State. For instance, as between New York and Jersey City, if they are regulated by the State of New York and by the State of New Jersey, then they are exempt from the provisions of the bill. But if there is no regulation of their operations in either State, then the commission would have the right to regulate them.

The purpose of this exemption is to avoid duplication of regulation over bus operations, such as those conducted by street railways. However, the commission is authorized to take jurisdiction, where necessary, over busses operated within a municipality or between contiguous municipalities by motor carriers in interstate service and not so regulated by the States. The absence of such regulation has in some instances created chaotic conditions beyond the control of any State or municipal body. The second conditional exemption provided in the original bill applied to the "casual or occasional transportation of passengers or property in interstate or foreign commerce for compensation by any per-

son not regularly engaged in transportation by motor vehicle as his or its principal occupation or business." This provision was intended to exempt the operations of farmers and others who occasionally haul for hire, but who do not enter in any important way into for-hire transportation. The addition of the word "reciprocal" and the other change made in this paragraph broaden the exemption in line with suggestions made at the hearings.

Some of the shippers who came before us and some of the smaller individuals thought that the language should be broadened; and in order to cover that we used the word "reciprocal", which they had suggested.

I now come to section 204, page 10, dealing with the general duties and powers of the commission.

Mr. ROBINSON. Mr. President, before the Senator proceeds to that portion of the bill, I should like to call his attention to the definition of the word "highway", at the bottom of page 5. The definition is limited as follows:

The term "highway" means the roads, highways, streets, and ways in any State.

Does not this bill apply to the District of Columbia or to the Territories?

Mr. WHEELER. Above, on the same page, in (8), the Senator will notice it is provided that—

The term "State" means any of the several States and the District of Columbia.

Mr. ROBINSON. That is an odd definition. This is a minor matter; but I doubt the wisdom of writing into a statute the definition of a State as incorporating the District of Columbia or the Territory of Alaska.

The word "State" has a well-defined meaning. It does not mean the District of Columbia. Every lawyer recognizes that distinction. Of course, an arbitrary definition like this can be made to include anything the legislature says it includes. How would it apply, for instance, to Alaska? Does the bill apply to Alaska?

Mr. WHEELER. No; as I understand, the bill does not take in Alaska or the Hawaiian Islands. I may say to the Senator that the War Department stated that they thought the provisions of the bill ought to include Hawaii and Alaska. As a matter of fact, I had thought of suggesting an amendment to include Alaska and Hawaii.

Mr. ROBINSON. I suggest that there is hardly justification for giving words an arbitrary and very exceptional meaning. Why not use the words "any State or the District of Columbia"?

Mr. WHEELER. I have no pride of authorship in this bill——

Mr. ROBINSON. I understand that.

Mr. WHEELER. But I assume the only reason why it was worded in this way was so that it would not be necessary to repeat "District of Columbia" all through the bill. I do not know any other reason for it.

Mr. ROBINSON. I think it would be better to repeat words than to give a term an arbitrary definition which is, to say the least, unusual. To say that the word "State" means "the District of Columbia" is repugnant to reason. I pass the matter over, however. I understand fully the theory upon which the definition is based.

Mr. WHEELER. Very well.

Section 204, page 10. General duties and powers of the Commission:

This section confers on the Commission general powers to establish reasonable requirements with respect to service, accounts, records, reports, hours of service of employees, safety of operation, and so forth, of motor carriers, and authorizes the Commission to conduct any necessary investigations, to make orders, rules, and regulations, and to entertain complaints. The provisions requiring special mention are as follows:

Paragraph (a) (1), (2), (3)—the committee amended paragraphs (1) and (2) to confer power on the Commission to establish reasonable requirements with respect to the qualifications and maximum hours of service of employees of common and contract carriers, thus restoring provisions that were in the Rayburn bill, introduced in the Seventy-third Congress. This suggestion came to us, I think, from the chairman of the legislative committee of the Interstate Commerce Commission. Suggestions were made to us by some of the labor organizations that we ought to put in the bill at this time provisions specifically limiting the hours of labor; but by reason of the fact that the Commission felt that they would like first to make a study of the matter, and then come back and report to Congress, or be given permission to establish these requirements later, we left it as the Commission suggested, giving them power to make the investigation, and, if and when they found it necessary, to put in effect such rules and regulations as they might deem necessary.

In order to make the highways more safe, and so that common and contract carriers may not be unduly prejudiced in their competition with peddler trucks and other private operators of motor trucks, a provision was added in subparagraph 3 giving the Commission authority to establish similar requirements with respect to the qualifications and hours of service of the employees of such operators. The exercise of this power with respect to the three classes of carriers is intended to be contingent upon the results of the comprehensive investigation of the need for regulation of this kind provided for in section 225. There is considerable demand for the provision of specific hours of service in the bill itself. Owing to the great variety of motor carriers' services and of conditions under which they are conducted, it appeared to the committee to be unwise to go so far at this time. The investigation referred to will permit the Commission not only to develop whether there is need for regulation, but also to establish requirements which are adapted to the special conditions surrounding the different types and conditions of operation. The original bill conferred upon the Commission power to regulate the safety of operation and equipment of common and contract carriers, and in paragraph (3) of this section like authority has been conferred respecting the safety of operation and equipment of private carriers.

Paragraph (5), page 11, authorizes the Commission to avail itself of the cooperation of any research agency of the Federal Government in conducting investigations relating to the safety of operation and equipment of motor vehicles.

(c), page 12. This paragraph is of great importance. It enables the Commission to classify carriers performing special and distinct types of service, such as the hauling of milk, livestock, furniture, petroleum products, newspapers, and so forth, and to vary the regulatory requirements as to rates, records, reports, and other matters in accordance with the nature of the service and the public need. These provisions will promote flexible administration and enable the Commission to avoid imposing unnecessary burdens. It is to the interest of carriers, shippers, and the public that this paragraph be retained.

I think that is an exceedingly important paragraph, because of the fact that the Commission may find, for instance, that persons who are engaged simply in hauling furniture need one kind of regulations or rules that may be prescribed. Another classification may be those who are engaged in hauling oil or gasoline, and a certain type of regulations may be necessary for them. This paragraph gives to the Commission the power to handle those matters.

(d), page 12. This paragraph, which provides for entertaining complaints made by any person, State board, or body politic, or for investigation on the Commission's own initiative, has been amended by the committee to give the Commission power to dismiss complaints which do not state reasonable grounds for investigation and action on its part. This addition will check the filing of complaints where the purpose is solely that of harassing or crippling motor carriers.

It was urged that some of the railroads might come in and file objections and try to harass the motor carriers. This provision was put in so that where there was not a valid reason stated the commission of its own motion might

dismiss the complaint, if one person was merely seeking to harass another.

The same provision appears in section 318 of the original bill, but referred only to complaints against contract carriers. By adding the provision to paragraph (c) of this section, the power of dismissal is given general application to any complaints.

Section 205, page 14. Administration:

A basic principle of the bill is that the regulatory bodies of the several States shall share in its administration because of their intimate knowledge of local conditions, their more direct contacts with the carriers subject to regulation, and the relation of such regulation to the use of the State's highways. To that end provision is made for the primary consideration of all important matters by joint boards composed of the representatives of the States wholly or chiefly concerned.

There was some objection to this on the part of some shippers, who felt that the Interstate Commerce Commission should not cooperate in any way with the State commissions; but Coordinator Eastman and the members of the Commission themselves felt that they should cooperate with the local commissions, because practically every State at the present time has local commissions regulating busses and trucks, and they have accumulated much valuable information, and the Interstate Commerce Commission felt that by cooperating with them, and using these various bodies whenever they could, they could straighten out a great many of the details. The complaint which was made against this provision came to a large extent from one or two persons who complained that the present local commissions were dominated by the railroads, and said they did not feel that the local commissions should in any way have anything to say about interstate regulation.

However, let me point this out, that wherever these bodies make recommendations, their recommendations go into effect unless someone objects, or unless the Commission itself refuses to adopt them. That is the practice where not more than three States are involved. Where more than three States are involved, then the Commission sends its own men out to hold the investigation. But it is the judgment of Coordinator Eastman, and I think of the Commission, that, as a matter of fact, if they can get the various State commissions together for joint meetings on these matters, it will have a salutary effect upon the whole situation, and that the States will not feel that the Government is simply trying to usurp all the authorities of the State governments.

The bill contemplates submission of such matters to joint boards where the motor-carrier operation involves not more than three States and the optional use of the joint-board procedure where a greater number is involved. In order, however, to provide against unforeseen contingencies, the bill provides, in section 205 (c), that if legal proceedings should prevent reference to a joint board, the Commission may dispose of such matters as provided elsewhere in section 205.

The proposed plan of administration through such joint boards is criticized by various shippers' representatives as cumbersome and ineffective. It is urged that the States lack adequate facilities, and that it would be difficult to coordinate the action of so many joint boards, composed of a shifting personnel with a local rather than a national outlook. The joint board procedure is not essential in the regulation of motor carriers of passengers, but it most certainly is desirable and should be tried out in the case of truck operations. The work of the Commission can thereby be greatly facilitated and a wholesome tendency toward greater uniformity of State regulation will result.

I might say that I think all of the State commissions desire to have this provision in the bill, and it was upon their suggestion that the provision was included.

The fear that the boards will develop inconsistent policies appears to be unfounded, in that decisions made by them are subject to review by the Commission. One of the criticisms was that three States like Wisconsin, Minnesota, and some other State might get together and set up one policy, while three other States might set up a different one. But all of these things are subject to review by the Commission, and the Commission feels that they will all be coordinated into one uniform system.

Mr. GERRY. May I ask the Senator why the number of States was fixed at three?

Mr. WHEELER. It mentions three States. There could be 2 States or 3 States, according to my understanding of the bill, but if it exceeds 3 States, then the Commission sends out its own representatives, because it is felt that if there are more than 3 States it would be difficult, perhaps, to get them together.

It has been urged also that the constitutions of some States prohibit such cooperation with the Federal Government. If such limitations exist, they are confined to a few States, and in those instances the joint board procedure need not be followed.

Subparagraph (b), page 15, was amended by the committee to remove the approval of insurance policies, surety bonds, and so forth, from among the specific subjects of reference to the joint boards. The bill as it was introduced, as suggested by the Coordinator and the Commission, provided that the joint board should approve all insurance policies, and so forth. The committee struck that out and left it entirely up to the Commission to regulate that matter, because both the shippers and the truck people wanted that provision amended as the committee amended it. This change was made because ordinarily such matters are of a routine nature and can be handled more expeditiously by the Commission. If any necessity for reference of such matters to joint boards arise, such action may be taken under the provisions of this paragraph.

In subparagraph (c), the change in lines 19 to 21, page 17, is made to make it clear that the Commission shall prescribe rules for all joint board proceedings and not solely for joint boards created by it where the States fail to take the necessary steps.

Page 22, section 206: Application for certificate of public convenience and necessity.

Page 25, section 207: Issuance of certificate.

Page 26, section 208: Terms and conditions of certificate.

These sections require each common carrier of passengers or property to secure a certificate of public convenience and necessity. Such certificates are to be issued on a finding by the Commission that—

> The applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of this part and the requirements, rules, and regulations of the Commission thereunder, and that the proposed service, to the extent to be authorized by the certificate, is or will be required by the present or future public convenience and necessity.

This is a provision which is in practically every State law at the present time. There was some objection to it, and a suggestion was made that we should not use the word "future" in connection with "public convenience and necessity", and that we should not use the words "public convenience and necessity." But those words have been adopted by almost every State in the Union where there is a law, they have been interpreted by the courts, and the committee felt that while perhaps some other language might have been just as appropriate, nevertheless, that language having been construed by the courts, it would be unwise for the committee to write some other language in the law which would have to be passed upon by the courts.

All persons furnishing a common-carrier service in 1934 are given certificates as a matter of right on a showing of bona fide operation and submission of an application within 120 days after this section takes effect. Originally the bill required application within 60 days, but a longer period seems appropriate from the viewpoint of both the Commission and the operators. The committee has added a provision that "if such carrier was registered in 1934 under any code of fair competition requiring registration, the fact of registration shall be evidence of bona fide operation to be considered in connection with the issuance of such certificate." This addition was made to facilitate the process of initial registration under the "grandfather clause."

In lines 6 and 8, page 23, the words "continuously" and "continuous" have been omitted in view of the objection that operators who have temporarily ceased operations for reasons beyond their control may be deprived of the benefits of the grandfather clause. For a similar reason the words "in either instance" have been added in lines 9 and 10 of page 23. Where a common carrier is engaged in interstate transportation but conducts his operations solely within a State and holds a certificate from that State, he is not required to apply for a Federal certificate but is otherwise subject to Federal regulation.

The omission in lines 11 and 12, page 24, is made merely to get rid of an unnecessary restriction. In order to protect operators who began business subsequent to the close of 1934 the committee has added a provision in section 206 (b) which permits such operators to continue their operations for a period of 120 days without a certificate and if they apply for a certificate within that period they may continue to operate until a contrary order is made. This is for the purpose of giving anybody who started, for instance, in the year 1935 a period of 120 days in which to file his application, and then until such time as his application was passed on he could continue to operate.

Section 208 (a), page 26, as amended, permits the Commission to attach to all certificates, whether granted under the grandfather clause or otherwise, reasonable terms, conditions, and limitations. In order to meet criticisms that the effect of these provisions would be to check the natural growth of operations if every increase in facilities required authorization by the Commission, the committee has amended section 208 (a) by striking out lines 14 to 16, page 26, and by adding a proviso which permits operators to add to their equipment and facilities as business conditions may require, provided they do not go beyond the route or routes or outside the territory specified in their certificate. There was objection to the provision as it came in by a great many, so the committee amended it to meet the objection.

Paragraph 208 (d), page 27, has been changed to permit bus lines to transport baggage of passengers in separate vehicles, a practice which is sometimes necessary, particularly in connection with charter operations. The Commission is authorized, but not required, to permit bus operators to carry in the same vehicle passengers, newspapers, baggage, express, or mail.

Section 209: Permits for contract carriers by motor vehicle.

Permits are to be issued to contract carriers under substantially the same conditions as certificates are issued to common carriers, except that the granting of a permit, not covered by the grandfather clause, is not made conditional on a showing of public convenience and necessity. In other words, contract carriers in their applications do not have to make a showing of public convenience and necessity.

Applicants are required to show, among other things, however, that the proposed operation, to the extent authorized by the permit, will be consistent with the public interest and the policy declared in section 202 (a). This section has been changed in lines 19–22, page 27, to make clear that the bill applies to the business of contract carriers and not merely to particular operations under the individual contracts.

Section 210, page 30. Dual operation: This section prohibits any person from holding at the same time a common carrier certificate and contract carrier permit, unless for good cause shown the Commission finds that both may be held consistently with the public interest and with the policy declared in section 202 (a). There are instances in which both types of operation can advantageously be conducted by the same operator and without prejudice to the public interest, but the possibility of abuses developing makes it advisable to give the Commission the power to pass on all cases in which it is proposed to combine the two types of operation.

Section 211, page 31. Brokerage license: This section is intended to give the Commission necessary authority to cope with the conditions which have been created by the rise of so-called "brokerage operations." These operations are of many different types. Some are beneficial and others are conducted in a manner which has seriously demoralized the trucking business and to a lesser extent the transportation of passengers. The unreliable broker, acting as an intermediary between shipper or traveler and carrier, frequently resorts to unfair practices which exploit both the carriers employed by the brokers and the shipping or traveling public and employees of the carriers. It is believed that many of the evils of long hours, unsafe operation, and low earnings of motor carriers are attributable to this type of broker.

Paragraph (a) has been amended by the committee to make the regulations proposed more effective. This section requires the broker to obtain a license and makes it unlawful for him to employ any motor carrier that is not the lawful holder of an effective certificate or permit and authorizes the Commission to impose reasonable regulations with respect to accounts, records, and reports. The broker is also required to furnish a bond or other security approved by the Commission for purpose of insuring his financial responsibility and the carrying out of the agreements to provide transportation which he enters into.

Paragraph (b), page 32, sets up conditions for the issuance of brokerage licenses similar to those mentioned above as applying in the granting of contract carrier permits. There is no "grandfather clause" covering brokers who were in operation in 1934, but provision is made for the continuance of operations if application is made within 120 days after this section becomes effective and until the Commission makes an order requiring cessation of operations.

Section 212, page 34. Suspension, change, revocation, and transfer of certificates, permits, and licenses: This section permits the transfer of certificates and permits, subject to such rules and regulations as the Commission may prescribe. The terms of such certificates, permits, and licenses may be modified upon application of the holder, upon complaint, or on the Commission's initiative, and the certificate, permit, or license may be revoked, in whole or in part, for willful failure to comply with any provision of this part or with any lawful order, rule, or regulation of the Commission made thereunder.

The committee amended that so that if they made this willful failure it could only be revoked after a reasonable time was given to them and they were notified to that effect. There has been a suggestion made to me that it probably should be amended to give them at least a 3-month period in which they could comply with the order. As a matter of fact, I have no particular objection to that suggestion. Neither has the Commission any objection, in my judgment. However, the Commission feels that it is imperative that they do have the right to revoke, because it said that the experience of the State commissions has been that revocation is one of the most effective ways of getting compliance with the law and with the rules and regulations.

Criticism was directed against the power of revocation thus conferred upon the Commission. It was suggested that the effect is to put the future of countless operators wholly in the hands of the Commission, which might act arbitrarily, and that the penalties elsewhere provided are ample to secure compliance. As I just stated, practically all State laws contain similar provisions, and they have been found the most effective means of enforcing regulations. The revocation provisions in the State statutes have not operated to hamper the growth of the motor-vehicle industry. However, it is fair that operators should have warning and an opportunity to comply before any revocation occurs. The committee has therefore amended paragraph (a) to provide that the Commission shall issue an order commanding obedience to any provision of this part or to any rule or regulation of the Commission thereunder which is alleged to be violated, and that revocation shall occur only where there is failure to comply with such an order within a reasonable time.

Section 213, page 35. Consolidation, merger, and acquisition of control: At present most truck operations are small enterprises. However, there are many rumors of plans for the

merging of existing operations into sizeable systems. In view of past experience with railroad and public-utility unifications, it is regarded as necessary that the Commission have control over such developments, where the number of vehicles involved is sufficient to make the matter one of more than local importance. This section, therefore, confers on the Commission jurisdiction over all consolidations, mergers, purchases, leases, operating agreements, and acquisitions of control through stock ownership where two or more motor carriers are involved or where a person other than a motor carrier undertakes to acquire control through stock ownership of two or more motor carriers, and prohibits all other forms of unification. An amendment made by the committee makes this jurisdiction applicable, except in the case of rail, express, or water carrier affiliations, only where the total number of vehicles involved is more than 20 (subpar. (e), p. 39).

In other words, we eliminated from this provision such a case, for example, as that of two small operators who might want to get together, and we made it apply only to cases where they had more than 20 vehicles, so that the small operators could get together without the necessity of going through a great deal of red tape with the Commission.

The language of paragraph (a) has been simplified without change in the intent of the original bill, except for a broadening of its scope with respect to contract carriers and operations effected by the substitution of the term "persons" for the term "corporation", as in line 11, page 36.

Carriers by rail, express, or water are permitted to consolidate or merge with motor carriers or to obtain control in any of the ways indicated above, but only on a showing that "the transaction proposed will promote the public interest and enable such a carrier other than a motor carrier to use service by motor vehicle to public advantage in its operations and will not unduly restrain competition." With this limitation, it will be possible for the Commission to allow acquisitions which will make for coordinated or more economical service and at the same time to protect the public against the monopolization of highway carriage by rail, express, or other interests.

Subparagraph (f), page 40, relieves any carrier or person receiving authorization from the Commission under this section from the operation of the antitrust laws.

Section 214, page 40. Issuance of securities: Common and contract carriers, and corporations authorized to acquire control of any such carrier, are made subject to the provisions of paragraphs (2) to (11), inclusive, of section 20 (a) of the Interstate Commerce Act, where the par value of securities to be issued, together with that of the securities outstanding, does not exceed $500,000. In the original bill it was proposed to repeal the provisions of the Securities Act, 1933, insofar as that act related to such security issues. The amendment adopted by the committee accomplishes the same intent without repeal by amending section 3 of the securities act so as to exempt securities of motor carriers herein subjected to regulation.

Section 215, page 41. Security for the protection of the public: This section confers power on the Commission to prescribe reasonable rules and regulations governing the approval of bonds, insurance policies, and other surety needed for the protection of the public and the patrons of motor carriers. The changes made by the committee are intended to guard against unreasonable or unworkable requirements. They give the operators the option of self-insurance or of providing policies of insurance in lieu of bonds.

Section 216, page 42. Rates, fares, and charges of common carriers by motor vehicle: This section requires common carriers by motor vehicle to establish and maintain rates, fares, regulations, and practices which are just and reasonable and free from undue discrimination, preference, or prejudice. It authorizes the Commission, on complaint or after investigation on its own initiative, to prescribe just and reasonable maximum or minimum rates, or maximum and minimum rates, and the classification, rules, regulations, or practices thereafter to be observed.

Paragraph (a), as amended by the committee, is confined to common carriers of passengers by motor vehicle. They are required to establish reasonable through routes with other such common carriers and to establish just and reasonable rates and equitable divisions thereof. In the original bill there was a provision for mandatory through routes and joint rates between all motor common carriers and carriers by rail, express, and water. There was substantially unanimous disapproval of this provision.

However, in my judgment, it should have been done; and I think the Congress should have been asked to do it, but many of the small operators were afraid that if this were done it would give preference to the railroads, and therefore they were afraid to ask it. Hence paragraphs (b) and (c) have been introduced by the committee in order to make joint through routes and rates permissive between motor carriers of property and between motor carriers of passengers or property and other agencies of transportation. The Commission is, however, given authority to pass on the reasonableness of any joint rates so established and to adjust the divisions thereof.

Paragraph (g), page 47, gives the Commission authority upon complaint or upon its own initiative to suspend proposed changes in rates, fares, or regulations for an initial period of not to exceed 90 days, and, if necessary, in order to complete the Commission's investigation, for a further period of not to exceed 90 days. Representatives of certain shippers vigorously oppose the power of suspension on the ground that it will seriously cripple the motor carriers and enable the railroads to harrass the small operator. However, the truck operators themselves are anxious to have the protection which the suspension provision will give them against destructive competition within their own ranks. They also realize that if the power of suspension is here eliminated the railroads will, with some justice, seek to be relieved from the power of suspension when reducing rates to meet motor carrier or other competition. The suspension power here conferred is similar to that given in the present Interstate Commerce Act, except that in the latter act the suspension period is 9 months.

It has been suggested that we should not give the power to the Commission to suspend rates. The railroads have also asked, with reference to themselves, that the Commission should not have the power to suspend truck-competitive rates. If in this bill we do not give the Commission the power to suspend motor-carrier rates, it will only be a question of time until the railroads themselves will be coming in and asking the committee and the Congress to remove the power to suspend railroad rates, and if this power is removed we will have cutthroat competition among the railroads; and we will have it among the busses and trucks if we do not give the Commission the power to suspend their rates. However, the Commission has seldom exercised that power in respect to rate reductions.

It was suggested that the Commission should only suspend rate reductions if the rates were below the cost of service; but the Commission recently pointed out that it is almost impossible to find the cost, because the cost of service depends upon so many different elements. It depends upon the amount of traffic the particular truck operators have, and upon so many different elements that it is almost impossible to ascertain them.

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

Mr. WHEELER. Certainly.

Mr. ROBINSON. Does the bill define the purposes for which the Commission may suspend rates?

Mr. WHEELER. Yes; and it is very specific as to the reasons. The provision relating to that, found on page 47, reads as follows:

(g) Whenever there shall be filed with the Commission any schedule stating a new individual or joint rate, fare, charge, or classification for the transportation of passengers or property by a common carrier or carriers by motor vehicle, or by any such carrier or carriers in conjunction with a common carrier or carriers by railroad and/or express, and/or water in interstate or foreign commerce, or any

rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Commission is hereby authorized and empowered upon complaint of any interested party or upon its own initiative at once and, if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate—

And so forth.

In the meantime the Commission may suspend the rate pending such hearing. If it does suspend the rate, of course, the rate the carrier has been charging will continue during that period of time. It only suspends the lower rate or the higher rate pending hearing and decision, and the carrier will still go on getting its published rate.

Paragraph (d), on page 44, prohibits unjust discrimination or undue prejudice or disadvantage. The committee has added a provision that this prohibition shall not be construed to apply to the traffic of any other carrier of whatever description.

In other words, some of the truck and bus operators were afraid that the railroads would come in and complain, and we added this provision so as doubly to protect the truck and bus operators.

This provision is added to meet the objection of certain interests that the original paragraph might have been construed so as to make it unlawful for a motor carrier to charge a rate which would place a rail carrier or any other carrier at a disadvantage. This contention is not well founded in our judgment inasmuch as the provisions of this paragraph are substantially the same as those in section 3 (1) of the Interstate Commerce Act, which has been in effect since 1887, and have always been interpreted as covering unequal and unjust treatment by a carrier of its patrons. However, as I said, to make assurance double sure, this provision was added.

Paragraph (i), page 49, sets forth certain elements to be considered by the Commission in the fixing of rates. The wording of this paragraph follows that of the amended section 15 (a) of the Interstate Commerce Act, except that, as an additional protection to the motor carriers, it directs the Commission to give due consideration to the inherent advantages of motor transportation. The intent is to require the Commission to fix truck rates on a basis that, so far as possible, reflects the costs and advantages of the motor service.

Section 217, on page 50, relates to tariffs of common carriers by motor vehicle. This section requires the common carriers by motor vehicle to file and adhere to tariffs which show all rates, fares, and charges for transportation and all services in connection therewith. These tariffs are to be published, filed, and posted in such form and manner as the Commission may prescribe, and the Commission is given full discretion to adjust its requirements to motor-carrier conditions. No change may be made in any tariff except after 30 days' notice, but the Commission may, in its discretion and for good cause shown, allow such change upon less notice, as it often does in the case of the railroads. It may modify the requirements with respect to posting and filing of tariffs either in the particular instance or by general order applicable to special circumstances or conditions.

Complaint has been made that the 30-day period was too long, inasmuch as some bus operators might want to reduce their rates very quickly in order to meet a certain competitive condition. The provision, however, gives the Commission the power, on a proper showing, even by telegraph, to allow the change to be made in less time. The Commission tell me that under proper conditions they could do it overnight, if the Commission, in their wisdom, thought it was necessary to be done.

As I see it, practically all the criticisms that have been made against the bill have been made on the theory that the Commission was not going to carry out the policies laid down by the measure. There has been a fear upon the part of some people—in my judgment, an unfounded fear—if the administration of this bill were turned over to the Interstate Commerce Commission, that Commission might regulate bus and truck transportation in the interest of the railroads and not in the interest of the general public, and that it might not give bus and truck operators a fair deal. It is fair to say to the Senate that the American Trucking Associations, Inc., and likewise the water carriers of the country, have insisted that the Commission should be reorganized and that a bill should be passed reorganizing the Commission if the truck bill and the water-carrier bill should pass, so as to set up in the Interstate Commerce Commission a special division for the handling of each particular kind of transportation. Coordinator Eastman has made recommendation to that effect, and I wish to say to the Senate that I have promised both the water carriers, if their water-carrier bill shall pass, and likewise the bus and truck interests, that I would try to have passed a bill in accordance with the recommendations of Coordinator Eastman.

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

Mr. WHEELER. I yield.

Mr. VANDENBERG. Unless something of that sort shall be done, is the Interstate Commerce Commission equipped at the present time to administer the provisions of this bill?

Mr. WHEELER. They could handle it, but they would have to set up within the Commission some kind of organization. It really ought to be a separate division of the Interstate Commerce Commission; I do not think there can be any doubt about that.

Mr. VANDENBERG. This bill provides a pretty substantial administrative addition to their responsibilities, does it not?

Mr. WHEELER. It does.

Mr. ROBINSON. It is necessary, or at least desirable, to have the function of regulating these agencies vested in the same body that regulates the other carriers.

Mr. WHEELER. Yes.

Mr. ROBINSON. Otherwise we might have one policy in force as to a certain class of carriers and an entirely different and conflicting policy in force as to this particular class of carriers.

Mr. WHEELER. Exactly.

Mr. ROBINSON. The whole purpose is to coordinate the effort to regulate and supervise so as to give fair opportunity to each and every class of carriers?

Mr. WHEELER. Yes. I might say that I talked this morning with Mr. Farley, who is connected with the water carriers, and was formerly on the Shipping Board and who is now I think receiver for some line of carriers or is engaged in some work of that kind. He said to me—and I do not think I am divulging any secret—he was extremely anxious that the bill to regulate water carriers by the Interstate Commerce Commission should be passed, with a provision for a separate division to handle that subject matter, because he said his experience on the Shipping Board convinced him that administrative duties and regulatory functions should not be in the same organization. He said it was inconsistent and impractical and that he himself and many of the shippers were extremely anxious that all the carriers should come under one body, and, as the Senator from Arkansas has pointed out, if we do not have them under one body we will have one commission pulling this way and another commission pulling the other way, and, in my judgment, there will be a chaotic condition.

Section 218, page 52, relates to schedules of contract carriers by motor vehicle.

Contract carriers are required to file with the Commission, publish and keep open for public inspection, in the form and manner prescribed by the Commission rate schedules, or, in the discretion of the Commission, copies of contracts containing the minimum charges of such carriers. Here also 30 days' notice of changes is required, unless the Commission permits changes on less notice. The Commission is authorized in paragraph (a), line 29, page 53, to grant relief from the provisions of this paragraph. This section is so worded as to permit of suitable flexibility and relief of operators from any requirements which may be unduly burdensome and not productive of any good result.

Paragraph (b), page 54, authorizes the Commission to fix the minimum charges and to prescribe the rules, regulations, or practices of contract carriers in order that they may not give any advantage or preference to any such carrier in competition with any common carrier by motor vehicle subject to this part, which the Commission may find to be undue or inconsistent with the public interest and the policy declared in said section (202 (a)). Exercise of this minimum-rate power is essential if present chaotic conditions in the field of motor transportation are to be corrected. The truck operators themselves want this section for their own protection. In their code they tried a cost formula as a basis for fixing minimum rates, and realize the necessity for a provision which will afford reasonable protection from rate cutting.

The committee has added an amendment in lines 21 to 25, page 54, for the purpose of giving greater assurance to the truck operators that, in the making of such minimum rates, the Commission shall consider the costs incurred by contract carriers and the effect of such charges upon the movement of traffic by such carriers and its possible diversion to private operators or other agencies of transportation. The suspension provisions of this section are the same as those which apply in the case of common carriers and the need for them is the same.

Section 219. Receipts or bills of lading: This section makes applicable to common carriers of freight the provisions of section 20 (11) of the Interstate Commerce Act. These provisions require the issuance of bills of lading, prohibit limitations of liability for loss and damage, and authorize the institution of suits against the initial carrier for loss or damage incurred on the lines of a connecting carrier.

Section 220, page 56. Accounts, records and reports: This section gives the Commission authority to require such reports and to prescribe such records as are required for the successful administration of the act. Section 203 (c) permits the Commission to adjust its requirements to the ability of the operators to comply with them. It is realized that somewhat simple accounting and report requirements will be necessary in the case of the small operator.

Section 221, page 58. Orders, notices, and service of process: This section requires each motor carrier and broker to file with the Commission and with the board of each State the name and post-office address of a person upon whom service of notices or orders may be made, and provides that orders of the Commission shall take effect within such reasonable time as the Commission may prescribe, and continue in force either for a specified period or until the Commission's further order.

Section 222, page 60. Unlawful operation: This section provides penalties, in the way of fines only, for violations of the act or the orders of the Commission, and authorizes the issuance of injunctions or other judicial process to enforce obedience.

Paragraph (c), page 61, prohibits rebates or other concessions or attempts to evade regulation by means of fictitious bills of lading, leases, or other devices.

Section 223. Collection of rates and charges: Gives the Commission the right to make rules and regulations for settlement of freight charges.

Section 224. Identification of interstate carriers: This section authorizes the Commission to require motor carriers operating under Federal certificates or permits to display suitable identification plate or plates, the cost of which is to be borne by the carriers. The substitution, transfer, or unlawful use of any such plate or plates is prohibited.

Section 225. Investigation of motor vehicle sizes, weights, etc.: This investigation is required in order to establish the need for Federal regulation of the sizes and weights of motor vehicles and of the qualifications and maximum hours of service of employees of all motor carriers and private carriers of property by motor vehicle. It will, if need is found for such regulation, serve to lay the basis for types of regulation which are adapted to the special and varied conditions surrounding the operations of such motor vehicles. The definition of a private carrier has been eliminated at this point and inserted in section 203 (a) as subparagraph (17).

Section 226. Separability of provisions: No discussion of this section is necessary.

Section 227. Time effective: In view of the difficulties which the Commission and the carriers will encounter in instituting the initial regulation, the Commission is authorized to stay the effective date of any of the several provisions of this act, but not beyond the 1st day of January 1936.

This practically concludes the discussion of the various sections. I have discussed all that are of importance. I appreciate the bill is not perfect, but the committee worked hard on it and we were practically unanimous in reporting it out. No minority report was filed. There was very little dissension over any of the provisions. We tried to modify it as much as possible to take away any fear that might exist in the minds of some that the motor busses and trucks were going to be regulated in the interest of the railroads. I think such fears were absolutely unfounded, although it was apparent that certain propaganda had been carried on for the purpose of stirring up that belief among groups of certain individuals in the United States.

This concludes my statement on the bill. I am ready to proceed if it is desired to continue its consideration.

Mr. McNARY. Mr. President, may I suggest to the Senator in charge of the bill that so much work is before the committees and before the Senate itself that many Senators necessarily otherwise engaged and absent at this time will want to read the very able discussion made this afternoon by the Senator from Montana. I think, in view of this fact, it might well be the part of wisdom to let the bill go over until another day, although we might consider committee amendments to the bill which are formal in their nature.

Mr. ROBINSON. Mr. President, the Senator from Montana, in a comparatively brief address, has presented what appears to me to be a very clear and impressive analysis of the provisions of the bill. It is gratifying to have that done touching a measure which is of so great importance. I do not know whether there is grave opposition to the measure. There is no disposition to press for quick action, but it seems to me if there are Senators who have studied the subject, and who care to express their views, we ought now to have the advantage of those expressions. In other words, we are expected now to recess until tomorrow, when, for good reasons, there will be a short session, a very short session unless my plans miscarry. [Laughter.]

I wish we might proceed this afternoon. I was informed by one Senator that he desires to address the Senate on the bill this afternoon, but he happens to be absent at the moment. Let us proceed with consideration of committee amendments. Let us get something done.

Mr. McNARY. Mr. President, I have no quarrel with that program. I think I made it clear a moment ago that I do not want final action taken now. I do not speak of any one in particular. I do not know whether there is opposition to the bill. I am willing to proceed with committee amendments at this time. When it comes to individual amendments and final passage of the bill I shall ask that it go over until another day.

Mr. ROBINSON. I shall make no objection if, at the proper time, the Senator states he thinks the bill should go over until another day. However, I think we might proceed with and complete the consideration of committee amendments this afternoon.

Has the Senator from Montana requested that the bill be read for amendment and that committee amendments be first considered?

Mr. WHEELER. I now submit that request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

The PRESIDING OFFICER. Eighty-one Senators having responded to their names, a quorum is present. The clerk will read the bill.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Interstate Commerce was, on page 1, line 4, after the words "referred to as 'part I'", to insert "is hereby amended by inserting at the beginning thereof the caption 'part I' and by substituting for the words 'this act' wherever they occur the words 'this part', but such part I may continue to be cited as the 'Interstate Commerce Act', and said Interstate Commerce Act", and on page 2, line 3, after the word "part", to strike out "III" and insert "(I)", so as to read:

Be it enacted, etc., That the Interstate Commerce Act, as amended, herein referred to as "part I", is hereby amended by inserting at the beginning thereof the caption "part I" and by substituting for the words "this act" wherever they occur the words "this part", but such part I may continue to be cited as the "Interstate Commerce Act" and said Interstate Commerce Act is hereby further amended by adding the following part (II).

The amendment was agreed to.

The next amendment was, on page 2, line 4, after the word "part" in the heading, to strike out "III" and insert "(II)", so as to make the heading read:

Part (II).

The amendment was agreed to.

The next amendment was, under the subhead "Declaration of policy and delegation of jurisdiction", on page 2, line 9, after "Sec.", to strike out "302" and insert "202"; in line 10, after the word "to", to strike out "promote, encourage," and insert "supervise"; in line 12, after the word "to", to strike out "develop" and insert "recognize"; in the same line, after the word "and", to strike out "maintain" and insert "preserve the inherent advantages of, and foster"; in line 14, after the word "carriers", to insert "in the public interest"; in line 15, before the word "adequate", to strike out "provide" and insert "promote"; in the same line, after the word "efficient", to strike out "transportation"; in line 16, after the word "carriers", to insert a comma and the words "and reasonable charges therefor, without unjust discriminations, undue preferences or advantages, and unfair or destructive competitive practices"; in line 19, after the word "between", to strike out "such carriers"; in the same line, after the word "and", to strike out "other agencies of transportation;"; in line 20, after the word "by", to insert "regulation of,"; in line 21, after the word "and" where it occurs the first time, to strike out "such"; in the same line, after the word "other", to strike out "agencies and the regulation thereof; foster" and insert "carriers; develop"; in line 22, after the word "preserve", to strike out "in the public interest"; in the same line, before the word "transportation", to insert "highway"; in line 25, before the word "cooperate", to strike out "to"; and on page 3, line 1, after the word "thereof", to insert "and with any organization of motor carriers"; so as to read:

PART (II)

SECTION 201. This part may be cited as the "Motor Carrier Act, 1935."

DECLARATION OF POLICY AND DELEGATION OF JURISDICTION

SEC. 202. (a) It is hereby declared to be the policy of Congress to supervise and regulate transportation by motor carriers in such manner as to recognize and preserve the inherent advantages of, and foster sound economic conditions in, such transportation and among such carriers in the public interest; promote adequate, economical, and efficient service by motor carriers, and reasonable charges therefor, without unjust discriminations, undue preferences or advantages, and unfair or destructive competitive practices; improve the relations between, and coordinate transportation by and regulation of, motor carriers and other carriers; develop and preserve a highway transportation system properly adapted to the needs of the commerce of the United States and of the national defense; and cooperate with the several States and the duly authorized officials thereof and with any organization of motor carriers in the administration and enforcement of this part.

The amendment was agreed to.

The next amendment was, on page 3, line 5, after the word "carriers", to strike out "engaged in interstate or foreign commerce" and insert "and to the procurement of and the provision of facilities for such transportation"; and in line 8, after the word "such", to strike out "commerce" and insert "transportation, and of the procurement thereof, and the provision of facilities therefor", so as to read:

(b) The provisions of this part apply to the transportation of passengers or property by motor carriers and to the procurement of and the provision of facilities for such transportation, and the regulation of such transportation, and of the procurement thereof, and the provision of facilities therefor, is hereby vested in the Interstate Commerce Commission.

The amendment was agreed to.

The next amendment was, on page 3, line 15, after the word "any", to strike out "State. It is not intended hereby" and insert "State, or"; in line 16, before the word "exercise", to strike out "exclusive"; in line 18, after the word "thereof" and the comma, to strike out "and notwithstanding this part, the intrastate operations of motor carriers on the highways of a State shall continue to be subject to the laws of the State regulating such intrastate commerce: *Provided, however*, That this shall not be construed to prevent the Commission from exercising its authority to protect" and insert "except where and only to the extent that such regulation causes undue or unreasonable disadvantage or prejudice to"; in line 25, after the word "persons", to strike out "and" and insert "or"; and on page 4, line 1, after the word "commerce", to strike out "against undue or unreasonable disadvantage or prejudice caused by any rate, fare, charge, classification, regulation, or practice of motor carriers made or imposed by authority of any State", so as to read:

(c) Nothing in this part shall be construed to affect the powers of taxation of the several States or to authorize a motor carrier to do an intrastate business on the highways of any State, or to interfere with the exercise by each State of the power of regulation of intrastate commerce by motor carriers on the highways thereof, except where and only to the extent that such regulation causes undue or unreasonable disadvantage or prejudice to persons or localities in interstate commerce.

Mr. DUFFY. Mr. President, I have been consulted by representatives of the Association of Railroad and Utilities Commissioners who object to the entire subsection (c) in the form in which it is reported by the committee, and I intend to offer an amendment as a substitute. I desire to suggest to the Senator in charge of the bill that possibly it would be better to go ahead with the other committee amendments that are not objected to, and then take up the amendment I wish to offer.

Mr. ROBINSON. Where is the point at which the Senator from Wisconsin proposes to offer an amendment?

Mr. DUFFY. Starting on line 12, page 3, section (c), I propose to offer a substitute for the entire paragraph, which has been considerably changed by the committee amendments, to a very large degree restoring the wording as it originally appeared in the bill.

Mr. ROBINSON. Would it suit the convenience of the Senator from Montana to pass over those amendments?

Mr. WHEELER. As I understand, the Senator from Wisconsin wishes to strike out the whole paragraph.

Mr. DUFFY. And insert a substitute.

Mr. WHEELER. Let us go ahead and amend the bill as proposed by the committee, and the Senator may afterward offer his substitute.

Mr. DUFFY. I merely make the suggestion so that I may not be precluded from doing that.

Mr. WHEELER. The Senator will not be precluded.

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

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment was, under the subhead "Definitions", on page 4, line 6, to change the section number from "303" to "203", and in line 9, after the word "association", to insert a semicolon and the words "and includes any trustee, receiver, assignee, or personal representative thereof", so as to read:

DEFINITIONS

SEC. 203. (a) As used in this part—

(1) The term 'person' means any individual, firm, copartnership, corporation, company, association, or joint-stock association; and includes any trustee, receiver, assignee, or personal representative thereof.

The amendment was agreed to.

The next amendment was, on page 4, line 15, after the word "this", to strike out "act" and insert "part", and in line 18, after the word "regulate", to insert "the business of", so as to read:

(2) The term "board" or "State board" means the commission, board, or official (by whatever name designated in the laws of a State) which, under the laws of any State in which any part of the service in interstate or foreign commerce regulated by this part is performed, has or may hereafter have jurisdiction to grant or approve certificates of public convenience and necessity or permits to motor carriers, or otherwise to regulate the business of transportation by motor vehicles, in intrastate commerce over the highways of such State.

The amendment was agreed to.

The next amendment was, on page 4, line 24, after the word "section", to strike out "305" and insert "205", so as to read:

(4) The term "joint board" means any special board constituted as provided in section 205 of this part.

The amendment was agreed to.

The next amendment was, on page 5, line 6, before the word "broker", to strike out "motor transportation agent or", so as to read:

(7) The term "license" means a license issued under this part to a broker.

The amendment was agreed to.

The next amendment was, on page 5, after line 8, to insert:

(9) The term "express company" means any common carrier by express subject to the provisions of part I.

The amendment was agreed to.

The next amendment was, on page 5, line 11, to change the paragraph number from "(9)" to "(10)", and in line 13, after the word "between", to strike out "points" and insert "places", so as to read:

(10) The term "interstate commerce" means commerce between any place in a State and any place in another State or between places in the same State through another State, whether such commerce moves wholly by motor vehicle or partly by motor vehicle and partly by rail, express, or water.

The amendment was agreed to.

The next amendment was, on page 5, line 17, to change the paragraph number from "(10)" to "(11)", and in line 19, after the word "between", to strike out "points" and insert "places", so as to read:

(11) The term "foreign commerce" means commerce between any place in the United States and any place in a foreign country, or between places in the United States through any foreign country, whether such commerce moves wholly by motor vehicle or partly by motor vehicle and partly by rail, express, or water.

The amendment was agreed to.

The next amendment was, on page 5, line 23, to change the paragraph number from "(11)" to "(12)."

The amendment was agreed to.

The next amendment was, on page 6, line 1, to change the paragraph number from "(12)" to "(13)"; in line 3, after the word "by", to strike out "any" and insert "mechanical"; in the same line, after the word "power", to strike out "other than muscular power"; in line 4, after the word "highways", to strike out "for" and insert "in the"; in line 5, before the words "or property", to strike out "passenger" and insert "passengers"; and in line 6, before the word "vehicle", to strike out "motorcycle, or any"; so as to read:

(13) The term "motor vehicle" means any vehicle, machine, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property, but does not include any vehicle, locomotive, or car operated exclusively on a rail or rails.

The amendment was agreed to.

The next amendment was, on page 6, line 8, to change the paragraph number from "(13)" to "(14)"; in line 9, after the word "undertakes", to insert "whether directly or by a lease or any other arrangement"; and in line 11, after the word "classes" to strike out "thereof" and insert "of property", so as to read:

(14) The term "common carrier by motor vehicle" means any person who or which undertakes, whether directly or by a lease or any other arrangement, to transport passengers or property, or any class or classes of property, for the general public in interstate or foreign commerce by motor vehicle for compensation, whether over regular or irregular routes, including such motor-vehicle operations of carriers by rail or water, and of express or fowarding companies, except to the extent that these operations are subject to the provisions of part I.

The amendment was agreed to.

The next amendment was, on page 6, line 18, to change the paragraph number from "(14)" to "(15)"; in line 20 to strike out "(13)" and insert "(14)"; and in line 21, after the word "agreements", to insert "and whether directly or by a lease or any other arrangement"; so as to read:

(15) The term "contract carrier by motor vehicle" means any person, not included under paragraph (14) of this section, who or which, under special and individual contracts or agreements, and whether directly or by a lease or any other arrangement, transports passengers or property in interstate or foreign commerce by motor vehicle for compensation.

The amendment was agreed to.

The next amendment was, on page 7, line 1, to change the paragraph number from "(15)" to "(16)."

The amendment was agreed to.

The next amendment was, on page 7, after line 3, to insert:

(17) The term "private carrier of property by motor vehicle" means any person not included in the terms "common carrier by motor vehicle" or "contract carrier by motor vehicle", who or which transports in interstate or foreign commerce by motor vehicle property of which such person is the owner, lessee, or bailee, when such transportation is for the purpose of sale, lease, rent, or bailment, or in furtherance of any commercial enterprise.

The amendment was agreed to.

The next amendment was, on page 7, after line 11, to insert:

(18) The term "broker" means any person not included in the term "motor carrier" and not a bona fide employee or agent of any such carrier, who or which, as principal or agent, sells or offers for sale any transportation subject to this part, or negotiates for, or holds himself or itself out by solicitation, advertisement, or otherwise as one who sells, provides, furnishes, contracts, or arranges for such transportation.

The amendment was agreed to.

The next amendment was, on page 7, line 20, to change the paragraph number from "(16)" to "(19)"; in line 21, after the word "include", to strike out "also" and insert "all"; in line 24, after the word "property", to strike out "including terminal facilities and property" and insert "operated or controlled by any such carrier or carriers and"; on page 8, line 2, after the word "the", to strike out "carriage, receipt, delivery, storage, refrigeration or icing, transfer, and handling" and insert "transportation"; in line 4, after the word "of", to insert "passengers or"; in the same line, after the word "property", to strike out "so transported, and all services" and insert "in interstate or

foreign commerce or in the performance of any service"; and in line 6, after the word "therewith", to strike out "affecting the value of the transportation", so as to read:

(19) The "services" and "transportation" to which this part applies include all vehicles operated by, for, or in the interest of any motor carrier, irrespective of ownership or of contract, express or implied, together with all facilities and property, operated or controlled by any such carrier or carriers and used in the transportation of passengers or property in interstate or foreign commerce or in the performance of any service in connection therewith.

The amendment was agreed to.

The next amendment was, on page 8, line 8, to change the paragraph number from "(17)" to "(20)."

The amendment was agreed to.

The next amendment was, on page 8, line 10, to change the paragraph number from "(18)" to "(21)."

The amendment was agreed to.

The next amendment was, on page 9, line 6, after the word "section", to strike out "302" and insert "202"; in line 7, after the word "of", to strike out "persons" and insert "passengers"; in line 14, after the word "zone", to insert: "and provided that the motor carrier engaged in such transportation of passengers over regular or irregular route or routes in interstate commerce is also lawfully engaged in the intrastate transportation of passengers over the entire length of such interstate route or routes in accordance with the laws of each State having jurisdiction"; in line 20, after the word "casual", to strike out "or"; in line 21, after the word "occasional", to insert "or reciprocal"; in the same line, after the words "transportation of", to strike out "persons" and insert "passengers"; in line 23, after the word "not", to strike out "regularly"; and in line 24, after the word "as", to strike out "his or its principal" and insert "a regular", so as to read:

(b) Nothing in this part shall be construed to include (1) motor vehicles employed solely in transporting school children and teachers to or from school; or (2) taxicabs, or other motor vehicles performing a bona fide taxicab service, having a capacity of not more than six passengers and not operated on a regular route or between fixed termini; or (3) motor vehicles owned or operated by or on behalf of hotels and used exclusively for the transportation of hotel patrons between hotels and local railroad or other common-carrier stations; or (4) motor vehicles operated, under authorization, regulation, and control of the Secretary of the Interior, principally for the purpose of transporting persons in and about the national parks and national monuments; or (5) trolley busses operated by electric power derived from a fixed overhead wire, furnishing local passenger transportation similar to street-railway service; nor, unless and to the extent that the Commission shall from time to time find that such application is necessary to carry out the policy of Congress enunciated in section 202, shall the provisions of this part apply to: (6) The transportation of passengers or property in interstate or foreign commerce wholly within a municipality or between contiguous municipalities or within a zone adjacent to and commercially a part of any such municipality or municipalities, except when such transportation is under a common control, management, or arrangement for a continuous carriage or shipment to or from a point without such municipality, municipalities, or zone, and provided that the motor carrier engaged in such transportation of passengers over regular or irregular route or routes in interstate commerce is also lawfully engaged in the intrastate transportation of passengers over the entire length of such interstate route or routes in accordance with the laws of each State having jurisdiction; or (7) the casual, occasional, or reciprocal transportation of passengers or property in interstate or foreign commerce for compensation by any person not engaged in transportation by motor vehicle as a regular occupation or business.

The amendment was agreed to.

The next amendment was, under the subhead "General Duties and Powers of the Commission", on page 10, line 2, to change the number of the section from "304" to "204."

The amendment was agreed to.

Mr. COUZENS. Mr. President, the Senate has now reached section 204, on page 10, and we are discussing paragraph 1 of section 204. I wish the Senator in charge of the bill would tell the Senate just what it is contemplated to do by that section.

I recall that during the discussions of the committee there were some differences of opinion with respect to fixing maximum hours of service of employees on motor vehicles, and minimum wages. It appears later on in the bill that the N. R. A. is not to apply after this bill shall become law. It also appears that after I left one of the committee meetings that general policy was changed, and I was not in the committee when the final draft of the bill was arranged. I happened to tell one of the Senators that the bill had provided for maximum hours and minimum wages.

I should like the Senator from Montana, if he will, to explain to the Senate why the committee changed the first undertaking.

Mr. WHEELER. Let me say to the Senator that I do not think the committee ever adopted the suggestion to which he has referred. As the Senator will recall, what happened was that the labor representatives from the Truck Drivers' Association in New York came before the committee and wanted certain definite regulations with reference to maximum hours of service and minimum wages. Then the railroad brotherhoods appeared before the committee and asked for certain regulations with reference to maximum hours of service. I have forgotten the specific provision they wanted. Then a provision was desired giving the truck drivers the right to have collective bargaining. Since the Wagner bill was pending, and would apply to all industries, it was thought perhaps it was not advisable to write such provisions into this bill; and then, in talking with Mr. Eastman about the matter, we accepted the suggestion of Mr. McManamy, who is chairman of the legislative committee of the Interstate Commerce Commission. He suggested the language we have inserted. It seemed to be the view of the Commission that they wanted the power to investigate these conditions, and so, on page 66, the bill provides as follows:

The Commission is hereby authorized to investigate and report on the need for Federal regulation of the sizes and weight of motor vehicles and combinations of motor vehicles and of the qualifications and maximum hours of service of employees of all motor carriers and private carriers of property by motor vehicle; and in such investigation the Commission shall avail itself of the assistance of all departments or bureaus of the Government.

Then we gave them the power, in section 204—

To supervise and regulate common carriers by motor vehicle as provided in this part, and to that end the Commission may establish reasonable requirements with respect to continuous and adequate service, transportation of baggage and express, uniform systems of accounts, records, and reports, preservation of records, qualifications and maximum hours of service of employees, and safety of operation and equipment.

It was felt that the Commission and the committee did not have sufficient information before them to enable them to specify definitely the maximum hours of service. There are regulations in some of the States fixing 12 hours, and in some States 16 hours is fixed as the maximum service, but there does not seem to be in any of the States, so far as we have been able to find, any carrying out of those laws.

I myself thought that the best thing that could be done at this time would be to have the bill passed and then have the Commission to make a study and report its findings back to Congress, because the measure involves many different kinds of carriers, and if we fix at this time hours of service for all kinds of carriers, it will be difficult to enforce them. At least, I did not feel that I had sufficient information upon which I could intelligently say what the hours of service should be or what the pay should be for all sections of the country.

Mr. COUZENS. Mr. President, the Senator recognizes, of course, that section 225 on page 66 merely authorizes an investigation. It does not give any authority or any opportunity to fix maximum hours or minimum wages.

Mr. WHEELER. But on page 10, in section 204, the Commission is given the power to establish reasonable requirements with respect to the qualifications and maximum hours of service of employees, and the safety of operation and equipment.

Mr. COUZENS. But I point out what I said before, when I think perhaps the Senator was out of the Chamber for a moment, that further on in the bill there is a provision for removing these activities from the code authorities, and, in effect, this will make employees of an industry of this kind worse off than any other class of employees, because they now have a minimum wage under the codes, and there is no minimum wage provided in the bill.

Mr. WHEELER. Mr. President, I do not agree with the Senator. As I read the bill, insofar as the code authorities conflict with the provisions of the bill, then the provisions of the bill shall prevail; but the bill certainly would not now repeal the hours of service provided in the code authority.

Mr. COUZENS. I am not talking about the hours of service.

Mr. WHEELER. It has nothing to do with the wages. As a matter of fact, when we pass a railway labor bill, or a bill regulating interstate commerce, we do not and we cannot fix by law, it seems to me, the rates of wages to be paid to employees. We cannot do it with reference to railroad labor, we cannot do it with reference to truck and bus labor, we cannot do it with reference to any other class of labor. All we can do is to say to them that they can fix the maximum hours. We could specify that it was thought to be wise to do that instead of giving the Commission the power to fix the maximum hours, to specify that the limit of hours should be 12, or 10, or 16, or whatever we wanted to make it. But that is as far as we could go, it seems to me, in legislation of this kind. We cannot fix the rate of wages in a bill such as this.

That is the matter which must be handled by contractual arrangement between the truck operators and their employees. We have given the power to the Commission to regulate the hours of service. If it is thought best to do it in the bill, that is all right with me, but the Commission felt they did not have sufficient information at the present time upon which to base that kind of a regulation and to put it into the law at the present time.

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

Mr. WHEELER. I yield.

Mr. AUSTIN. I should like to ask the Senator from Montana whether it is intended to add anything to the verb "regulate" by inserting in the text, on page 10, the additional verb "to supervise"? He will notice that verbiage in lines 4, 12, and 24. Just what was the purpose of putting into the bill the verb "to supervise"?

Mr. WHEELER. That language is found in all such bills prepared by the Interstate Commerce Commission. It was agreed to by those who themselves were to be regulated, and nobody has objected to it. It was for the purpose of giving the Commission the power to supervise and regulate, just as it says.

Mr. AUSTIN. Then, I understand, there is no intention to increase the power over such power as is given by the verb "to regulate"?

Mr. WHEELER. No.

Mr. AUSTIN. May I ask one further question?

Mr. WHEELER. Certainly.

Mr. AUSTIN. I have said that I have had no opportunity to read the bill through, but in the brief time available I have read page 12, and I admit that I canont understand paragraph (b), lines 1 to 8. What is the meaning of that paragraph?

Mr. WHEELER. It simply means that the code authority will have no effect after the enactment of the bill, where the code authority conflicts with the action taken by the Commission under the law.

Mr. AUSTIN. Would not the Senator wish to have a sentence there, or does he wish to leave it as it is? I do not find a complete sentence there.

Mr. WHEELER. There must be a correction in the language which we have marked to be changed, which correction will straighten it out.

Mr. AUSTIN. Striking out the word "which" in line 6?

Mr. WHEELER. We are going to strike out, in line 6, the word "which" and insert it after the word "effective" in line 7. That was a clerical error.

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

The next amendment of the committee was, on page 10, line 9, after the word "records", to insert the words "qualifications and maximum hours of service of employees", so as to read:

(1) To supervise and regulate common carriers by motor vehicle as provided in this part, and to that end the Commission may establish reasonable requirements with respect to continuous and adequate service, transportation of baggage and express, uniform systems of accounts, records, and reports, preservation of records, qualifications and maximum hours of service of employees, and safety of operation and equipment.

The amendment was agreed to.

The next amendment was, on line 16, after the word "records", to insert the words "qualifications and maximum hours of service of employees", so as to read:

(2) To supervise and regulate contract carriers by motor vehicle as provided in this part, and to that end the Commission may establish reasonable requirements with respect to uniform systems of accounts, records, and reports, preservation of records, qualifications and maximum hours of service of employees, and safety of operation and equipment.

The amendment was agreed to.

The next amendment was, on page 10, after line 18, to insert a new paragraph, as follows:

(3) To establish for private carriers of property by motor vehicle, if need therefor is found, reasonable requirements with respect to the qualifications and maximum hours of service of employees, and safety of operation and equipment.

The amendment was agreed to.

The next amendment was, on page 10, line 24, to strike out "(3)" and to insert in lieu thereof "(4)"; and on line 24, after the word "regulate", to strike out the words "motor-carrier transportation", so as to read:

(4) To supervise and regulate brokers as provided in this part, and to that end the Commission may establish reasonable requirements with respect to licensing, financial responsibility, accounts, records, reports, operations, and practices of any such person or persons.

The amendment was agreed to.

The next amendment was, on page 11, line 5, to strike out "(4)" and insert in lieu thereof "(5)", and on line 7, after the word "several" to strike out the word "existing", so as to read:

(5) For the purpose of carrying out the provisions pertaining to safety, the Commission may avail itself of the assistance of any of the several research agencies of the Federal Government having special knowledge of any such matter, to conduct such scientific and technical researches, investigations, and tests as may be necessary to promote the safety of operation and equipment of motor vehicles as provided in this part; the Commission may transfer to such agency or agencies such funds as may be necessary and available to make this provision effective.

The amendment was agreed to.

The next amendment was, on page 11, line 15, to change the paragraph number from "(5)" to "(6)."

The amendment was agreed to.

The next amendment was, on page 11, line 19, to change the paragraph number from "(6)" to "(7)."

The amendment was agreed to.

The next amendment was, on page 12, line 1, to insert a new paragraph, as follows:

(b) The provisions of any code of fair competition for any industry embracing motor carriers or for any subdivision thereof approved pursuant to the National Industrial Recovery Act or any present or future act amendatory thereof, or supplementary thereto, or in substitution therefor, which shall have no force or effect after this section becomes effective is in conflict or inconsistent with any action under the provisions of this part.

Mr. WHEELER. Mr. President, I move to amend the committee amendment on page 12, line 6, by striking out the word "which" and inserting the word "which" in line 7 after the word "effective."

The amendment to the amendment was agreed to.

Mr. WHITE. Mr. President, does that clarify the language to the Senator's satisfaction?

Mr. WHEELER. I am just studying it.

Mr. WHITE. I suggest that this amendment go over, because I think that even with the modification now presented by the Senator the language of the section is not clear.

Mr. WHEELER. I ask that the amendment be passed over, and we will work it out.

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

The next amendment of the committee was, on page 12, line 9, to strike out "(b)" and to insert in lieu thereof "(c)"; on line 10, after the word "classifications", to insert the words "of brokers"; on line 11, after the word "or", to insert the word "of"; on line 14, after the word "carriers", to insert the words "or brokers"; on line 17, after the word "carriers", to insert the words "or brokers", so as to read:

(c) The Commission may from time to time establish such just and reasonable classifications of brokers or of groups of carriers included in the term "common carrier by motor vehicle", or "contract carrier by motor vehicle", as the special nature of the services performed by such carriers or brokers shall require; and such just and reasonable rules, regulations, and requirements, consistent with the provisions of this part, to be observed by the carriers or brokers so classified or grouped, as the Commission deems necessary or desirable in the public interest.

The amendment was agreed to.

The next amendment was, on page 12, line 19, to strike out "(c)" and to insert in lieu thereof "(d)", and on page 13, line 4, after the word "therewith", to insert the words "Whenever the Commission is of opinion that any complaint does not state reasonable grounds for investigation and action on its part, it may dismiss such complaint", so as to read:

(d) Upon complaint in writing to the Commission by any person, State board, organization, or body politic, or upon its own initiative without complaint, the Commission may investigate whether any motor carrier or broker has failed to comply with any provision of this part, or with any requirement established pursuant thereto. If the Commission, after notice and hearing, finds upon any such investigation that the motor carrier or broker has failed to comply with any such provision or requirement, the Commission shall issue an appropriate order to compel the carrier or broker to comply therewith. Whenever the Commission is of opinion that any complaint does not state reasonable grounds for investigation and action on its part, it may dismiss such complaint.

The amendment was agreed to.

The next amendment was, on page 13, line 8, to change the paragraph number from "(d)" to "(e)."

The amendment was agreed to.

The next amendment was, on page 14, line 4, to change the paragraph number from "(e)" to "(f)."

The amendment was agreed to.

The next amendment was, on page 14, line 9, under the heading "Administration", to change the section number from "305" to "205."

The amendment was agreed to.

The next amendment was, under the subhead "Administration" on page 16, line 7, after the word "section" to strike out "304" and insert "204"; and in the same line after the semicolon to insert "and"; in line 9 after the word "brokers" to strike out the semicolon and the words "and the approval of surety bonds, policies of insurance, or other securities or agreements for the protection of the public, required on the issuance of a certificate, permit, or license, application for which is referred to a joint board:", so as to read:

(b) The Commission shall, when operations of motor carriers or brokers conducted or proposed to be conducted involve not more than three States, and the Commission may, in its discretion, when operations of motor carriers or brokers conducted or proposed to be conducted involve more than three States, refer to a joint board for appropriate proceedings thereon, any of the following matters arising in the administration of this part with respect to such operations: Applications for certificates, permits, or licenses; the suspension, change, or revocation of such certificates, permits, or licenses; applications for the approval and authorization of consolidations, mergers, and acquisitions of control or operating contracts; complaints as to violations by motor carriers or brokers of the requirements established under section 204 (a); and complaints as to rates, fares, and charges of motor carriers or the practices of brokers.

The amendment was agreed to.

The next amendment was, on page 17, line 18, after the word "and", to insert "to"; and in the same line, after the word "order", to strike out "thereon under such" and to insert "thereon. The Commission shall prescribe"; and in line 20, after the word "boards", to strike out "as the Commission shall prescribe, or it" and insert "and"; and on page 18, line 1, before the word "operations", to insert "or brokerage", so as to read:

(c) Whenever there arises in the administration of this part any matter that the Commission is required to refer to a joint board, or that the Commission determines, in its discretion, to refer to a joint board, the Commission shall, if no joint board eligible to consider said matter is in existence, create a joint board to consider the matter when referred, and to recommend appropriate order thereon. The Commission shall prescribe rules governing meetings and procedure of joint boards and may, in the event of legal proceedings preventing reference to a joint board, determine the matter as provided in paragraph (a) of this section. Except as hereinafter provided, a joint board shall consist of a member from each State in which the motor carrier or brokerage operations involved are or are proposed to be conducted. The member from any such State shall be nominated by the board of such State from its own membership or otherwise; or if there is no board in such State or if the board of such State fails to make a nomination when requested by the Commission, then the Governor of such State may nominate such member. The Commission is authorized to appoint as a member upon the joint board any such nominee approved by it. If both the board and the Governor of any State shall fail to nominate a joint board member when requested, then the joint board shall be constituted without a member from such State, if members for two or more States shall have been nominated and approved by the Commission. All decisions and recommendations by joint boards shall be by majority vote. If the board of each State from which a member of a joint board is entitled to be appointed shall waive action on any matter referred to such joint board, or if any joint board fails or refuses to act, or is unable to agree upon any matter submitted to it within 45 days after the matter is referred to it or such other period as the Commission may authorize, or if a member shall not be nominated for more than one State (except only when the operations proposed shall be into or through territory foreign to the United States), then such matter shall be decided as in the case of any matter not required to be referred to a joint board. When any proceeding required to be referred to a joint board shall involve operations of a motor carrier conducted or proposed to be conducted into or through territory foreign to the United States, if a single State shall be involved, or if only one State shall make nomination of a joint board member through its Governor or State board, then the Commission, in such case, may receive from that State the nomination of not more than three members and may appoint such nominees to constitute the joint board. Members of joint boards when administering the provisions of this part shall receive such allowances for travel and subsistence expenses as the Commission shall provide. A joint board shall continue in existence for the consideration of matters referred to it by the Commission until such time as its existence may be terminated by the Commission. A substitution of membership upon a joint board from any State may be made at any time by nomination and appointment in the same manner as an original nomination and appointment.

The amendment was agreed to.

The next amendment was, on page 21, line 21, after the words "under part 1", insert a semicolon and the words "*Provided*, That, where the Commission, in respect of any matter arising under this part, shall have issued a negative order solely because of a supposed lack of power, any such party in interest may file a bill of complaint with the appropriate District Court of the United States, convened under the Urgent Deficiency Appropriations Act, October 22, 1913, and such court, if it determines that the Commission has such power, may enforce by writ of mandatory injunction the Commission's taking of jurisdiction", so as to read:

(h) Any final order made under this part shall be subject to the same right of relief in court by any party in interest as is now provided in respect to orders of the Commission made under part I: *Provided*, That, where the Commission, in respect of any matter arising under this part, shall have issued a negative order solely because of a supposed lack of power, any such party in interest may file a bill of complaint with the appropriate District Court of the United States, convened under the Urgent Deficiency Appropriations Act, October 22, 1913, and such court, if it determines that the Commission has such power, may enforce by writ of mandatory injunction the Commission's taking of jurisdiction.

The amendment was agreed to.

The next amendment was, on page 22, line 10, after the words "motor carrier", to insert "or in any carrier by railroad, water, or other form of transportation", so as to read:

(j) No member or examiner of the Commission or member of a joint board shall hold any official relation to, or own any securities of, or be in any manner pecuniarily interested in, any motor carrier or in any carrier by railroad, water, or other form of transportation.

The amendment was agreed to.

The next amendment was, under the subhead "Application for certificate of public convenience and necessity", on page 22, line 20, after the word "Sec.", to strike out "306" and insert "206"; on page 23, line 2, after the word "section", to strike out "310" and insert "210"; in line 6, after the word "operated", to strike out "continuously"; in line 8, after the words "bona fide", to strike out "and continuous"; in line 9, after the word "except", to strike out "in either instance"; in line 16, after the word "within", to strike out "60" and insert "120 days"; in line 17, after the word "this", to strike out "part" and insert "section"; in line 18, after the word "effect", to insert "and if such carrier was registered in 1934 under any code of fair competition requiring registration, the fact of registration shall be evidence of bona fide operation to be considered in connection with the issuance of such certificate"; in line 24, after the word "section", to strike out "307" and insert "207"; on page 24, line 6, after the words "carrier of", to strike out "persons" and insert "passengers"; in line 7, after the word "between", to strike out "points" and insert "places"; and in line 11, after the word "board", to strike out "in any such case the Commission shall have no authority to issue any such certificate", so as to read:

SEC. 206. (a) No common carrier by motor vehicle subject to the provisions of this part shall engage in any interstate or foreign operation on any public highway, or within any reservation under the exclusive jurisdiction of the United States, unless there is in force with respect to such carrier a certificate of public convenience and necessity issued by the Commission authorizing such operations: *Provided, however,* That, subject to section 210, if any such carrier or a predecessor in interest was in bona fide operation as a common carrier by motor vehicle in 1934, over the route or routes or within the territory for which application is made and has so operated since that time, or if engaged in furnishing seasonal service only, was in bona fide operation in 1934, during the season ordinarily covered by its operation, except in either instance as to interruptions of service over which the applicant or its predecessor in interest had no control, the Commission shall issue such certificate without requiring further proof that public convenience and necessity will be served by such operation, and without further proceedings, if application for such certificate is made to the Commission as provided in paragraph (b) of this section and within 120 days after this section shall take effect, and if such carrier was registered in 1934 under any code of fair competition requiring registration, the fact of registration shall be evidence of bona fide operation to be considered in connection with the issuance of such certificate. Otherwise the application for such certificate shall be decided in accordance with the procedure provided for in section 207 (a) of this part and such certificate shall be issued or denied accordingly. Pending the determination of any such application the continuance of such operation shall be lawful: *And provided further,* That this paragraph shall not be so construed as to require any such carrier lawfully engaged in operation solely within any State to obtain from the Commission a certificate authorizing the transportation by such carrier of passengers or property in interstate or foreign commerce between places within such State if there be a board in such State having authority to grant or approve such certificates and if such carrier has obtained such certificate from such board. Such transportation shall, however, be otherwise subject to the jurisdiction of the Commission under this part.

The amendment was agreed to.

Mr. WHEELER. Mr. President, may I recur to subdivision (b) on page 12? In order to straighten out the language there, it should read:

(b) The provisions of any code of fair competition for any industry embracing motor carriers or for any subdivision thereof approved pursuant to the National Industrial Recovery Act or any present or future act amendatory thereof, or supplementary thereto, or in substitution therefor, which is in conflict or inconsistent with any action under the provisions of this part, shall have no force or effect after this section becomes effective.

Mr. WHITE. Mr. President, I think that clarifies the language.

Mr. WHEELER. I ask that the vote by which the amendment on page 12, lines 1 to 8, inclusive, was agreed to, be reconsidered.

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

Mr. WHEELER. I now move that the amendment I have suggested to the amendment on page 12, subsection (b), be agreed to.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The reading of the bill was resumed.

The next amendment was, on page 24, line 19, after the word "require" to insert: "Any person, not included within the provisions of paragraph (a) of this section, who or which is engaged in transportation in interstate or foreign commerce as a common carrier by motor vehicle when this section takes effect may continue such operation for a period of 120 days thereafter without a certificate and, if application for such certificate is made to the Commission within such period, the carrier may, under such regulations as the Commission shall prescribe, continue such operation until otherwise ordered by the Commission"; so as to read:

(b) Application for certificates shall be made in writing to the Commission, be verified under oath, and shall be in such form and contain such information and be accompanied by proof of service upon such interested parties as the Commission shall, by regulation, require. Any person, not included within the provisions of paragraph (a) of this section, who or which is engaged in transportation in interstate or foreign commerce as a common carrier by motor vehicle when this section takes effect may continue such operation for a period of 120 days thereafter without a certificate and, if application for such certificate is made to the Commission within such period, the carrier may, under such regulations as the Commission shall prescribe, continue such operation until otherwise ordered by the Commission.

The amendment was agreed to.

The next amendment was, on page 25, line 5, to insert the subhead "Issuance of certificate"; in line 6, after "Sec.", to strike out "307" and insert "207 (a)"; and in the same line, after the word "section", to strike out "310" and insert "210", so as to read:

"ISSUANCE OF CERTIFICATE

SEC. 207. (a) Subject to section 210, a certificate shall be issued to any qualified applicant therefor, authorizing the whole or any part of the operations covered by the application, if it is found that the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of this part and the requirements, rules, and regulations of the Commission thereunder, and that the proposed service, to the extent to be authorized by the certificate, is or will be required by the present or future public convenience and necessity; otherwise such application shall be denied.

The amendment was agreed to.

The next amendment was, on page 26, line 2, after the word "Sec." to strike out "308" and insert "208"; in line 3, to strike out "307" and insert "206 or 207"; in line 13, after the words "limitations as to", strike out "the furnishing of additional service over the specified routes, between the specified termini or within the specified territory, and"; in line 16, after the words "extension of the", to strike out "line" and insert "route"; in the same line, after the word "or", to strike out "lines" and insert "routes"; in line 20, after the word "section", to strike out "304" and insert "204"; in the same line, after the word "and", to strike out "(5)" and insert "(6)" and the following proviso: "*Provided, however,* That no terms, conditions, or limitations shall restrict the right of the carrier to add to his or its equipment and facilities over the routes, between the termini, or within the territory specified in the certificate, as the development of the business and the demands of the public shall require", so as to read:

"TERMS AND CONDITIONS OF CERTIFICATE

SEC. 208. (a) Any certificate issued under section 206 or 207 shall specify the service to be rendered and the routes over which, the fixed termini, if any, between which, and the intermediate and off-route points, if any, at which, and in case of operations not over specified routes or between fixed termini, the territory within which, the motor carrier is authorized to operate; and there shall, at the time of issuance and from time to time thereafter, be attached to the exercise of the privileges granted by the certificate such reasonable terms, conditions, and limitations as the public convenience and necessity may from time to time require, including terms, conditions, and limitations as to the extension of the route

or routes of the carrier, and such terms and conditions as are necessary to carry out, with respect to the operations of the carrier, the requirements established by the Commission under section 204 (a) (1) and (6): *Provided, however,* That no terms, conditions, or limitations shall restrict the right of the carrier to add to his or its equipment and facilities over the routes, between the termini, or within the territory specified in the certificate, as the development of the business and the demands of the public shall require.

The amendment was agreed to.

The next amendment was, on page 27, line 9, after the words "to any", to strike out "point" and insert "place"; and in line 11, after the word "Commission", to strike out "may prescribe" and insert "shall have prescribed", so as to read:

(c) Any common carrier by motor vehicle transporting passengers under a certificate issued under this part may transport in interstate or foreign commerce to any place special or chartered parties under such rules and regulations as the Commission shall have prescribed.

The amendment was agreed to.

The next amendment was, on page 27, line 14, after the word "vehicle", to insert "with the"; and in line 15, after the word "baggage", to insert "of passengers"; and in line 16, after the word "mail", to insert "or to transport baggage of passengers in a separate vehicle", so as to read:

(d) A certificate for the transportation of passengers may include authority to transport in the same vehicle with the passengers, newspapers, baggage of passengers, express, or mail, or to transport baggage of passengers in a separate vehicle.

The amendment was agreed to.

The next amendment was under the subhead "Permits for Contract Carriers by Motor Vehicle", on page 27, line 19, after "Sec.", to strike out "309" and insert "209"; in the same line, after the word "No", to strike out "contract carrier by motor vehicle, subject to the provisions of this part" and insert "person"; in line 21, after the words "engage in", to strike out "any" and insert "the business of a contract carrier by motor vehicle in"; and in line 22, after the word "foreign", to strike out "operation" and insert "commerce"; on page 28, line 1, after "such", to strike out "operation" and insert "person to engage in such business"; in line 2, after "section", to strike out "310" and insert "210"; in line 5, after the word "routes", to insert "or"; in line 6, after the word "operated", to strike out "continuously"; in line 8, after "bona fide", to strike out "and continuous"; in line 9, after the word "except", to insert "in either instance"; in line 15, after the word "within", to strike out "60" and insert "120"; in the same line, after the word "this", to strike out "part" and insert "section"; in line 16, after the word "effect", to strike out the comma and insert "and if such carrier was registered in 1934 under any code of fair competition requiring registration, the fact of registration shall be evidence of bona fide operation to be considered in connection with the issuance of such permit"; in line 25, after the word "lawful", to insert "any person, not included within the foregoing provisions of this paragraph, who or which is engaged in transportation as a contract carrier by motor vehicle when this section takes effect, may continue such operation for a period of 120 days thereafter without a permit and, if application for such permit is made within such period, the carrier may, under such regulations as the Commission shall prescribe, continue such operation until otherwise ordered by the Commission", so as to read:

SEC. 209. (a) No person shall engage in the business of a contract carrier by motor vehicle in interstate or foreign commerce on any public highway or within any reservation under the exclusive jurisdiction of the United States unless there is in force with respect to such carrier a permit issued by the Commission, authorizing such person to engage in such business: *Provided,* That, subject to section 210, if any such carrier or a predecessor in interest was in bona fide operation as a contract carrier by motor vehicle in 1934 over the route or routes or within the territory for which application is made and has so operated since that time, or, if engaged in furnishing seasonal service, only, was in bona fide operation in 1934 during the season ordinarily covered by its operations, except in either instance as to interruptions of service over which the applicant or its predecessor in interest had no control, the Commission shall issue such permit, without further proceedings, if application for such permit is made to the Commission as provided in paragraph (b) of this section and within 120 days after this section shall take effect and if such carrier was registered in 1934 under any code of fair competition requiring registration, the fact of registration shall be evidence of bona fide operation to be considered in connection with the issuance of such permit. Otherwise the application for such permit shall be decided in accordance with the procedure provided for in paragraph (b) of this section and such permit shall be issued or denied accordingly. Pending determination of any such application the continuance of such operation shall be lawful. Any person, not included within the foregoing provisions of this paragraph, who or which is engaged in transportation as a contract carrier by motor vehicle when this section takes effect, may continue such operation for a period of 120 days thereafter without a permit and, if application for such permit is made within such period, the carrier may, under such regulations as the Commission shall prescribe, continue such operation until otherwise ordered by the Commission: *Provided further,* That nothing in this part shall be construed to repeal, amend, or otherwise modify any act or acts relating to national parks and national monuments under the administrative jurisdiction of the Secretary of the Interior, or to withdraw such authority or control as may by law be held by the Secretary of the Interior with respect to the admission and operation of motor vehicles in any national park or national monument of the United States.

The amendment was agreed to.

The next amendment was, on page 29, line 22, after the word "section", to strike out "310" and insert "210"; on page 30, line 7, after "section", strike out "302" and insert "202"; in line 9, after the words "permit the", to strike out the word "operations" and insert "business of the contract carrier"; in line 10, after the word "thereby", to insert "and the scope thereof"; in line 16, after the word "section", to strike out "304" and insert "204"; in the same line, after the word "and", strike out "(5)" and insert "(6)", a colon, and the following proviso: "*Provided, however,* That no terms, conditions, or limitations shall restrict the right of the carrier to substitute or add contracts within the scope of the permit, or to add to his or its equipment and facilities, within the scope of the permit, as the development of the business and the demands of the public may require", so as to read:

(b) Applications for such permits shall be made to the Commission in writing, be verified under oath, and shall be in such form and contain such information and be accompanied by proof of service upon such interested parties as the Commission may, by regulations, require. Subject to section 210, a permit shall be issued to any qualified applicant therefor authorizing in whole or in part the operations covered by the application, if it appears from the applications or from any hearing held thereon that the applicant is fit, willing, and able properly to perform the service of a contract carrier by motor vehicle, and to conform to the provisions of this part and the lawful requirements, rules, and regulations of the Commission thereunder, and that the proposed operation, to the extent authorized by the permit, will be consistent with the public interest and the policy declared in section 202 (a) of this part; otherwise such application shall be denied. The Commission shall specify in the permit the business of the contract carrier covered thereby and the scope thereof and shall attach to it, at the time of issuance, and from time to time thereafter, such reasonable terms, conditions, and limitations consistent with the character of the holder as a contract carrier as are necessary to carry out, with respect to the operations of such carrier, the requirements established by the Commission under section 204 (a) (2) and (6): *Provided, however,* That no terms, conditions, or limitations shall restrict the right of the carrier to substitute or add contracts within the scope of the permit, or to add to his or its equipment and facilities, within the scope of the permit, as the development of the business and the demands of the public may require.

The amendment was agreed to.

The next amendment was, under the subhead "Dual operation" on page 30, line 24, after "Sec.", to strike out "310" and insert "210", and on page 31, line 6, after the word "section", strike out "302" and insert "202", so as to read:

SEC. 210. No person shall at the same time hold under this part a certificate as a common carrier and a permit as a contract carrier authorizing operation for the transportation of property by motor vehicle over the same route or within the same territory, unless for good cause shown the Commission shall find that such certificate and permit may be held consistently with the public interest and with the policy declared in section 202 (a) of this part.

The amendment was agreed to,

The next amendments were, under the subhead "Brokerage licenses", on page 31, line 9, after "Sec.", strike out "311" and insert "211 (a)"; in the same line, after the word

" shall ", to strike out " for compensation "; in line 10, after the word " sell ", to strike out " any ticket providing for the " and insert " or offer for sale "; in line 11, after the word " transportation ", to strike out " of any person by motor vehicle in interstate or foreign commerce " and insert " subject to this part "; in line 13, after the words " to provide ", to insert " procure, furnish, or arrange for such "; in line 14, after " transportation ", to strike out the words " of passengers or property by motor vehicle in interstate or foreign commerce for compensation "; in line 16, after the word " shall ", to insert " hold himself or itself out "; in line 17, after the word " advertisement ", to strike out " or "; in the same line, after the word " solicitation ", to insert " or otherwise as one who sells, provides, procures, contracts, or "; in line 18, before the word " for ", to strike out the words " attempt to arrange " and insert the word " arranges "; in line 19, after the words " holds a ", to strike out the word " brokerage " and insert the word " broker's "; in line 24, after the words " arrangement to ", to insert the word " sell "; in line 25, after the word " provide " to insert the words " procure, furnish, or arrange "; in the same line, after the word " transportation ", to insert the words " it shall be unlawful for "; on page 32, line 1, after the word " person ", to strike out the word " shall " and insert " to "; in the same line, after the word " employ ", to strike out the words " only a " and insert the word " any "; in line 2, after the word " carrier ", to strike out the words " or carriers holding a " and insert the words " by motor vehicle who or which is not the lawful holder of an effective "; in line 4, after the word " issued ", to strike out the words " by the Commission authorizing such carrier or carriers to perform the service required under such ticket, contract, agreement, or arrangement: *Provided* ", and insert " as provided in this part "; in line 10, after the word " carrier ", to strike out " as to authorized " and insert " so far as concerns ", so as to read:

SEC. 211. (a) No person shall for compensation sell or offer for sale transportation subject to this part or shall make any contract, agreement, or arrangement to provide, procure, furnish, or arrange for such transportation or shall hold himself or itself out by advertisement, solicitation, or otherwise as one who sells, provides, procures, contracts, or arranges for such transportation, unless such person holds a broker's license issued by the Commission to engage in such transactions: *Provided, however,* That no such person shall engage in transportation subject to this part unless he holds a certificate or permit as provided in this part. In the execution of any contract, agreement, or arrangement to sell, provide, procure, furnish, or arrange for such transportation, it shall be unlawful for such person to employ any carrier by motor vehicle who or which is not the lawful holder of an effective certificate or permit issued as provided in this part: *And provided further,* That the provisions of this paragraph shall not apply to any carrier holding a certificate or a permit under the provisions of this part or to any bona fide employee or agent of such motor carrier, so far as concerns transportation to be furnished wholly by such carrier or jointly with other motor carriers holding like certificates or permits, or with a common carrier by railroad, express, or water.

The amendment was agreed to.

The next amendment was, on page 33, line 1, after the word " section ", to strike out " 302 " and insert " 202 ", and in line 2, after the word " denied ", to insert: "Any broker in operation when this section takes effect may continue such operation for a period of 120 days thereafter without a license, and if application for such license is made within such period, the broker may, under such regulations as the Commission shall prescribe, continue such operations until otherwise ordered by the Commission ", so as to read:

(b) A brokerage license shall be issued to any qualified applicant therefor, authorizing the whole or any part of the operations covered by the application, if it is found that the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of this part and the requirements, rules, and regulations of the Commission thereunder, and that the proposed service, to the extent to be authorized by the license, is, or will be, consistent with the public interest and the policy declared in section 202 (a) of this part; otherwise such application shall be denied. Any broker in operation when this section takes effect may continue such operation for a period of 120 days thereafter without a license and if application for such license is made within such period, the broker may, under such regulations as the Commission shall prescribe, continue such operations until otherwise ordered by the Commission.

The amendment was agreed to.

The next amendment was, on page 34, line 1, in the subheading, after the words " transfer of ", to strike out " certificates and permits " and insert " certificates, permits, and licenses "; in line 4, after the word " Sec.", to strike out " 312 " and insert " 212 "; in line 16, after the word " license ", to insert a semicolon and the following proviso: "*Provided, however,* That no such certificate, permit, or license shall be revoked (except upon application of the holder) unless the holder thereof willfully fails to comply, within a reasonable time to be fixed by the Commission, with a lawful order of the Commission, made as provided in section 204 (d), commanding obedience to the provision of this part, or to the rule or regulation of the Commission thereunder, or to the term, condition, or limitation of such certificate, permit, or license, found by the Commission to have been violated by such holder ", so as to read:

SUSPENSION, CHANGE, REVOCATION, AND TRANSFER OF CERTIFICATES, PERMITS, AND LICENSES

SEC. 212. (a) Certificates, permits, and licenses shall be effective from the date specified therein, and shall remain in effect until terminated as herein provided. Any such certificate, permit, or license may, upon application of the holder thereof, in the discretion of the Commission, be amended or revoked, in whole or in part, or may upon complaint, or on the Commission's own initiative, after notice and hearing, be suspended, changed, or revoked, in whole or in part, for willful failure to comply with any provision of this part, or with any lawful order, rule, or regulation of the Commission promulgated thereunder, or with any term, condition, or limitation of such certificate, permit, or license: *Provided, however,* That no such certificate, permit, or license shall be revoked (except upon application of the holder) unless the holder thereof willfully fails to comply, within a reasonable time to be fixed by the Commission, with a lawful order of the Commission, made as provided in section 204 (d), commanding obedience to the provision of this part, or to the rule or regulation of the Commission thereunder, or to the term, condition, or limitation of such certificate, permit, or license found by the Commission to have been violated by such holder.

The amendment was agreed to.

The next amendment was, on page 35, line 1, after the word " section ", to strike out " 313 " and insert " 213 ", and in line 2, after the word " certificate ", to insert " or permit ", so as to read:

(b) Except as provided in section 213, any certificate or permit may be transferred, pursuant to such rules and regulations as the Commission may prescribe.

The amendment was agreed to.

The next amendment was, under the subhead " Consolidation, merger, and acquisition of control ", on page 35, line 5, after " Sec.", to strike out " 313 " and insert " 213 "; in line 7, after the word " more ", to strike out " interstate common " and insert " motor "; in the same line, after the word " carriers ", to strike out " by motor vehicle "; in line 9, after the word " thereof ", to strike out " with each other or with those of one or more interstate contract carriers by motor vehicle which are not also carriers by railroad,"; in line 14, after the word " such ", to strike out " common " and insert " motor "; in line 15, after the word " such ", to strike out " common "; in line 17, after the word " such ", to strike out " common or contract "; in the same line, after the word " carrier ", to strike out " or for any such contract carrier or two or more such contract carriers jointly, to purchase, lease, or contract to operate the properties, or any part thereof, of any such common carrier "; in line 21, after the word " such ", where it occurs the first time, to strike out " common " and insert " motor "; in the same line, after the word " such ", to strike out " common "; in line 22, after the word " carrier ", to strike out " or of any such contract carrier "; in the same line, after the word " stock ", to strike out " or for any such contract carrier, or two or more such carriers jointly, to acquire control of any such common carrier through purchase of its stock "; on page 36, line 1, after the words " for a ", to strike out " corporation ", and insert " person "; in line 2, after the words " not a ", to strike out " common or contract " and insert " motor "; in the same line, after the word " carrier ", to strike out " by motor vehicle "; in line 3, after the word " railroad ", to insert " or express, or water "; in line 4, after the word " more ", to strike out " such " and insert " motor."; in the same line, after the word " carriers ", to strike out " by motor vehicle

of which one or more is a common carrier"; in line 6, after the word "such", to strike out "corporation" and insert "person"; in line 7, after the word "more", to strike out "such common" and insert "motor"; in line 8, after the word "carriers", to strike out "by motor vehicle" and insert "to"; in line 8, after the word "such", to strike out "common or contract"; in line 10, after the words "carrier by", to strike out "railroad or express" and insert "railroad express, or water"; in line 11, after the word "any", to strike out "such common or contract" and insert "motor"; in line 12, after the word "carrier", to strike out "by motor vehicle"; and in line 13, after the word "its", to strike out "or their", so as to read:

SEC. 213. (a) It shall be lawful, under the conditions specified below, but under no other conditions, for two or more motor carriers which are not also carriers by railroad to consolidate or merge their properties, or any part thereof, into one corporation for the ownership, management, and/or operation of the properties theretofore in separate ownership; or for any such motor carrier or two or more such carriers jointly, to purchase, lease, or contract to operate the properties, or any part thereof, of another such carrier, or for any such motor carrier or two or more such carriers jointly, to acquire control of another such carrier through purchase of its stock; or for a person which is not a motor carrier or a carrier by railroad, or express, or water to acquire control of two or more motor carriers through ownership of their stock; or for any such person which has control of one or more motor carriers to acquire control of another such carrier through ownership of its stock; or for a carrier by railroad, express, or water to consolidate, or merge with, or acquire control of, any motor carrier, or to purchase, lease, or contract to operate its properties, or any part thereof.

The amendment was agreed to.

The next amendment was, on page 36, line 17, after the words "or the", to strike out "corporation" and insert "person"; on page 37, line 1, after the words "that the", to strike out "public interest will be promoted by the"; in line 2, after the word "proposed", to insert "will be consistent with the public interest"; and in line 8, after the word "may", to strike out "prescribe; and" and insert "prescribe: *Provided, however,* That if a carrier other than a motor carrier is an applicant, or any person which is controlled by such a carrier other than a motor carrier or affiliated therewith within the meaning of section 5 (8) of part I, the Commission shall not enter such an order unless it finds that the transaction proposed will promote the public interest by enabling such carrier other than a motor carrier to use service by motor vehicle to public advantage in its operations and will not unduly restrain competition", so as to read:

(1) Whenever a consolidation, merger, purchase, lease, operating contract, or acquisition of control is proposed under this section, the carrier or carriers or the person seeking authority therefor shall present an application to the Commission, and thereupon the Commission shall notify the Governor of each State in which any part of the properties or operations of the carriers involved in the proposed transaction is situated, and also such carriers and the applicant or applicants, and other parties known to have a substantial interest in the proceeding of the time and place for a public hearing. If after such hearing the Commission finds that the transaction proposed will be consistent with the public interest and that the conditions of this section have been or will be fulfilled, it may enter an order approving and authorizing such consolidation, merger, purchase, lease, operating contract, or acquisition of control, upon such terms and conditions as it shall find to be just and reasonable and with such modifications as it may prescribe: *Provided, however,* That if a carrier other than a motor carrier is an applicant, or any person which is controlled by such a carrier other than a motor carrier or affiliated therewith within the meaning of section 5 (8) of part I, the Commission shall not enter such an order unless it finds that the transaction proposed will promote the public interest by enabling such carrier other than a motor carrier to use service by motor vehicle to public advantage in its operations and will not unduly restrain competition.

The amendment was agreed to.

The next amendment was, on page 37, line 18, after the words "whenever a", to strike out "corporation" and insert "person"; in line 18, after the words "not a", to insert "motor"; in the same line, after the word "carrier", to strike out "by motor vehicle"; in line 21, after the word "carrier", to strike out "by motor vehicle"; in line 22, after the word "such", to strike out "corporation" and insert "person"; in line 24, after the word "section" where it occurs the first time strike out "304" and insert "204"; in the same line after the word "section", to strike out "320" and insert "220", so as to read:

(2) Whenever a person which is not a motor carrier is authorized, by an order entered under subparagraph (1) of this section, to acquire control of any such carrier or of two or more such carriers, such person thereafter shall, to the extent provided by the Commission, for the purposes of section 204 (a) (1), and section 220 (a) and (b), relating to accounts, records, and reports, and to the inspection of facilities and records, including the penalties applicable in the case of violations thereof, be subject to the provisions of this part.

The amendment was agreed to.

The next amendment was, on page 38, line 7, after the word "more", to strike out "common" and insert the word "motor"; in line 8, after the word "carriers", to strike out "by motor vehicle"; in line 9, after the word "railroad", to strike out "or of one or more such carriers and any contract carrier by motor vehicle", so as to read:

(b) (1) It shall be unlawful for any person, except as provided in paragraph (a), to accomplish or effectuate, or to participate in accomplishing or effectuating, the control or management in a common interest of any two or more motor carriers which are not also carriers by railroad, however such result is attained, whether directly or indirectly, by use of common directors, officers, or stockholders, a holding or investment company or companies, a voting trust or trusts, or in any other manner whatsoever. It shall be unlawful to continue to maintain control or management accomplished or effectuated after the enactment of this part and in violation of this paragraph. As used in this paragraph, the words "control or management" shall be construed to include the power to exercise control or management.

The amendment was agreed to.

The next amendment was, on page 39, after line 19, to insert a new subsection as follows:

(e) Except where a carrier other than a motor carrier is an applicant or any person which is controlled by such a carrier or carriers by railroad or affiliated therewith within the meaning of section 5 (8) of part I, the provisions of this section requiring authority from the Commission for consolidation, merger, purchase, lease, operating contract, or acquisition of control shall not apply where the total number of motor vehicles involved is not more than 20.

The amendment was agreed to.

The next amendment was, on page 40, at the beginning of line 3, to strike out "(c)" and insert "(f)", and in the same line, after the word "any", to strike out "corporation" and insert "person", so as to read:

(f) The carriers and any person affected by any order made under the foregoing provisions of this section shall be, and they are hereby, relieved from the operation of the "antitrust laws", as designated in section 1 of the act entitled "An act to supplement existing laws against unlawful restraints, and monopolies, and for other purposes", approved October 15, 1914, and of all other restraints or prohibitions by or imposed under authority of law, State or Federal, insofar as may be necessary to enable them to do anything authorized or required by such order.

The amendment was agreed to.

The next amendment was, on page 40, line 15, after the word "sec.", to strike out "314" and insert "214"; in line 18, after the word "section", strike out "313" and insert "213"; on page 41, line 3, after the word "further", to strike out "That the provisions of the 'Securities Act, 1933' are hereby repealed insofar as they relate to security issues subject to this section" and insert "That the exemption in section 3 (a) (6) of the 'securities Act, 1933' is hereby amended to read as follows: '(6) Any security issued by a common or contract carrier, the issuance of which is subject to the provisions of section 20a of the Interstate Commerce Act, as amended;'", so as to read:

ISSUANCE OF SECURITIES

SEC. 214. Common or contract carriers by motor vehicle, corporations organized for the purpose of engaging in transportation as such carriers, and corporations authorized by order entered under section 213 (a) (1) to acquire control of any such carrier, or of two or more such carriers, shall be subject to the provisions of paragraphs 2 to 11, inclusive, of section 20a of part I of this act: *Provided, however,* That said provisions shall not apply to such carriers or corporations where the par value of the securities to be issued, together with the par value of the securities then outstanding, does not exceed $500,000. In the case of securities having no par value, the par value for the purpose of this section shall be the fair market value as of the date of their issue: *Provided further,* That the exemption in section 3 (a) (6) of the "Securities

Act, 1933" is hereby amended to read as follows: "(6) Any security issued by a common or contract carrier, the issuance of which is subject to the provisions of section 20a of the Interstate Commerce Act, as amended."

The amendment was agreed to.

The next amendment was, under the subheading "Security for the protection of the public", on page 41, line 12, to renumber the section from "315" to "215"; in line 14, after the word "such", to insert "reasonable"; in line 16, after the word "insurance", to insert "qualifications as a self-insurer"; in line 18, after the word "such", to insert "reasonable"; in line 20, after the word "insurance", to insert "qualifications as a self-insurer"; on page 42, line 1, after the word "property", to insert "of others"; in line 4, after the word "bond", to insert "policies of insurance, qualifications as a self-insurer, or other securities or agreements"; in line 8, after the word "property", to strike out "and/or money"; in line 15, after the word "bond", to insert "policies of insurance, or other securities or agreements", so as to read:

SEC. 215. No certificate or permit shall be issued to a motor carrier or remain in force, unless such carrier complies with such reasonable rules and regulations as the Commission shall prescribe governing the filing and approval of surety bonds, policies of insurance, qualifications as a self-insurer or other securities or agreements, in such reasonable amount as the Commission may require, conditioned to pay, within the amount of such surety bonds, policies of insurance, qualifications as a self-insurer or other securities or agreements, any final judgment recovered against such motor carrier for bodily injuries to or the death of any person resulting from the negligent operation, maintenance, or use of motor vehicles under such certificate or permit, or for loss or damage to property of others. The Commission may, in its discretion and under such rules and regulations as it shall prescribe, require any such common carrier to file a surety bond, policies of insurance, qualifications as a self-insurer, or other securities or agreements, in a sum to be determined by the Commission, to be conditioned upon such carrier making compensation to shippers and/or consignees for all property belonging to shippers and/or consignees, and coming into the possession of such carrier in connection with its transportation service. Any carrier which may be required by law to compensate a shipper and/or consignee for any loss, damage, or default for which a connecting motor common carrier is legally responsible shall be subrogated to the rights of such shipper and/or consignee under any such bond, policies of insurance, or other securities or agreements, to the extent of the sum so paid.

The amendment was agreed to.

The next amendment was, under the subheading "Rates, fares, and charges of common carriers by motor vehicle", on page 42, line 20, to change the section number from "316" to "216"; in line 22, after the word "carriers", to strike out "and with common carriers by railroad and/or express and/or water;" in line 25, after the word "passengers", to strike out "or property"; on page 43, line 3, after the word "fares", to insert "and"; in the same line, after the word "charges", to strike out "and classifications"; in line 5, after the word "tickets", to strike out "receipts, bills of lading, and manifests, the manner and method of presenting, marking, packing, and delivering property for transportation;" and in line 10, after the word "passengers", to strike out "or property", so as to read:

SEC. 216. (a) It shall be the duty of every common carrier of passengers by motor vehicle to establish reasonable through routes with other such common carriers and to provide safe and adequate service, equipment, and facilities for the transportation of passengers in interstate or foreign commerce; to establish, observe, and enforce just and reasonable individual and joint rates, fares, and charges, and just and reasonable regulations and practices relating thereto, and to the issuance, form, and substance of tickets, the carrying of personal, sample, and excess baggage, the facilities for transportation, and all other matters relating to or connected with the transportation of passengers in interstate or foreign commerce; and in case of such joint rates, fares, and charges, to establish just, reasonable, and equitable divisions thereof as between the carriers participating therein which shall not unduly prefer or prejudice any of such participating carriers.

The amendment was agreed to.

The next amendment was, on page 43, after line 15, to insert a new paragraph, as follows:

(b) It shall be the duty of every common carrier of property by motor vehicle to provide safe and adequate service, equipment, and facilities for the transportation of property in interstate or foreign commerce; to establish, observe, and enforce just and reasonable rates, charges, and classifications, and just and reasonable regulations and practices relating thereto and to the manner and method of presenting, marking, packing, and delivering property for transportation, the facilities for transportation, and all other matters relating to or connected with the transportation of property in interstate or foreign commerce.

The amendment was agreed to.

The next amendment was, on page 44, after line 2, to insert a new paragraph, as follows:

(c) Common carriers of property by motor vehicle may establish reasonable through routes and joint rates, charges, and classifications with other such carriers or with common carriers by railroad and/or express and/or water; and common carriers of passengers by motor vehicle may establish reasonable through routes and joint rates, fares, or charges with common carriers by railroad and/or water. In case of such joint rates, fares, or charges it shall be the duty of the carriers parties thereto to establish just and reasonable regulations and practices in connection therewith, and just, reasonable, and equitable divisions thereof as between the carriers participating therein which shall not unduly prefer or prejudice any of such participating carriers.

The amendment was agreed to.

The next amendment was, on page 44, line 16, to strike out "(b)" and insert "(d)"; and in line 24, after the word "whatsoever", to insert:

Provided, however, That this paragraph shall not be construed to apply to discriminations, prejudice, or disadvantage to the traffic of any other carrier of whatever description.

So as to make the paragraph read:

(d) It shall be unlawful for any common carrier by motor vehicle engaged in interstate or foreign commerce to make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, gateway, locality, or description of traffic in any respect whatsoever, or to subject any particular person, port, gateway, locality, or description of traffic to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever: *Provided, however,* That this paragraph shall not be construed to apply to discriminations, prejudice, or disadvantage to the traffic of any other carrier of whatever description.

The amendment was agreed to.

The next amendment was, on page 45, line 3, to strike out "(c)" and insert "(e)"; in line 7, after the word "section", to strike out "317" and insert "217"; in line 14, after the word "express", to insert the words "and/or water"; in line 16, after the word "carrier", to insert the words "or carriers"; on page 46, line 3, after the word "routes", to strike out the words "joint classifications"; in line 5, after the word "passengers", to strike out "or property"; in line 6, after the word "vehicle", to strike out the words "or by any such carrier or carriers in conjunction with any common carrier or carriers by railroad and/or express;" so as to make the paragraph read:

(e) Any person, State board, organization, or body politic may make complaint in writing to the Commission that any such rate, fare, charge, classification, rule, regulation, or practice, in effect or proposed to be put in effect, is or will be in violation of this section or of section 217. Whenever, after hearing, upon complaint or in an investigation on its own initiative, the Commission shall be of the opinion that any individual or joint rate, fare, or charge, demanded, charged, or collected by any common carrier or carriers by motor vehicle or by any common carrier or carriers by motor vehicle in conjunction with any common carrier or carriers by railroad and/or express, and/or water for transportation in interstate or foreign commerce, or any classification, rule, regulation, or practice whatsoever of such carrier or carriers affecting such rate, fare, or charge, or the value of the service thereunder, is or will be unjust or unreasonable, or unjustly discriminatory or unduly preferential or unduly prejudicial, it shall determine and prescribe the lawful rate, fare, or charge, or the maximum or minimum, or maximum and minimum rate, fare, or charge thereafter to be observed, or the lawful classification, rule, regulation, or practice thereafter to be made effective, and the Commission shall, whenever deemed by it to be necessary or desirable in the public interest, after hearing, upon complaint or upon its own initiative without a complaint, establish through routes and joint rates, fares, charges, regulations, or practices, applicable to the transportation of passengers by common carriers by motor vehicle, or the maxima or minima, or maxima and minima, to be charged, and the terms and conditions under which such through routes shall be operated.

The amendment was agreed to.

The next amendment was, on page 46, line 12, to strike out "(d)" and insert "(f)"; in line 18, after the word "express", to insert "and/or water", so as to make the paragraph read:

(f) Whenever, after hearing, upon complaint or upon its own initiative, the Commission is of opinion that the divisions of joint

rates, fares, or charges applicable to the transportation in interstate or foreign commerce of passengers or property by common carriers by motor vehicle or by such carriers in conjunction with common carriers by railroad and/or express, and/or water are or will be unjust, unreasonable, inequitable, or unduly preferential or prejudicial as between the carriers parties thereto (whether agreed upon by such carriers, or any of them, or otherwise established), the Commission shall by order prescribe the just, reasonable, and equitable divisions thereof to be received by the several carriers, and in cases where the joint rate, fare, or charge was established pursuant to a finding or order of the Commission and the divisions thereof are found by it to have been unjust, unreasonable, or inequitable, or unduly preferential or prejudicial, the Commission may also by order determine what would have been the just, reasonable, and equitable divisions thereof to be received by the several carriers, and require adjustment to be made in accordance therewith. The order of the Commission may require the adjustment of divisions between the carriers, in accordance with the order, from the date of filing the complaint or entry of order of investigation or such other date subsequent as the Commission finds justified and, in the case of joint rates prescribed by the Commission, the order as to divisions may be made effective as a part of the original order.

The amendment was agreed to.

The next amendment was, on page 47, line 14, to strike out "(e)" and insert "(g)"; in line 20, after the word "express" to insert the words "and/or water"; on page 49, line 1, after the word "operation" to strike out "as provided in" and insert "when this"; and in line 1, after the word "section" to insert the words "takes effect" and to strike out "306 (a)", so as to make the paragraph read:

(g) Whenever there shall be filed with the Commission any schedule stating a new individual or joint rate, fare, charge, or classification for the transportation of passengers or property by a common carrier or carriers by motor vehicle, or by any such carrier or carriers in conjunction with a common carrier or carriers by railroad and/or express, and/or water in interstate or foreign commerce, or any rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Commission is hereby authorized and empowered upon complaint of any interested party or upon its own initiative at once and, if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such rule, regulation, or practice, and pending such hearing and the decision thereon the Commission, by filing with such schedule and delivering to the carrier or carriers affected thereby a statement in writing of its reasons for such suspension, may suspend the operation of such schedule and defer the use of such rate, fare, or charge, or such rule, regulation, or practice for a period of 90 days and if the proceeding has not been concluded and a final order made within such period the Commission may, from time to time, extend the period of suspension by order, but not for a longer period in the aggregate than 180 days beyond the time when it would otherwise go into effect; and after hearing, whether completed before or after the rate, fare, charge, classification, rule, regulation, or practice goes into effect, the Commission may make such order with reference thereto as would be proper in a proceeding instituted after it had become effective. If the proceeding has not been concluded and an order made within the period of suspension, the proposed change or rate, fare, or charge, or classification, rule, regulation, or practice, shall go into effect at the end of such period: *Provided*, That this paragraph shall not apply to any initial schedule or schedules filed by any such carrier in bona fide operation when this section takes effect.

The amendment was agreed to.

The next amendment was, on page 49, line 3, to change the paragraph number "(f)" to "(h)."

The amendment was agreed to.

The next amendment was, on page 49, line 13, to strike out "(g)" and insert "(i)"; in line 14, after the words "transportation of", to strike out "persons" and insert "passengers"; in line 17, before the word "transportation", to strike out "circumstances and conditions peculiar to" and insert the words "inherent advantages of"; in line 19, after the word "traffic", to insert the words "by such carriers", so as to make the paragraph read:

(i) In the exercise of its power to prescribe just and reasonable rates for the transportation of passengers or property by common carriers by motor vehicle the Commission shall give due consideration, among other factors, to the inherent advantages of transportation by such carriers to the effect of rates upon the movement of traffic by such carriers; to the need, in the public interest, of adequate and efficient transportation service by such carriers at the lowest cost consistent with the furnishing of such service; and to the need of revenues sufficient to enable such carriers, under honest, economical, and efficient management, to provide such service.

The amendment was agreed to.

The next amendment was, on page 50, line 1, to change the paragraph number from "(h)" to "(j)."

The amendment was agreed to.

The next amendment was, on page 50, line 4, to change the section number from "317" to "217"; in line 6, before the word "public", to strike out the word "the"; and in line 18, after the word "regulation", to insert the word "shall", so as to make the paragraph read:

TARIFFS OF COMMON CARRIERS BY MOTOR VEHICLE

SEC. 217. (a) Every common carrier by motor vehicle shall file with the Commission, and print, and keep open to public inspection, tariffs showing all the rates, fares, and charges for transportation, and all services in connection therewith, of passengers or property in interstate or foreign commerce between points on its own route and between points on its own route and points on the route of any other such carrier, or on the route of any common carrier by railroad and/or express, when a through route and joint rate shall have been established. Such rates, fares, and charges shall be stated in terms of lawful money of the United States. The tariffs required by this section shall be published, filed, and posted in such form and manner, and shall contain such information, as the Commission by regulations shall prescribe; and the Commission is authorized to reject any tariff filed with it which is not in consonance with this section and with such regulations. Any tariff so rejected by the Commission shall be void and its use shall be unlawful.

The amendment was agreed to.

The next amendment was, on page 52, line 10, to change the section number from "318" to "218"; in line 22, before the word "charges", to insert the word "minimum"; on page 53, line 3, after the word "manner" to insert the following: "but the Commission may, in its discretion and for good cause shown, allow such change upon less notice, or modify the requirements of this paragraph with respect to posting and filing of such schedules or copies of contracts, either in particular instances, or by general order applicable to special or peculiar circumstances or conditions"; and on page 54, line 2, after the word "section", to strike out the numerals "302" and insert "202", so as to make the paragraph read:

SCHEDULES OF CONTRACT CARRIERS BY MOTOR VEHICLE

SEC. 218. (a) It shall be the duty of every contract carrier by motor vehicle to file with the Commission, publish, and keep open for public inspection, in the form and manner prescribed by the Commission, schedules or, in the discretion of the Commission, copies of contracts containing the minimum charges of such carrier for the transportation of passengers or property in interstate or foreign commerce, and any rule, regulation, or practice affecting such charges and the value of the service thereunder. No such contract carrier, unless otherwise provided by this part, shall engage in the transportation of passengers or property in interstate or foreign commerce unless the minimum charges for such transportation by said carrier have been published, filed, and posted in accordance with the provisions of this part. No reduction shall be made in any such charge either directly or by means of any change in any rule, regulation, or practice affecting such charge or the value of service thereunder, except after 30 days' notice of the proposed change filed in the aforesaid form and manner; but the Commission may, in its discretion and for good cause shown, allow such change upon less notice, or modify the requirements of this paragraph with respect to posting and filing of such schedules or copies of contracts, either in particular instances, or by general order applicable to special or peculiar circumstances or conditions. Such notice shall plainly state the change proposed to be made and the time when such change will take effect. No such carrier shall demand, charge, or collect a less compensation for such transportation than the charges filed in accordance with this paragraph, as affected by any rule, regulation, or practice so filed, or as may be prescribed by the Commission from time to time, and it shall be unlawful for any such carrier, by the furnishing of special services, facilities, or privileges, or by any other device whatsoever, to charge, accept, or receive less than the minimum charges so filed or perscribed: *Provided*, That any such carrier or carriers, or any class or group thereof, may apply to the Commission for relief from the provisions of this paragraph, and the Commission may, after hearing, grant such relief to such extent and for such time, and in such manner as in its judgment is consistent with the public interest and the policy declared in section 202 (a) of this part.

The amendment was agreed to.

The next amendment was, on page 54, line 10, after the word "section", to strike out the numerals "302" and insert the numerals "202"; in line 18, after the word "part", to strike out the words "except to the extent, if any, and in such manner, as" and insert the word "which"; in line

19, after the word "may", to strike out the words "deem consistent" and insert the words "find to be undue or inconsistent"; in line 21, after the word "section", to insert the words "and the Commission shall give due consideration to the cost of services rendered by such carriers and to the effect of such minimum charge, or such rules, regulations, or practices, upon the movement of traffic by such carriers"; and on page 55, line 2, after the word "oath", to strike out the words "whenever in its judgment the Commission is of opinion that any complaint does not state reasonable grounds for investigation and action on its part, it may dismiss such complaint", so as to make the paragraph read:

(b) Whenever, after hearing upon complaint or its own initiative, the Commission finds that any charge of any contract carrier or carriers by motor vehicle, or any rule, regulation, or practice of any such carrier or carriers affecting such charge, or the value of the service thereunder, for the transportation of passengers or property in interstate or foreign commerce, contravenes the policy declared in section 202 (a) of this part, the Commission may prescribe such minimum charge, or such rule, regulation, or practice as in its judgment may be necessary or desirable in the public interest and to promote the policy declared in said section. Such minimum charge, or such rule, regulation, or practice, so prescribed by the Commission, shall give no advantage or preference to any such carrier in competition with any common carrier by motor vehicle subject to this part, which the Commission may find to be undue or inconsistent with the public interest and the policy declared in said section, and the Commission shall give due consideration to the cost of the services rendered by such carriers and to the effect of such minimum charge, or such rules, regulations, or practices, upon the movement of traffic by such carriers. All complaints shall state fully the facts complained of and the reasons for such complaint and shall be made under oath."

The amendment was agreed to.

The next amendment was, on page 56, line 14, after the word "operation", to strike out the words "as provided in section 309 (a)" and insert in lieu thereof the words "when this section takes effect", so as to make the paragraph read:

(c) Whenever there shall be filed with the Commission by any such contract carrier any schedule or contract stating a reduced charge directly, or by means of any rule, regulation, or practice, for the transportation of passengers or property in interstate or foreign commerce, the Commission is hereby authorized and empowered upon complaint of interested parties or upon its own initiative at once and, if it so orders, without answer or other formal pleading by the interested party, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such charge, or such rule, regulation, or practice, and pending such hearing and the decision thereon the Commission, by filing with such schedule or contract and delivering to the carrier affected thereby a statement in writing of its reasons for such suspension, may suspend the operation of such schedule or contract and defer the use of such charge, or such rule, regulation, or practice, for a period of 90 days, and if the proceeding has not been concluded and a final order made within such period the Commission may, from time to time, extend the period of suspension, but not for a longer period in the aggregate than 180 days beyond the time when it would otherwise go into effect; and after hearing whether completed before or after the charge, or rule, regulation, or practice goes into effect, the Commission may make such order with reference thereto as would be proper in a proceeding instituted after it had become effective. If the proceeding has not been concluded and an order made within the period of suspension, the proposed change in any charge or rule, regulation, or practice shall go into effect at the end of such period: *Provided*, That this paragraph shall not apply to any initial schedule or schedules, or contract or contracts, filed by any such carrier in bona fide operation when this section takes effect.

The amendment was agreed to.

The next amendment was, on page 56, line 17, to change the section number from "319" to "219."

The amendment was agreed to.

The next amendment was, on page 56, line 21, to change the section number from "320" to "220."

The amendment was agreed to.

The next amendment was, on page 58, line 9, to change the section number from "321" to "221."

The amendment was agreed to.

The next amendment was, on page 59, line 12, after the word "every", strike out the word "such", so as to make the paragraph read:

(c) Every motor carrier shall also file with the board of each State in which it operates a designation in writing of the name and post-office address of a person in such State upon whom process issued by or under the authority of any court having jurisdiction of the subject matter may be served in any proceeding at law or equity brought against such carrier. Such designation may from time to time be changed by like writing similarly filed. In the event such carrier fails to file such designation, service may be made upon any agent of such motor carrier within such State.

The amendment was agreed to.

The next amendment was, on page 60, line —, to change the section number from "322" to "222."

The amendment was agreed to.

The next amendment was, on page 61, line 3, after the word "shipper", to insert the word "consignee", so as to make the paragraph read:

(c) Any person, whether carrier, shipper, consignee, or broker, or any officer, employee, agent, or representative thereof, who shall knowingly offer, grant, or give, or solicit, accept, or receive any rebate, concession, or discrimination in violation of any provision of this part, or who by means of any false statement or representation, or by the use of any false or fictitious bill, bill of lading, receipt, voucher, roll, account, claim, certificate, affidavit, deposition, lease, or bill of sale, or by any other means or device, shall knowingly and willfully assist, suffer, or permit any person or persons, natural or artificial, to obtain transportation of passengers or property subject to this part for less than the applicable rate, fare, or charge, or who shall knowingly and willfully by any such means or otherwise fraudulently seek to evade or defeat regulation as in this part provided for motor carrier or brokers, shall be deemed guilty of a misdemeanor and upon conviction thereof be fined not more than $500 for the first offense and not more than $2,000 for any subsequent offense.

The amendment was agreed to.

The next amendment was, on page 61, line 25, after the word "carriers", to insert the words "or brokers"; and on page 62, line 1, after the word "section", to strike out the numerals "320" and insert the numerals "220", so as to make the paragraph read:

(d) Any special agent or examiner who divulges any fact or information which may come to his knowledge during the course of the examination of the accounts, records, and memoranda of motor carriers or brokers as provided in section 220 (b), except as he may be directed by the Commission or by a court of competent jurisdiction or judge thereof, shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not more than $5,000 or imprisonment for a term not exceeding 2 years, or both.

The amendment was agreed to.

The next amendment was, on page 63, line 22, to change the section number from "323" to "223."

The amendment was agreed to.

The next amendment was, on page 65, line 17, to change the section number from "324" to "224."

The amendment was agreed to.

The next amendment was, on page 66, line 6, to change the section number from "325" to "225."

The amendment was agreed to.

The next amendment was, on page 66, line 14, after the word "matter", to insert the words "and of any organization of motor carriers."

Mr. WHEELER. On page 66, line 14, the committee amendment is in the wrong place. It should appear after the word "Government" in line 13.

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

The CHIEF CLERK. On page 66, line 13, after the word "Government", insert the words "and of any organization of motor carriers"; and in line 14, after the word "matter", strike out the words "and of any organization of motor carriers", so as to make the sentence read:

The Commission is hereby authorized to investigate and report on the need for Federal regulation of the sizes and weight of motor vehicles and combinations of motor vehicles and of the qualifications and maximum hours of service of employees of all motor carriers and private carriers of property by motor vehicle; and in such investigation the Commission shall avail itself of the assistance of all departments or bureaus of the Government and of any organization of motor carriers having special knowledge of any such matter.

The amendment to the committee amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 66, after the word "matter", in line 14, to strike out the following:

The term "private carrier of property by motor vehicle" shall mean any person not included in the terms "common carrier by motor vehicle" or "contract carrier by motor vehicle" as defined in this part, who or which transports in interstate or foreign commerce by motor vehicle property of which such person is the owner, lessee, or bailee, when such transportation is for the purpose of sale, lease, rent, or bailment, or in furtherance of any commercial enterprise.

The amendment was agreed to.

The next amendment was, on page 67, line 2, to change the section number from "326" to "226."

The amendment was agreed to.

The next amendment was, on page 67, line 8, to change the section number from "327" to "227."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. ROBINSON. Mr. President, does the Senator from Oregon [Mr. McNARY] desire that the bill go over until tomorrow for final action?

Mr. McNARY. Yes, Mr. President; I think I must adhere to my former expressed view on that point.

Mr. ROBINSON. Is that satisfactory to the chairman of the committee?

Mr. WHEELER. Yes, it is.

Mr. STEIWER. Mr. President, I should like to ask the Senator from Montana a question. In order that I may have opportunity to reflect upon the matter between now and tomorrow, I wish to ask about the references to transportation by water occurring on pages 44, 45, and 46 of the bill, and possibly also on page 47. Is it intended by inclusion of the phrase "and by water" or the phrase "and/or water" to bring the ocean-shipping services within the jurisdiction of the Interstate Commerce Commission?

Mr. WHEELER. Only so far as they are at the present time. We had a separate bill before the committee for the regulation of water carriers on wnich we held hearings, but that bill has not as yet been reported out of the committee.

Mr. STEIWER. Am I correct in assuming that the inclusion of the phrase "and/or water" in the bill now pending before the Senate——

Mr. WHEELER. That simply provides for permissive through routes and joint rates.

Mr. STEIWER. Either by combination of truck and train or by combination of truck and ship?

Mr. WHEELER. Exactly.

Mr. STEIWER. Is that applicable to such service only in intercoastal trade, or is it applicable to other kinds of shipping services?

Mr. WHEELER. It permits all water carriers to enter into such agreements. We had a mandatory provision for through routes and joint rates in the bill, but the shipping interests, the railroads, the brokers, and everybody except the bus lines wanted the mandatory provision taken out, so we took it out in the committee as to everybody except the common-carrier bus lines who must make such arrangements with each other. We made it permissive that the trucks, the railroads, the express companies, and the water lines may make joint rates.

Mr. STEIWER. Is it the Senator's opinion that the permission to which he has referred is more likely to be helpful to the water services than hurtful?

Mr. WHEELER. Oh, yes. It was made only with their approval. The Interstate Commerce Commission cannot force them to make such rates, but if the shipping interests want to make joint rates with some bus company or some trucking company they are permitted to do so.

Mr. STEIWER. I thank the Senator.

EXECUTIVE SESSION

Mr. ROBINSON. 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 MESSAGE REFERRED

The PRESIDING OFFICER (Mr. MOORE in the chair), laid before the Senate a message from the President of the United States submitting sundry nominations in the Army, which was referred to the Committee on Military Affairs.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of Claro M. Recto, of the Philippine Islands, to be associate justice of the Supreme Court of the Philippine Islands, vice Thomas A. Street, resigned.

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

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar. If there be no further reports of committees, the Clerk will state the first business in order on the calendar.

POSTMASTERS

The legislative clerk read the nomination of Jacob Moore, to be postmaster at New City, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. ROBINSON. I ask unanimous consent that nominations in the Army be confirmed en bloc.

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

That completes the calendar.

TREATY—INTERNATIONAL TRADE IN ARMS AND AMMUNITION

Mr. PITTMAN. Mr. President, the Senator from Utah [Mr. KING] desired to have notice of the intention to ask the Senate to proceed to the consideration of Executive H (69th Cong., 1st sess), a convention for the supervision of the international trade in arms and ammunition and in implements of war, signed at Geneva, Switzerland, on June 17, 1925.

I now give notice that at the next executive session I shall call up that treaty for action by the Senate.

RECESS

Mr. ROBINSON. As in legislative session, 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 8 minutes p. m.) the Senate, in legislative session, took a recess until tomorrow, Tuesday, April 16, 1935, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 15, 1935

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO ADJUTANT GENERAL'S DEPARTMENT

Capt. Arthur John McChrystal, Infantry (detailed in Adjutant General's Department), with rank from July 1, 1920.

TO QUARTERMASTER CORPS

First Lt. Elmer Matthew Webb, Infantry, with rank from September 1, 1933.

TO AIR CORPS

Second Lt. Lawrence Browning Kelley, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

PROMOTION IN THE REGULAR ARMY

TO BE MAJOR

Capt. Clyde Charles Alexander, Field Artillery, from April 5, 1935.

TO BE CAPTAINS

First Lt. James Clyde Welch, Infantry, from April 4, 1935.

First Lt. Miner Welsh Bonwell, Infantry, from April 5, 1935.

TO BE FIRST LIEUTENANTS

Second Lt. George Frederick Kehoe, Air Corps, from April 4, 1935.

Second Lt. Roy Henry Lynn, Air Corps, from April 5, 1935.

CONFIRMATIONS

Executive nominaions confirmed by the Senate April 15, 1935

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY

Capt. Leighton Nicol Smith to Finance Department.

First Lt. Walter Godley Donald to Ordnance Department.

PROMOTIONS IN THE REGULAR ARMY

John Jennings Kingman to be colonel, Corps of Engineers.

Robert Philip Howell to be colonel, Corps of Engineers.

Thomas Matthews Robins to be colonel, Corps of Engineers.

Ralph Edward Haines to be lieutenant colonel, Coast Artillery Corps.

Thomas Hardaway Jones to be lieutenant colonel, Coast Artillery Corps.

John Thomas Hazelrigg O'Rear to be lieutenant colonel, Coast Artillery Corps.

Laurence Watts to be lieutenant colonel, Signal Corps.

Stephen Joseph Idzorek to be major, Air Corps.

John Thomas Sallee to be major, Quartermaster Corps.

Clarence LeRoy Strike to be major, Signal Corps.

John Roscoe Holt to be major, Quartermaster Corps.

Rolland Edward Stafford to be major, Signal Corps.

Francis James Gillespie to be captain, Infantry.

Jesse Lewis Gibney to be captain, Infantry.

Robert Hale Vesey to be captain, Infantry.

Clarence Miles Mendenhall, Jr., to be captain, Coast Artillery Corps.

Kester Lovejoy Hastings to be captain, Quartermaster Corps.

George McKnight Williamson, Jr., to be captain, Field Artillery.

Howard Waite Brimmer to be captain, Field Artillery.

Charles Milner Smith to be captain, Infantry.

Walter Joseph Muller to be captain, Infantry.

Harry Lovejoy Rogers, Jr., to be captain, Infantry.

George Bryan Conrad to be captain, Field Artillery.

William Stephen Murray to be captain, Infantry.

Raymond Wainwright Odor to be captain, Infantry.

George Graham Northrup to be first lieutenant, Air Corps.

Thomas Sarsfield Power, first lieutenant, Air Corps.

Lloyd Harold Watnee, first lieutenant, Air Corps.

Philip David Coates, first lieutenant, Air Corps.

Talma Watkins Imlay, first lieutenant, Air Corps.

John Herold Bundy, first lieutenant, Air Corps.

Mills Spencer Savage, first lieutenant, Air Corps.

Harold Webb Bowman, first lieutenant, Air Corps.

Lorry Norris Tindal, first lieutenant, Air Corps.

Merlin Ingels Carter, first lieutenant, Air Corps.

John Walker Sessums, Jr., first lieutenant, Air Corps.

Charles Kenneth Moore, first lieutenant, Air Corps.

Austin August Straubel, first lieutenant, Air Corps.

Wycliffe Eugene Steele, first lieutenant, Air Corps.

POSTMASTER

NEW YORK

Jacob Moore, New City.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 15, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, we pause in recognition of the kingship of our Lord and Savior. In His earthly life heaven lies mirrored as a radiant sky in the summer sea. We thank Thee that the angels of Thy love have encamped on our right hand and at our left. Enable us to nourish the best aspirations and transmute them into the beatitudes of love, sympathy, and service; these are the distinguishing glory, flower, and crown of manhood. In Thy holy name inspire us with the blessedness of the peacemaker, who lessens strife, heals enmities, and recovers man out of a state of bitterness and hate. Oh, happy is the country whose citizens seek to realize the ideal of good will toward all men. Satisfy us early with Thy mercy, and encourage us with a simple regard for usefulness and a losing sight for applause. In our Redeemer's name. Amen.

The Journal of the proceedings of Saturday, April 13, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

LEAVE OF ABSENCE

Mr. BIERMANN. Mr. Speaker, my colleague the gentleman from Iowa, Mr. UTTERBACK, was called to his home in Des Moines yesterday on account of a death in his family. I therefore ask unanimous consent that he may be excused for the rest of the week.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SOCIAL SECURITY BILL

Mr. DUNN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DUNN of Mississippi. Mr. Speaker, in the security bill which is now before the Congress, and which is causing so much stir among my colleagues as to the method of creating an old-age-pension set-up, I wish to go on record now in voicing my positive disapproval of the method of paying an old-age pension such as this bill calls for.

The administration is wedded to the payment of a reasonable pension to our aged citizens because of the President's original promise to bring such a law about, but this bill is a "buck-passing bill" and attempts to offer a small amount to the aged conditioned upon this same amount being matched by the State. Anyone knowing the condition of the States of the Union knows that more than 65 percent of these States are more or less insolvent and can in no wise meet this condition precedent; and this being true, such an old-age-pension plan of alleviating the suffering of those who are walking toward the valley without a sufficient amount of money to make them comfortable is, in reality, nothing but a foolish gesture. I desire to go on record at this juncture of the debate on this bill to say that we ought to pass a reasonable old-age-pension bill free from the ties this bill contains or else pass no old-age-pension bill at all. I do not believe in telling those citizens of our country who happen to live in wealthy States that they will be fortunate enough to get their pension because their State is able to match the Government appropriation of $15, while those who live in States not so wealthy, and these are by far the majority States, will not be able to get theirs because their State is not able to match the amount offered by the Government.

This bill should be amended so as to definitely assure our people who reach the age of 60 years and are in need that they will be comfortable and will not be compelled to depend upon local politics to give them that which is righteously theirs. The age should be 60 and not 65.

SECRETARY ICKES ANSWERS LEWIS DOUGLAS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech made by Secretary Ickes this morning in Philadelphia and also to extend my own remarks in connection with his speech.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.