10599. By Mr. CULKIN: Petition of the Madison-Onon-daga district of the Dairymen's League Cooperative Association, Inc., of Syracuse, N. Y., requesting the President to immediately exercise the powers granted him by Congress to raise the price of gold to the limit authorized; to the Committee on Ways and Means.

10600. Also, petition of 43 residents of Cazenovia, N. Y., urging a 5-cent additional tax on oleomargarine; to the Committee on Interstate and Foreign Commerce.

10601. Also, petition of the Woman's Christian Temperance Union of Winters, Calif., urging adoption of House bill 2999 and block-booking legislation; to the Committee on Interstate and Foreign Commerce.

10602. By Mr. COLDEN: Resolution adopted by the Board of Supervisors of the County of Los Angeles, Calif., on March 18, 1936, urging the allocation of funds for the relief of needy unemployed; to the Committee on Appropriations.

10603. Also, letter from the Wilshire Lions Club, of Los Angeles, Calif., containing resolution adopted by the board of directors of that organization, urging the passage of House bill 4688 and Senate bill 2196, the purpose of which is to rehabilitate employable blind persons in the United States by permitting them to operate newsstands in Federal buildings, to find other suitable stand locations, and to make a national survey of industries wherein blind persons can be employed, and to train, place, and supervise blind persons in such jobs; to the Committee on Labor.

10604. By Mr. CONNERY: Petition of the New England section of the Society of American Foresters, endorsing the efforts of the Federal and State agencies in eradication of the Dutch elm disease, together with the program of sanitation, by removal of dead and dying elms which are potential sources of spread of the disease; and that the Federal appropriation for Dutch elm disease eradication for the coming year be not less than \$3,000,000; that these funds be made available upon appropriation, or, in any case, not later than April 1, 1936, in connection with and under the regulations governing the regular functions of the Department of Agriculture; to the Committee on Agriculture.

10605. Also, petition of the General Court of Massachusetts, memorializing the Congress of the United States relative to requiring that preference be given to citizens of the United States in employment on unemployment-relief projects financed by Federal funds; to the Committee on Appropriations.

10606. Also, petition of the General Court of Massachusetts, memorializing Congress against legislation violating the letter or spirit of neutrality; to the Committee on Foreign Affairs.

10607. Also, petition of the State health officers of the New England States, in connection with Senate bill 3958. favoring steps to promote the betterment of New England streams and shore waters by antipollution measures; that the adoption by the New England States of interstate compacts to abate water pollution is the most satisfactory method of accomplishing that purpose; that no extension of Federal control over streams is desirable; that the activities of the Federal Government should be restricted in the field of stream pollution to fact finding and coordination and stimulation of State and interstate programs and to directing the promotion of interstate compacts with the cooperation of the interested States; that the establishment of standards of water purity in particular areas and the enforcement of antipollution measures should be delegated to the States as provided for in compact agreements; to the Committee on Rivers and Harbors.

10608. By Mr. LAMNECK: Petition of Elizabeth S. Tilton, president, and Mary E. Taylor, secretary, Young Women's Foreign Missionary Society, Columbus, Ohio, urging early hearings on motion pictures now before Congress; to the Committee on Interstate and Foreign Commerce.

10609. By Mr. McCORMACK: Memorial of the Massachusetts General Court, memorializing the Congress to require that preference be given to citizens of the United States in employment on unemployment-relief projects financed by Federal funds; to the Committee on Appropriations.

# SENATE

FRIDAY, MARCH 27, 1936

(Legislative day of Monday, Feb. 24, 1936)

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

#### THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 26, 1936, was dispensed with, and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 543) making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia.

The message also announced that the House had passed the bill (S. 4212) to amend section 2 of the National Housing Act, relating to the insurance of loans and advances for improvements upon real property, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H. R. 11945) granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts for the construction, maintenance, and operation of certain free highway bridges to replace bridges destroyed by flood in the Commonwealth of Massachusetts, in which it requested the concurrence of the Senate.

#### ENROLLED BILL AND JOINT RESOLUTION SIGNED

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

S. 3424. An act to continue Electric Home and Farm Authority as an agency of the United States until February 1937, and for other purposes; and

H. J. Res. 543. A joint resolution making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia.

#### CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The legislative clerk called the roll, and the following
Senators answered to their names:

Adams	Chavez	King	Pope
Ashurst	Clark	La Follette	Radcliffe
Austin	Connally	Lewis	Robinson
Bachman	Copeland	Logan	Russell
Bailey	Couzens	Lonergan	Schwellenbach
Barbour	Davis	Long	Sheppard
Barkley	Donahey	McGill	Shipstead
Bilbo	Duffy	McKellar	Steiwer
Black	Fletcher	McNary	Thomas, Utah
Bone	Frazier	Metcalf	Truman
Borah	George	Minton	Tydings
Brown	Gibson	Murphy	Vandenberg
Bulkley	Guffey	Murray	Van Nuys
Bulow	Hale	Neely	Wagner
Burke	Harrison	Norris	Walsh
Byrd	Hatch	Nye	Wheeler
Byrnes	Hayden	O'Mahoney	White
Capper	Johnson	Overton	
Caraway	Keves	Pittman	

Mr. LEWIS. I announce the absence of the Senator from Alabama [Mr. Bankhead], the Senator from Rhode Island [Mr. Gerry], the Senator from California [Mr. McAdoo], and the Senator from Florida [Mr. Trammell], caused by illness; and I further announce that the Senator from Virginia [Mr. Glass], the Senator from Minnesota [Mr. Benson], the Senator from Massachusetts [Mr. Coolinge], the Senator from Colorado [Mr. Costigan], my colleague the junior Senator from Illinois [Mr. Dieterich], the Senator from West Virginia [Mr. Holt], the Senator from Nevada [Mr. McCarran], the Senator from Connecticut [Mr. Maloney], and the Senator from Oklahoma [Mr. Thomas] are necessarily detained from the Senate.

[Mr. REYNOLDS] is detained at the Department of Labor on official business.

Mr. AUSTIN. I announce that the senior Senator from Delaware [Mr. Hastings], the junior Senator from Delaware [Mr. Townsend], the Senator from Iowa [Mr. Dickinson], and the Senator from Wyoming [Mr. CAREY] are necessarily absent.

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

LOANS AND ADVANCES UNDER NATIONAL HOUSING ACT

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4212) to amend section 2 of the National Housing Act, relating to the insurance of loans and advances for improvements upon real property, and for other purposes, which were to strike out all after the enacting clause and insert:

That title I of the National Housing Act, as amended, be further amended as follows:

Section 1 of title I is amended by adding at the end of said

section the following paragraph:

section the following paragraph:

"Notwithstanding any other provision of law, the Administrator shall have the power, under and subject to regulations prescribed by him and approved by the Secretary of the Treasury, to assign or sell at public or private sale, or otherwise dispose of, any evidence of debt, contract claim, property, or security assigned to or held by him, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of insurance under section 2 of this title until such time as such obligations may be referred to this title, until such time as such obligations may be referred to the Attorney General for suit or collection." SEC. 2. Section 2 of title I is amended, effective on and after

April 1, 1936, to read as follows:
"Sec. 2. The Administrator is authorized and empowered, upon such terms and conditions as he may prescribe, to insure banks, trust companies, personal finance companies, mortgage companies, building and loan associations, installment lending companies, and building and loan associations, installment lending companies, and other such financial institutions, which the Administrator finds to be qualified by experience or facilities as eligible for credit insurance, against losses which they may sustain as a result of loans and advances of credit not in excess of \$2,000, and purchases of obligations representing such loans and advances of credit, made by them on and after April 1, 1936, and prior to April 1, 1937, or such earlier date as the President may fix by proclamation upon his determination that there no longer exists any necessity for such insurance in order to make ample credit available for the purpose of financing alterations, repairs, and improvements upon real property by the owners thereof or lessees of such real property under a lease expiring not less than 6 months after the maturity of the loan, and against losses which they may sustain as a result of loans and advances of credit, not in excess of \$50,000, and purchases of obligations representing such loans and advances of credit, made during such period to owners of real property already improved by apartment or multiple-family houses, hotels, office, business, or other commercial buildings, hospitals, orphanages, colimproved by apartment or multiple-family houses, hotels, office, business, or other commercial buildings, hospitals, orphanages, colleges, schools, churches, or manufacturing or industrial plants, or improved by some other structure which is to be converted into one of the above-mentioned types of structure, or to lessees thereof under a lease expiring not less than 6 months after the maturity of the loan, for the purpose of financing alterations, repairs, and additions to such real property, and the purchase and installation of equipment and machinery thereon.

"In a case shall the insurance granted by the Administrator

"In no case shall the insurance granted by the Administrator "In no case shall the insurance granted by the Administrator under this section to any such financial institution on loans, advances of credit, and purchases made by such financial institutions for such purposes after April 1, 1936, exceed 10 percent of the total amount of such loans, advances of credit, and purchases. The total liability incurred by the Administrator for all insurance granted under this section, including all insurance herefore and hereafter granted, shall not exceed in the aggregate of \$100,000,000. No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, edvance of credit, or purchase by it unless the obligation bears such advance of credit, or purchase by it unless the obligation bears such interest, has such maturity, and contains such other terms, conditions, and restrictions as the Administrator shall prescribe in order to make credit available for the purposes of this title.

"The Administrator is authorized and empowered to transfer,

under such regulations as he may prescribe, any insurance in connection with any loans and advances of credit which may be sold by one approved financial institution to another approved financial institution."

SEC. 3. Section 3 of title I is hereby repealed.

And to amend the title so as to read: "An act to amend title I of the National Housing Act, and for other purposes."

Mr. BULKLEY. I move that the Senate disagree to the amendments of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. Bulkley, Mr. Wagner, Mr. Barkley, Mr.

I also announce that the Senator from North Carolina | STEIWER, and Mr. Townsend conferees on the part of the Senate.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions of the General Court of Massachusetts, memorializing Congress relative to requiring that preference be given to citizens of the United States in employment on unemploymentrelief projects financed by Federal funds, which were referred to the Committee on Education and Labor.

(See resolutions printed in full when presented by Mr. Walsh on the 24th instant, p. 4242, Congressional Record.)

The VICE PRESIDENT also laid before the Senate a letter in the nature of a memorial from Hon. Quintin Paredes. Resident Commissioner of the Philippines, remonstrating against the enactment of the bill (S. 3486) to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States", and presenting certain data in connection therewith, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the Workers Welfare Association of Ogden, Utah, favoring the adoption of the so-called workers' rights amendment to the Constitution, which was referred to the Committee on the Judiciary.

He also presented a letter in the nature of a petition from the South Carolina Aeronautics Commission, Columbia, S. C., praying for the creation by the Senate of a committee on air commerce and civil aviation, which was referred to the Committee on Rules.

Mr. COPELAND presented a resolution of Local No. 374, National Federation of Post Office Clerks, of Buffalo, N. Y., protesting against the reinstatement of postal employees who quit the service for their own personal gain, and also favoring the establishment of a civil-service court of appeals, which was referred to the Committee on Civil Service.

He also presented resolutions adopted by the New York Board of Trade, of New York City, N. Y., favoring the reduction of Federal expenditures and the imposition of direct taxes, which were referred to the Committee on Finance.

He also presented resolutions adopted by the Retail Dry Goods Clerks Union; the A. W. P. R. A.; Local No. 164, Bakery and Confectionary Workers International Union, and Branch No. 417 of the Workmen's Circle, all of New York City, and Branch No. 3564, International Workers Order of Maspeth, Long Island, all in the State of New York. favoring the enactment of the bill (S. 3475) to provide for the establishment of a Nation-wide system of social insurance, which were referred to the Committee on Finance.

He also presented a resolution adopted by the Chamber of Commerce of Canastota, N. Y., opposing Government ownership and control of railroads, which was referred to the Committee on Interstate Commerce.

He also presented a paper in the nature of a petition from the Saranac Lake (N. Y.) Bar Association, praying for the enactment of Senate bill 2944, to prevent and make unlawful the practice of law before the Government departments, bureaus, commissions, and other agencies by those other than duly licensed attorneys at law, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the nursing committee of the Henry Street Visiting Nurse Service, New York City, N. Y., favoring the enactment of legislation to exempt licensed physicians, hospitals, and clinics from the provisions of law now excluding contraceptive supplies and medical literature relating to birth control from the mails and common carriers, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the New York Board of Trade, New York City, N. Y., favoring the establishment of a uniform rate of 2 cents per ounce on first-class mail matter within the city of New York, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of sundry citizens of Jackson Heights and vicinity, Long Island, N. Y., praying for the enactment of the so-called Barry bill, providing postal consolidation for Queens County, N. Y., which was referred to the Committee on Post Offices and Post Roads.

#### IMPORTATION OF COTTON GOODS FROM JAPAN

Mr. WALSH. Mr. President, I ask unanimous consent to have printed in the RECORD, treated as a petition, and appropriately referred a letter I have received from the secretary of the National Association of Cotton Manufacturers, Boston, Mass., giving information, including a table, prepared by the Cotton Textile Institute, on the continued and increasing importation of cotton goods from Japan.

There being no objection, the letters and table were referred to the Committee on Finance and ordered printed in the RECORD, as follows:

THE NATIONAL ASSOCIATION OF COTTON MANUFACTURERS, Boston, Mass., March 25, 1936.

Hon. Daym I. Walsh,

United States Senate, Washington, D. C.

Dear Senator Walsh: Early this year we sent you copy of a resolution passed at a meeting of our member mills, protesting the continued and increasing importation of cotton goods from Japan. It was apparent from statements made by State Department officials at the time that they felt the matter had been adequately taken care of through an agreement reached with the Japanese Government.

Now that figures for January 1936 are available, it is very evident that the importation of Japanese cotton goods continues as an increasing threat, and that the agreement with the Japanese Government falls far short of what is desirable.

Enclosed is a copy of a letter and table prepared by the Cotton Textile Institute on this subject, which I think will be of interest to you.

Yours very truly,

RUSSELL T. FISHER.

THE COTTON-TEXTILE INSTITUTE. INC.

DEAR SIE: You will doubtless recall the pleasant conference which we had with you about 2 months ago regarding importations from Japan, and in this connection I wonder whether the winth we had with you about 2 months ago regarding imports those from Japan, and in this connection I wonder whether the figures for January covering imports of cotton piece goods from Japan have come to your attention? A total of 6,812,986 square yards were imported for consumption, which is a volume more than double that of January 1935, and some 2,000,000 square yards greater than that of the peak month of February 1935. This is at the rate of over 80,000,000 square yards per year, compared with a total for 1935 of about 36,474,000 square yards.

To give you a more complete picture, I am enclosing a table of imports of these cotton piece goods from Japan for a period of years. The greatest bulk, you will note, is in the "bleached" classification. The total imports of this type in 1933 were 256,624 square yards; in 1934, 6,043,345 square yards; in 1935, 30,041,422 square yards; and in January 1936, 5,842,933 square yards—which is at the rate of over 70,000,000 square yards per year.

The major portion of this type of goods is used by the handkerchief and underwear trades. Therefore the imports from Japan of cotton handkerchiefs are closely related to the imports of bleached piece goods. The attached table, covering importations of cotton

cotton handkerchiefs are closely related to the imports of bleached piece goods. The attached table, covering importations of cotton handkerchiefs, indicates the enormous growth of business enjoyed by the Japanese in recent years. The 505,518 dozens imported in January 1936 are doubtless the equivalent of at least 1,000,000 square yards of bleached cloth. When it is realized that the estimated annual volume of domestic business in bleached print cloths for the handkerchief and underwear trades is only 150,000,000

yards, the significance of these combined imports—bleached cloth

yards, the significance of these combined imports—bleached cloth and handkerchiefs—is seen in its true perspective.

Another division of our industry which is sorely oppressed is the cotton velveteen group. A table showing the rapid expansion of imports from Japan in this category is also enclosed. From a total volume of about 1,000 square yards during the 9 years 1925 to 1933 importations jumped to nearly 84,000 square yards in 1934 (all of which arrived in the last 4 months of the year) and to the amazing total of 1,793,557 square yards in 1935. The volume imported last year is estimated to be over 50 percent of the domestic production for that year. The active season for velveteens is June to October, inclusive, which accounts for the substantial falling off of imports commencing in November 1935.

Another most disturbing development has been the arrival in this country during December 1935 and January 1936 of over 100,000 square yards of Japanese cloth under the unbleached classification. Last May, at a hearing before the Tariff Commission in the matter of importations of bleached goods from Japan, representatives of the Japanese importers claimed that it was not practicable or possible for the Japanese exporters to extend their activities with respect to shipments to the United States to other types of cloth. Nevertheless, since that time we have seen the tremendous expansion of receipts in this country of cotton velveteens, and more recently the above-mentioned unbleached goods. There is nothing of special merit in these importations. They are largely imitations of American cloths, but with Japanese labor costs only one-seventh or one-eighth of our labor costs, the effectiveness of the Tariff Act of 1930 is completely destroyed. Consequently we find Japanese bleached goods selling in our markets from three-fourths to 1½ cents a yard below the cost of comparable American goods, which normally sell in price brackets bearing certain relationships to goods now in competition with Japanese goods, are adversely

country.

Needless to say, there will be little opportunity for our industry

Needless to say, there will be little opportunity for our industry to make any further contribution toward relieving the unemployment situation when a rapidly increasing proportion of its market is being supplied by a foreign country. Nor can our industry be expected to contribute materially to improvement in the durable-goods industry when investments in replacements of machinery, etc., would doubtless result in outright loss.

The answer is that this industry needs and deserves relief from the rapidly increasing threat from Japanese importations. The instrument for that relief seems to be available in section 22 of the A. A., now made applicable by amendment to the Soil Conservation and Domestic Allotment Acts. In effect this section has the same force as section 3 (e) of the N. I. R. A. Early in 1935, pursuant to a complaint under that Recovery Act section, the Tariff Commission investigated importations of Japanese bleached cotton cloth. Due to the invalidation of the act, however, the findings of Due to the invalidation of the act, however, the findings of the Commission have never been released. In view of the work already accomplished, it would seem that little additional study already accomplished, it would seem that little additional study would be necessary preparatory to initiating prompt hearings. We also understand that the members of the Tariff Commission are thoroughly familiar with the velveteen situation. Therefore there seems to be no obstacle which would prevent prompt hearings before the Tariff Commission with respect to these imports.

Your good offices in behalf of the cotton-textile industry will be greatly appreciated.

Faithfully yours,

CLAUDIUS T. MURCHISON.

CLAUDIUS T. MURCHISON.

United States imports from Japan IT & Department of Co and Domestic Com

	The second state of			Cotton cloth			Cotton handkerchiefs		Cotton velveteens	
	Unbleached		Bleached		Printed, dyed, or colored		Not trimmed.	Value	Square	Value
Sy y	Square yards	Value	Square yards	Value	Square yards	Value	dozens (lbs. 1925-32)		yards	THE EN
1925 1926 1927	59, 682 31, 117 104, 772	\$8, 444 3, 952 11, 470	266, 789 372, 779 356, 634	\$38, 648 47, 623 29, 634	5, 046, 593 1, 862, 875 1, 400, 821	\$742,958 277,742 218,861	275 536 13	\$643 919 139		Infrafraksische State St
1928. 1929.	48, 004 2, 103	4, 408 546	186, 541 176, 308	23, 005 17, 517	1, 475, 569 1, 038, 473	229, 032 170, 505	21 16	208 131	125	\$41
1930	817 455	100	47, 624 100, 266 51, 397	5, 042 11, 554 3, 629	967, 068 669, 942 737, 392	113, 539 94, 787 52, 941	19 273 6, 144	55 337 2, 338	450 461	142 141
1933. 1934.	57, 302	1, 844	256, 624 6, 043, 345 30, 041, 422	12, 184 252, 057 1, 302, 605	859, 089 1, 243, 172 6, 375, 510	66, 324 110, 986 423, 349	61, 098 751, 597 2, 733, 817	6, 034 78, 695 254, 178	83, 765 1, 793, 557	16, 179 268, 122
1935: January February		7 6 7	2, 633, 295	112, 682 204, 894	707, 658 506, 915	44, 283 36, 270	181, 852 131, 424	18, 543 14, 453	3, 901 21, 248	867 3, 822
March April May			3, 854, 250 2, 318, 931	192, 740 98, 356 101, 552	721, 030 850, 764 725, 055	51, 453 61, 243 46, 550	127, 895 208, 279 169, 718	11, 331 20, 810 15, 848	31, 070 48, 752 75, 096	4, 245 5, 922 11, 907
June July August			2, 038, 655 1, 238, 893	82, 101 52, 629 66, 781	324, 937 348, 755 195, 904	25, 796 24, 262 13, 864	262, 521 407, 500 245, 523	24, 154 32, 965 26, 258	201, 433 145, 671 249, 349	26, 857 22, 136 40, 092
September October November			1, 718, 023 3, 136, 794 2, 772, 982	72, 412 128, 097 109, 863	547, 411 530, 922 302, 933	32, 156 33, 993 12, 805	270, 847 197, 671 241, 462	24, 310 17, 700 22, 025	358, 841 470, 841 60, 669	58, 048 65, 546 9, 656
December 1936: January	57, 302 53, 515	1, 844 2, 010	1, 820, 997 5, 842, 933	80, 498 231, 642	613, 226 916, 538	40, 674 53, 724	289, 125 505, 518	25, 781 40, 975	126, 686 84, 741	19, 023

## APPORTIONMENT OF FUNDS FOR SLUM CLEARANCE

Mr. WALSH. Mr. President, I ask unanimous consent to have printed in the RECORD, treated as a petition, and appropriately referred, a letter I have received from the secretarytreasurer of the Massachusetts State Federation of Labor, embodying resolutions adopted by the executive council of the federation, urging the apportionment of funds for the purpose of subsidizing through local agencies the work of slum clearance.

There being no objection, the letter was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

> MASSACHUSETTS STATE FEDERATION OF LABOR, Boston, Mass., March 24, 1936.

Hon. DAVID I. WALSH.

Hon. David I. Walsh,

United States Senator,

Senate Office Building, Washington, D. C.

Dear Senator Walsh: At the meeting of the executive council of the Massachusetts State Federation of Labor held on Friday, March 20, it was voted to urge you to consider favorably the apportionment of funds for the purpose of subsidizing through local agencies the work of slum clearance.

For the rest 4 years the mass of building through local agencies the work of slum clearance.

For the past 4 years the rate of building for family living units has been but 15 to 20 percent of normal requirements. The Federal Housing Administration has failed to provide the necessary new construction in the field of single-family dwellings or of low-cost multiple units.

During the past 2½ years we have perfected in Massachusetts a responsible State housing board, along with local housing authorities, who, we feel, are capable of dealing with housing problems. We now believe that the time is opportune to give consideration to large groups of our people who have not had an opportunity to live under decent and sanitary conditions. We request that a substantial amount of money scheduled for relief be diverted towards the previous of leasting to a selfthe providing of legitimate employment in projects of a self-liquidating nature. This would not only provide employment, but it would assure for large numbers of wage earners an opportunity to live in quarters conforming to a decent American standard.

Very truly yours,

ROBERT J. WATT, Secretary-Treasurer.

#### REPORTS OF COMMITTEES

Mr. SCHWELLENBACH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3784) to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes, reported it with amendments and submitted a report (No. 1733) thereon.

Mr. DUFFY. From the Committee on Military Affairs, I report back favorably with amendments a joint resolution to award a posthumous Congressional Medal of Honor to a very distinguished soldier of my State, William Mitchell, and I submit a report (No. 1734) thereon.

The joint resolution reported by Mr. DUFFY, from the Committee on Military Affairs, is Senate Joint Resolution 219, authorizing the President of the United States to award a posthumous Congressional Medal of Honor to William Mitchell.

#### MODIFICATION OR CANCELATION OF CERTAIN CONTRACTS

Mr. McKELLAR. From the Committee on Post Offices and Post Roads, I report back favorably without amendment the joint resolution (S. J. Res. 238) 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, and I submit a report (No. 1732) thereon. I ask unanimous consent for the present consideration of the joint resolution.

The VICE PRESIDENT. The Senator from Tennessee asks unanimous consent for the present consideration of a joint resolution, which will be read.

The joint resolution was read, as follows:

Resolved, etc., That section 5 of the Independent Offices Appropriation Act, 1934, as amended, be amended by striking out "March 31, 1936" and inserting in lieu thereof "May 31, 1936": Provided, That the right of the United States to annul any fraudulent or illegal contract or to institute suit to recover sums paid thereon is in no manner affected by this joint resolution.

Mr. McKELLAR. Mr. President, I should like to make a brief explanation to the Senate. As is well known, for some years the Government has been paying a subsidy to oceanmail carriers. That subsidy amounts to a considerable sum, between \$20,000,000 and \$25,000,000 a year. There has been great doubt expressed about the contracts. About 2 years ago section 5 of the Economy Act authorized the President to examine and report upon the validity of those contracts. The Postmaster General made a report in which it was held that a large number of them were invalid. The President has never acted on that report, but has sent a message to Congress in which he recommended that independent merchant-marine subsidy legislation be enacted. Such proposed legislation is now before the Senate in the form of a bill introduced by the Senator from New York [Mr. COPELAND] and approved by the Committee on Commerce. That bill cannot be passed before the 31st of March. On that day the President's authority expires.

The joint resolution to which I have referred merely extends that authority for 60 days. The Post Office Department thinks it ought to be done. It seems to me it is perfectly clear, knowing the condition of the business of the Senate and the procedure as we all do, that the time should be extended. I ask that the joint resolution may be considered and passed.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. AUSTIN. Mr. President, may I ask the Senator from Tennessee if section 5, which I have not before me at the present time, relates to air-mail contracts?

Mr. McKELLAR. No; it includes only the ocean-mail contracts, as I recall. I do not have it before me at the moment, but I am quite sure it does not apply to air-mail contracts.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. WHITE. Mr. President, reserving the right to object, may I ask if the joint resolution has been considered by any committee?

Mr. McKELLAR. Oh, yes. It was before the Committee on Post Offices and Post Roads this morning, and was unanimously reported by that committee. We will have to act quickly, because the 31st of March is not far away, and the joint resolution will have to go to the House for action. I hope the Senator from Maine will see fit to make no objec-

Mr. WHITE. Has the Senator from New York [Mr. Cope-LAND], the chairman of the Commerce Committee, given consideration to the joint resolution?

Mr. COPELAND. Mr. President, I have been spoken to about the joint resolution. It is a matter of utter indifference to me whether or not it passes. Last year I tried to have the time extended to the 30th of June, but the Senate was not willing to do so. So far as I am concerned, I do not care whether it passes or whether it does not pass. I repeat, it is a matter of utter indifference to me.

Mr. JOHNSON. Mr. President, is it the design of the joint resolution to extend the time for action upon the contracts which are now existing until real action may be taken or action may be defeated upon a merchant-marine bill?

Mr. McKELLAR. That is true.

Mr. JOHNSON. That is the purpose of it? Mr. McKELLAR. That is the purpose, sin That is the purpose, simply to extend the time for 60 days.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. McKELLAR. I ask that the report of the committee to accompany the joint resolution may be printed in the RECORD at this point.

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

The report is as follows:

[S. Rept. No. 1732. To accompany S. J. Res. 238]

The Committee on Post Offices and Post Roads of the Senate, to which was referred Senate Joint Resolution 238, a resolution to extend the time within which contracts may be modified or can-celed under the provisions of section 5 of the Independent Offices Appropriation Act, 1934, after having considered the same, beg leave to report the resolution back to the Senate with the recom-

leave to report the resolution back to the Senate with the recommendation that the same do pass.

Section 5 of the Independent Offices Appropriation Act, 1934, as amended, provides as follows:

"Sec. 5. Whenever it shall appear to the President, in respect of any contract entered into by the United States prior to the date of enactment of this act for the transportation of persons and/or things, that the full performance of such contract is not required in the public interest, and that modification or cancelation of such contract will result in substantial savings to the United States, the President is hereby, upon giving 60 days' notice and opportunity for public hearing to the parties to such contract, authorized, in his discretion, on or before April 30, 1935, to modify or cancel such contract. Whenever the President shall modify or cancel any such contract, he shall determine just compensation therefor; and if the amount thereof, so determined by the President, is unsatisfactory to the individual, firm, or corporation entitled to receive the same, such individual, firm, or corporation 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 States to recover such further sum as, added to said portion so received, will make up such amount as will be just compensation received, will make up such amount as will be just compensation therefor, in the manner provided for by paragraph 20 of section 41 and section 250 of title 28 of the United States Code: Provided, That where any such contract makes provision for settlement in the event of modification or cancelation, the amount of just compensation as determined hereunder shall not exceed such amount as is authorized by said contract. Any appropriation out of which payments upon the said contract were authorized to be made is hereby made available for the payment of such just compensation."

made is hereby made available for the payment of such just compensation."

Under the authority of that act the Postmaster General made a lengthy report some time ago concerning each and every one of the contracts therein mentioned, and holding a number of these invalid. The President has not yet acted on that report, and the time within which he may act expires March 31, 1936.

Since that time the President has recommended an independent and the description of the Senete and the Se

subsidy bill, and the Appropriations Committee of the Senate, acting upon the Treasury and Post Office appropriation bill, has cut down the appropriation for ocean mail from \$26,500,000 to \$4,500,000 on the theory that subsidy legislation would be had at this session.

The Post Office Department desires that the time of the President be extended for 60 days so that the bill which has been reported from the Senate Committee on Commerce may be considered.

Your committee recommends the passage of this resolution.

#### INVESTIGATION OF LOBBYING ACTIVITIES—INCREASE IN LIMIT OF EXPENDITURES

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with an amendment, Senate Resolution 254 and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution reported by the Senator from South Carolina?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 254), submitted by Mr. Black on the 12th instant, reported by the Special Committee to Investigate Lobbying Activities, referred to the Committee to Audit and Control the Contingent Expenses of the Senate, and by that committee reported with an amendment, on page 1, line 5, after the word "figures", to strike out "\$75,000" and insert "\$62,500", so as to make the resolution read.

Resolved, That Senate Resolution 165 of the Seventy-fourth Congress, first session, providing for an investigation of lobbying activities in connection with the so-called holding company bill (S. 2796), agreed to July 11, 1935, is further amended by substituting the figures "\$62,500" for the figures "\$50,000" on line 12, page 2, of

The amendment was agreed to.

The resolution as amended was agreed to.

#### ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 26, 1936, that committee presented to the President of the United States the enrolled bill (S. 3699) to authorize the coinage of 50-cent pieces in commemoration of the fiftieth anniversary of Cincinnati, Ohio, as a center of music and its contribution to the art of music for the past 50 years.

# BILLS INTRODUCED

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

By Mr. POPE:

A bill (S. 4375) to revise the tax on furs; to the Committee on Finance.

By Mr. BURKE:

A bill (S. 4376) authorizing the State of Iowa, acting through its State highway commission, and the State of Nebraska, acting through its department of roads and irrigation, to construct, maintain, and operate a free or toll bridge across the Missouri River at or near Dodge Street in the city of Omaha, Nebr.; to the Committee on Commerce.

By Mr. WALSH (by request):

A bill (S. 4377) to amend an act approved June 16, 1934, entitled "An act to provide relief to Government contractors whose costs of performance were increased as a result of compliance with the act approved June 16, 1933, and for other purposes"; to the Committee on Education and Labor.

By Mr. WHEELER:

A bill (S. 4378) granting a pension to William W. Harvey (with accompanying papers); to the Committee on Pensions. By Mr. MINTON:

A bill (S. 4379) for the relief of the Indiana Limestone Corporation; to the Committee on Claims.

By Mr. MURPHY:

A bill (S. 4380) granting an increase of pension to Ellen Donovan; to the Committee on Pensions.

By Mr. COPELAND (by request):

A bill (S. 4381) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James M. Winter; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 4382) to promote the efficiency of the Army Air Corps; to the Committee on Military Affairs.

#### HOUSE BILL REFERRED

The bill (H. R. 11945) granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts for the construction, maintenance, and operation of certain free highway bridges to replace bridges destroyed by flood in the Commonwealth of Massachusetts was read twice by its title and referred to the Committee on Commerce.

OPERATION OF FOREIGN AND AMERICAN SHIPS IN FOREIGN TRADE

Mr. BLACK submitted amendments intended to be proposed by him to the resolution (S. Res. 269) requesting certain information concerning the operation of foreign ships and of American ships engaged in foreign trade (submitted by Mr. Typings on the 19th inst.), which were ordered to lie on the table and to be printed.

#### CHANGES IN CERTAIN SENATE SALARIES AND POSITIONS

Mr. POPE. Mr. President, yesterday I submitted Senate Resolution 269, which was ordered to lie on the table. I now desire to modify the resolution in line 5 by striking out the word "directed" and inserting the word "authorized", and I ask that the resolution then be referred to the Appropriations Committee.

Mr. McKELLAR. Mr. President, may I ask, is the resolution one referring to salary increases of Senate employees? Mr. POPE. Yes.

Mr. McKELLAR. The Senator desires to have the resolution referred to the Committee on Appropriations?

Mr. POPE. Yes.

Mr. McKELLAR. Very well.

The VICE PRESIDENT. Without objection, the resolution, as modified, will be referred to the Committee on Appropriations.

# NATIONAL AFFAIRS AND POLICIES

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions having reference to national affairs and policies adopted at the annual meeting of the Kansas Livestock Association at Topeka, Kans., March 6. As Mr. Joe H. Mercer, secretary of the association, says in a letter accompanying the resolutions:

I am sure that these resolutions express the views of every thinking farmer and livestock producer in this section of the country.

I should like particularly to direct the attention of the Senate to the fact that the Kansas Livestock Association specifically endorses and urges the passage of the Capper-Hope-Wearing amendments to the Packers and Stockyards Act. Those amendments are contained in S. 1424, which is the pending unfinished business before the Senate, having been temporarily laid aside for consideration of the agricultural appropriation bill.

Also I can and do endorse the general program set forth in these resolutions, and I especially urge careful consideration by the Senate of the recommendation that the Argentine convention pact be not ratified. I am strongly opposed to the ratification of that pact, as I believe it would result in large importations of cattle and beef from the Argentine which would subject our cattle to foot-and-mouth disease. I ask the resolution be printed as a part of my remarks at this point.

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

Kansas Livestock Association, Topeka, Kans., March 16, 1936.

Senator ARTHUR CAPPER, Washington, D. C.

DEAR SENATOR: I am enclosing you a copy of the principal resolutions passed at the annual convention of the Kansas Livestock Association in Topeka, March 6, 1936, which have reference to national matters.

I am sure these resolutions express the views of every thinking farmer and livestock producer in this section of the country. A copy of these has been sent also to the members of the Kansas delegation in Washington.

Very truly,

J. H. MERCER. Secretary.

Resolutions adopted at the annual convention of the Kansas Live-stock Association, Topeka, Kans., March 6, 1936

(1) We demand protection for fats and oils of both vegetable and animal origin produced in continental United States against the competition of vegetable oils of foreign origin. We specifically demand that excise taxes be maintained in respect to the domestic utilization of coconut oil produced in the Philippines.

(2) We commend the United States Bureau of Animal Industry for eradicating the hoof and mouth disease and other foreign infections from our livestock. We urge strict regulations be maintained to prevent reinfection from contagious diseases now present in foreign countries. We further urge legislation to prevent importation of dairy products unless such products are produced from herds free from tuberculosis and other contagious and infectious diseases.

(4) We urge the passage by Congress of the Congress Hope Western

(4) We urge the passage by Congress of the Capper-Hope-Wearin

amendments to the Packers and Stockyards Act of 1921.

(6) We urge that no processing taxes as provided for under the

(6) We urge that no processing taxes as provided for under the invalidated Agricultural Adjustment Act be levied on livestock or livestock products, but that any additional Federal taxation made necessary by expenditures under the Soil Conservation Act, as amended, be provided for through a Federal retail sales tax.
(7) We urge that livestock and livestock products be given complete protection by tariff from foreign competition in order that the home market may be preserved for our own producers. Also, that livestock and livestock products be given protection from the competition of production on lands under Federal control.
(8) We urge that our Senators oppose the ratification of the Argentine Convention pact.

# STEAMSHIP CONFERENCES AND THE MERCHANT MARINE

Mr. CLARK. Mr. President, I ask unanimous consent to have inserted in the RECORD a letter written to me by Mr. P. J. Williams and also a letter written to me by the Raphel Steamship Line on the subject of steamship conferences and the pending ship-subsidy bill.

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

WASHINGTON, D. C., March 26, 1936.

Re: Foreign ship conference operations; American and foreign ship operations.

Hon. Bennett Champ Clark, United States Senator (Mo.)

United States Senator (Mo.),
Senate Office Building, Washington, D. C.
Dear Senator Clark: I note in this morning's issue of the New
York Herald Tribune that Mr. R. C. Lee, vice president of Moore &
McCormack Steamship Co., has written you defending conference
operations and condemning Government operation of the American
merchant marine. I do not agree with Mr. Lee and his statements
and take this opportunity of submitting the following facts for
your information on this subject:

# CONFERENCE OPERATIONS

I call your attention to the statements made by the late Mr. Dockendorf, then president of the Black Diamond Lines, as found on page 392 of volume 1 of the Special Senate Committee's Investigation of Ocean Mail Contracts. Mr. Dockendorf's own admissions before the Black committee bring out the fact that, as a result of a conference pooling agreement, the Black Diamond Lines received 33½ percent of the Antwerp-Rotterdam traffic; the balance of 66½ percent went to the foreign ship lines participating in this conference. The United States Shipping Board waived the penalties of the Sherman and Clayton Antitrust Acts for restraint of trade when they approved of this conference, which was for the entire benefit of the participating foreign lines. Since Mr. Dockendorf's death, Mr. Sudman has "broken" this conference pool and now operates on a 50–50 basis with the Royal Lloyd Belge Line in the Antwerp trade. I do not know what disposition has been made of the Rotterdam traffic.

At the Senate Commerce Committee bearings on March 10 the

At the Senate Commerce Committee hearings on March 10 the question of conference operations was discussed very thoroughly. At that time it developed that the West Mediterranean-United States Conference had increased the rates \$1.25 per ton on traffic going to the port of Boston. This action was protested by Mr. Richard Parkhurst, vice chairman of the Boston Port Authority, in Richard Parkhurst, vice chairman of the Boston Port Authority, in a telegram which was read at the hearings, inasmuch as it was a concrete example of how conference operations attempted, through a rate penalty, to discriminate against the port of Boston in favor of the port of New York, diverting the traffic out of Boston for benefit of New York. I telephoned Senator Gibson's office this morning on this matter and was informed that the "conference rate penalty" against Boston had been withdrawn by the conference, apparently as a result of the protest and discussion of this subject by the Senate Committee on Commerce. If the conference purposes are justifiable, as stated by Mr. Lee, then why did this mentioned conference withdraw their penalty against Boston which withdrawal is a result of the publicity given their discriminatory action? This was an arbitrary action aimed to divert the flow of traffic for benefit of the port of New York.

I have no data in the case of the Far East Conference of New York, but an examination of the participating ship lines again reveals that the foreign ship lines are in the majority. In this instance we have:

instance we have:

instance we have:

A. The Shipping Board's owned American Pioneer Line services to the Far East from United States Atlantic ports, operated by the Roosevelt Steamship Co., owned by the International Mercantile Marine Co. of New York. The Roosevelt Steamship Co. are members of this Far East Conference operating Shipping Board tonnage. I am very confident that if examination were made of the traffic carried by the American flag, American Pioneer Line, and the foreign-flag ship lines on this Far East trade, it would be found that again American ships carry the minor portion of the traffic. The Shipping Board has ample available ships suitable for this trade so that Roosevelt Steamship Co. could increase their tonnage any time if it were not for the fact that they are restricted by the conference agreements in which they participate, Again, I state that if this Shipping Board, American Pioneer Line, receives less than 50 percent of the total volume of traffic, that the Shipping Board's action in approving this minority conference agreement is another concrete example of how the Shipping Board have waived the Sherman and Clayton antitrust laws for benefit of foreign ship lines. benefit of foreign ship lines.

B. Another member of this conference is Barber Lines, of New York, owners of the American West African Line, a subsidized American-flag service. However, Barber Lines operate foreign-flag ships on the Far East trade, which are in competition with the Shipping Board's American Pioneer Line services.

## AMERICAN- AND FOREIGN-FLAG SHIP OPERATION

A. Moore and McCormack Steamship Co. of New York. the enclosed advertisements taken from the New York. As per the enclosed advertisements taken from the New York Journal of Commerce on page 1 of the enclosed exhibits, you will note that this company are owners of the American Scantic Line. With respect to this American-flag service, I call your attention to the fact that no new tonnage has been provided for by the owners, and the reconditioning done on some few of their vessels is of a secondary character.

a secondary character.

They operate the Mooremack Lines, which is a foreign-flag service to South America, in direct competition with the American-flag subsidized Munson Line, which is in bankruptcy and in the process of repossession by the Shipping Board. Foreign-flag ship competition on this route is the primary factor for the breakdown of the American-flag Munson Line. If American shipping companies want to run foreign-flag vessels, then they should and must be depited any American flag services and any consideration. must be denied any American-flag services and any consideration for such services. The two cannot be combined and give the Amer-ican merchant marine the full benefit of aggressive operation and constructive development.

constructive development.

B. Barber Lines of New York. An American steamship company, owners of the American-flag subsidized services, The American West African Line. This is the only American-flag service they operate and again I call your attention to the fact that no new tonnage has been laid down for these services.

Page 2 of the enclosed exhibits shows the foreign-flag services operated by Barber Lines to the Far East in competition with the Shipping Board's American Pioneer Line services. This is the Far East conference operation mentioned in this letter.

Shipping Board's American Pioneer Line services. This is the Far East conference operation mentioned in this letter.

Page 3 of the enclosed exhibit shows the foreign-flag services of the Barber Lines in competition with the American-flag American-South African Line, a subsidized service operated and owned by the American-South African Line, Inc.

Page 4 of the enclosed exhibit shows the foreign-flag services of both Barber Lines and Moore and McCormack against the American-flag subsidized Munson Line to South America.

Another serious factor to be considered in this shipping problem is the fact that; in my many conversations with various people

is the fact that; in my many conversations with various people on the subject I have determined that for many months some American ship operators, who are faced with a cancelation of their

mail contracts and possible loss of services as a result of the two investigations into shipping and the evidence thereto, these so-called American ship operators have instituted a deliberate campaign for continuation of their mail contracts under a threat of pagn for continuation of their mail contracts under a threat of turning back their ships and going into foreign-ship operation entirely. In some instances, they have deliberately threatened such action by showing what appear to be attractive ship-con-struction offers from foreign shipyards and attractive charters for foreign-flag tonnage owned by foreign shipowners to certain Gov-ernment officials having to do with the formulation of our shipping legislation.

This campaign has resulted in an apparent attitude of "leniency toward these operators threatening such foreign-ship operation, who have been so severely and justifiably condemned in the reports of the Black committee and the Postmaster General. I question whether anything constructive can be accomplished for the merchant marine until these operators have been called to account, completely thrown out of American-flag shipping, and the administration of our shipping and merchant marine placed in the hands of courageous officials who will not be lenient in the face of such threats of foreign construction and operation.

I have every desire to be fair and just in my opinions and conclusions, but the facts as I have determined them, the facts and truths developed in two investigations of our merchant marine within the last 3 years, compel me to disagree sharply with the writer of the enclosed article and bring this matter to your attention.

Thanking you for your kind consideration, I remain,

Yours very truly,

P. J. WILLIAMS.

New York, March 26, 1936.

Hon. Senator BENNETT C. CLARK,

Washington, D. C.

DEAR SIR: In this morning's New York Tribune I read an article in which Mr. Robert C. Lee, vice president of Messrs. Moore & McCormack, quoted your views on the matter of steamship conferences.

mack, quoted your views on the matter of steamship conferences. In connection with this matter, I take pleasure in enclosing herewith copy of my letter of March 23 to the United States Shipping Board, which speaks for itself. There is no question in my mind that these conferences are a conspiracy for the restraint of trade as you indicate yourself, and I trust that you will take such steps to see that such abuses are done away with. The penalty item is the most pernicious, as this gives the monopolizers the opportunity of establishing the amount of this penalty at figures that might prohibit smaller lines from participating therein. It does seem odd that companies that consider themselves honest should have to have such monetary deposit as

themselves honest should have to have such monetary deposit as a weapon to hold their members in line, and it does not speak a weapon to hold their members in line, and it does not speak very well for their integrity if that is the only basis that they can do business on. In commercial transactions we find no such penalty requirements; and if a conference member did not live up to his agreement, the other members naturally would have damages that could be easily established at law. On the present basis these monopolizers attribute to themselves the role of the courts, which in itself is also contrary to the fundamentals of our Government. Government.

I have been identified with the steamship business for 25 years. I was the founder of the Raporel Steamship Line, Inc., in 1915; and, after 5 years' development, and being the first American steamship line to ply through the Leeward and Windward Islands and Guianas, the Clyde Steamship Line thought well enough of and Guianas, the Clyde Steamship Line thought well enough of my connections in the Tropics to pay \$225,000 cash for the good-will of that company plus my obligation to not reenter the steamship business for a period of 10 years. That period has now elapsed, and I have started resumption of my service; and if the abuses now present can be done away with, I fully expect to have an operation of a line second to none; but if the powerful interests are able to not only get financial support from our Government, but also secure perhaps treble the amount that they are entitled to, are allowed to continue on the present status quo, then I doubt as to whether other good Americans can find their place under the sun in the shipping world. I might state that I have also been a member of the maritime committee of their place under the sun in the shipping world. I might state that I have also been a member of the maritime committee of the New York Maritime Exchange, as well as a member of the New York Produce Exchange for 27 years, and I offer you my possibly meager services in any direction that you may care to utilize same.

Yours truly,

RAPHEL STEAMSHIP LINE, INC., EDWARD M. RAPHEL, President.

New York. March 23, 1936.

DEPARTMENT OF COMMERCE,

DEPARTMENT OF COMMERCE,

United States Shipping Board Bureau, Washington, D. C.

GENTLEMEN: We have before us your letter of March 10 and thank you for agreement no. 4610, called the United States Atlantic and Gulf Ports-Jamaica (B. W. I.) Steamship Conference, and which we note was approved by your department on November 4, 1935, and which was eventually amended on January 2, 1936, and the rates of freight covered by same were eventually established in Fabruary 1936. established in February 1936.

established in February 1936.

Regardless of the fact that we feel that we were completely ignored in the formation of this conference, we wish to further point out that, in our estimation, clause 6 of agreement of October 7, 1935, is in absolute restraint of trade and consequently should have no place in the rules and regulations of business in

America. The paragraph in question refers to the deposit of a sum of money, in cash or otherwise, of \$10,000, and which in itself might be sufficient reason for companies desiring to join being unable to do so. The acceptance of such restraint by your Bureau in the sum of \$10,000 might grant privileges to these conference makers to designate the amount as \$50,000 or \$100,000, shutting out other shippers that might have liked to join such conference. The monopolizing of this business is further controlled by clauses

Before proceeding further in this matter, we would appreciate your decision as to whether you consider such conference within the laws prohibiting restraint of trade.

Yours truly,

EDWARD M. RAPHEL, President.

#### INFLATION-ADDRESS BY PROF. H. B. HASTINGS

Mr. LONERGAN. Mr. President, I ask unanimous consent to have inserted in the RECORD a radio address on the subject Inflation Ahead, delivered by Prof. Hudson B. Hastings, of Yale University.

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

Ever since the summer of 1933, when the weight of gold in the dollar was reduced by 41 percent, there has been an increasing amount of talk about inflation. And it is well that there should be, for we are now faced with the danger of a disastrous infla-

There are many definitions of the term, but to the average person inflation means a rise in the prices of goods and services to points which are, on the average, considerably higher than those which have typically prevailed in recent years. This is not a satiswhich have typically prevailed in recent years. This is not a satisfactory definition to economists but it is the sense in which I will use the term in this talk.

If asked their opinion, practically all Americans would say that they are opposed to inflation, but it would be, on the whole, a rather mild opposition.

In the first place, few people fully realize the terrible consequences of inflation, and, secondly, they do not know that its causes are definitely recognized and that it is possible to eliminate every one of them.

Now it is possible to classify inflation, as I have just defined the term, into two general types. First, slow inflation which is a somewhat moderate and irregular, but nevertheless sustained increase in prices over a long period of years. Second, rapid inflation or a very sharp increase in the general price level over a short period of time which is always followed by a collapse of prices and business activity.

An example of the first type was the rise in prices of about 40 percent from 1897 to 1914. An example of the second was the rise of prices of 150 percent from 1915 to 1920, followed by the

Few economists classify these two American experiences as examples of inflation, since during the entire period, all forms of money were freely redeemable in gold. But call them what you will, the fact remains that both price movements caused much injustice and suffering.

will, the fact remains that both price movements caused much injustice and suffering. Let us see why.

During a period of slow inflation the real income of all those who work for others suffers a decline. This is because increases in wages and salaries always have, and always will, lag behind the rise in the cost of living. Farmers also lose heavily because the prices of the products of their toil rise less rapidly than the prices of the goods which they buy.

Still greater injustice is done to all those who have placed their savings or endowments in savings hanks bonds mortrages notes.

Still greater injustice is done to all those who have placed their savings or endowments in savings banks, bonds, mortgages, notes, life-insurance policies, or preferred stocks. The principal of their savings and the income therefrom remains an absolutely fixed number of dollars but the buying power of these dollars gradually diminishes. The thrifty are cheated out of the just rewards of their hard work and the sacrifices of saving. Likewise, pensioners, both public and private, suffer a progressive reduction in what their pensions will buy.

The only people who gain by slow inflation are some of the owners of business and the speculators.

It is certainly conservative to say that 9 out of every 10 people

owners of business and the speculators.

It is certainly conservative to say that 9 out of every 10 people suffer a material and wholly unjust loss in the buying power of their dollar income during a slow inflation.

In a rapid inflation these losses and injustices are greatly increased, and, in addition, every rapid inflation in this and all other countries has always ended in a collapse of business activity and severe depression. The greater and more rapid the rise in prices, the more disastrous the consequences. There is not a single exception on record.

Even the owners of business and industry, and the financiers.

Even the owners of business and industry, and the financiers, suffer losses on the collapse and the ensuing depression which are, in most cases, far greater than the temporary gains during the prior period of rising prices. Only a negligible number of shrewd or lucky speculators gain, in the long run, from rapid inflation. For practically everybody it means financial disaster and suffering, often for a lifetime.

Thus slow inflation works injury to employees, pensioners, en-

dowed institutions, and all whose savings are conservatively invested. Rapid inflation works disaster for practically everybody.

Let us turn now for a moment to the causes of inflation.

Space limitation does not permit me to present an analysis of the relation of the volume of money to the price level, and I

shall have to confine myself to an unsupported general statement that inflation will sooner or later occur when the volume of money in circulation will sconer or later occur when the volume of money in circulation continues to increase at a faster rate than the growth in the physical volume of business. By money, I mean to include both hand-to-hand money and commercial bank deposits subject to check. At the present time about four-fifths of our money supply consists of deposits subject to check, or, in

of our money supply consists of deposits subject to check, or, in other words, bank-credit money.

If the country maintains a gold standard, that is, all forms of money being freely redeemable in gold dollars of a fixed weight, then there is a rather definite limit to the amount of money which can be created on the given gold reserves and therefore a more or less definite limit to the possible rise in prices. But even under these conditions we have had disastrous inflations.

If, however, we reduce the weight of gold in the dollar we increase the possible degree of inflation, and if we abandon the gold standard entirely and finance a governmental deficit by the issue of irredeemable paper money there is no limit to the amount of money that may be put into circulation, and therefore no limit to the extent to which prices may rise. This is the most insidious and dangerous form of inflation. Once a country embarks on financing a governmental deficit by paper money all history shows that it is never stopped until the resulting inflation has brought disaster to its citizens.

shows that it is never stopped until the resulting inflation has brought disaster to its citizens.

The post-war paper-money inflation in France permanently wiped out four-fifths of the savings of the thrifty which had been placed in apparently the most secure form. In Germany such savings were entirely wiped out.

In our own country the rapid increase of prices by 150 percent from 1915 to 1920 was primarily due to the influx of gold from Europe and the expansion of bank credit money based on this new gold. Wages and salaries lagged seriously behind the rise in prices. Pensioners and those dependent on the income from savings suffered severely.

prices. Pensioners and those dependent on the income from savings suffered severely.

Then even more intense suffering followed the inevitable collapse. Unemployment and business failures were widespread and

Furthermore, we were finally left with a price level about 50 percent above the prewar level, and thus thrifty individuals and endowed institutions had one-third of the buying power of

and endowed institutions had one-third of the buying power of the principal and interest of their wealth wiped out.

Let us now turn to our present situation.

If our voters had been living in Germany or France during the recent paper-money inflation in these countries, or in our own country during the Civil War, there is not the slightest question but that they would never have permitted their representatives in Congress to pass the law, which is still on the statute books, giving the President the power to issue \$3,000,000,000 of green-backs.

Congress should immediately receal this law.

Congress should immediately repeal this law. No pay envelope is free from the danger of having a large part of its buying power destroyed. Savings and endowments are in jeopardy as long as it remains on the books.

This is the first step to be taken in the fight of the people against the present dangers of inflation, but let no one suppose that a decisive victory over the paper-money inflationists will remove all danger of a tremendous rise in prices in this country

remove all danger of a tremendous rise in prices in this country in the near future. Far from it.

First let me briefly mention the silver situation.

Congress has directed the Secretary of the Treasury to buy silver until we have one-third as much silver as gold. Up to now we have added about \$450,000,000 to our silver-secured money, and, although it is not yet a potent influence, unless this law is repealed it will ultimately result in a considerable degree of inflation. For the moment, however, the gold situation and the heavily unbalanced Federal Budget constitute the greatest threats toward inflation—an inflation of much reater

tion and the heavily unbalanced Federal Budget constitute the greatest threats toward inflation—an inflation of much reater magnitude than we suffered from 1915 to 1920.

We now have \$10,000,000,000 of gold reserves in our banking system, as compared with \$4,000,000,000 in 1929, and gold is still pouring in from abroad. The principal cause of this enormous increase in our gold holdings was that ill-advised devaluation of the dollar by the President in 1933 to 59 percent of its former gold content. This immediately increased the dollar value of our gold bullion by nearly 70 percent.

Our present gold reserves will permit the creation of a supply of hand-to-hand and bank credit money sufficient to finance full business activity at prices at least three times as high as those existing today. The Board of Governors of the Federal Reserve System cannot prevent a considerable degree of inflation unless the Federal Government cooperates by balancing its Budget.

If the Budget deficit could be financed by the sale of Government bonds to those who have real savings to invest, rather than to the commercial and Federal Reserve banks, it would not tend toward inflation. But under the present complicated situation, which I have not time to explain, the deficit must continue to be largely financed by the banks, or, in other words, by the creation of additional bank credit money.

by the creation of additional bank credit money.

Six billion dollars of bank credit money have already been created and put into circulation by the process of financing the Government deficits by borrowing from the banks.

The Budget recently recommended to Congress by the President showed a deficit of \$1,500,000,000. To this must be added another \$2,000,000,000 if relief disbursements are continued at their present rate, and probably another \$600,000,000 to fulfill contracts with the farmers.

And now Congress passes the soldiers' bonus bill over a balfa-

And now Congress passes the soldiers' bonus bill, over a half-hearted veto, compelling the Government to issue nearly \$2,000,-

000,000 of bonds to veterans, and, worse still, to cash all bonds on demand at par at any post office. According to conservative estimates, this will call for a cash outlay during this coming summer of at least \$1,000,000,000.

The Government thus proposes to operate at a deficit of more than \$5,000,000,000 during the part forms.

than \$5,000,000,000 during the next fiscal year, and, under present conditions in the investment market, about \$4,000,000,000 of this

conditions in the investment market, about \$4,000,000,000 of this must be obtained by expanding our bank credit money.

The volume of such money already in circulation is nearly up to the levels of 1929, and the only reason that prices and volume of business are not more nearly up to normal is because of the sluggishness with which this money is circulating through the channels of trade. This, in turn, is due to the grave uncertainties for the future created by the heavily unbalanced Budget of the Federal Government and the unwise and unnecessary interference of the Government with our business and industrial activities and processes. With only moderately restored confidence in the business outlook, and a continuing unbalanced Budget of the present ness outlook, and a continuing unbalanced Budget of the present dimensions, we are certain to be plunged into an era of rapid inflation.

We are, in fact, face to face with the gravest threat to disastrous inflation which has confronted us since the greenback days of the Civil War. It can and should be stopped before it is too late. The steps which should be taken in the immediate future are:

First. Repeal the laws giving the President the power to issue \$3,000,000,000 of greenbacks and the further power to devalue the gold dollar by another 17 percent;

Second. Repeal the Silver Purchase Act of 1934; and
Third, and most important of all: Immediately and drastically
reduce Federal expenditures and increase taxes to a point where
the expenses and income of the Government will be brought into
current balance within the next fiscal year.

It is absolutely essential that this be done if we are to prevent

It is absolutely essential that this be done if we are to prevent this rise in prices, which is already well under way, from developing into an inflation which will bring disaster to all.

#### ARTICLE ON SENATOR BENSON BY GEORGE CREEL

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have inserted in the RECORD an article by George Creel on the junior Senator from Minnesota [Mr. Benson] which was published in Collier's Weekly for March 21, 1936.

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

[From Collier's for Mar. 21, 1936]

FINISHING SCHOOL By George Creel

By George Creel

There is nothing devious or secretive about Elmer A. Benson, the 40-year-old Farmer-Laborite, newly arrived in the Senate of the United States from Minnesota to fill out the term of that rock-ribbed Republican, the late Thomas D. Schall. When it comes to political, social, and economic beliefs, he disdains even the traditional fig leaf, wearing every conviction in plain view. Not for him any revamping of the old order. What he wants is a brand new one, and he stands ready and willing to superintend the construction. Every pocket bulges with a plan.

At no point does Senator Benson make any effort to conceal his radicalism. He is a left winger, so far to the left, in fact, that even the La Follettes will have to communicate with him by swift runners and smoke signals. Were it in his power, he would collect all of the international bankers, the munitions magnates, and heads of the great monopolies, have them expertly stuffed, and then hand them over to the Smithsonian Institution for the edification and education of posterity.

From all of which it might be argued that Elmer A. is the wild and woolly type, collarless and uncurried. On the contrary, he is slim, well-tailored, as precise in his speech as in his attire, and looks and acts far more like a young partner in the House of Morgan than a representative of the rampant and rebellious democracy of the Northwest.

To make attack by Senate conservatives even more difficult, they will not be able to tell him to go back where he came from if he doesn't like it here. As it happens, Master Elmer was born in

will not be able to tell him to go back where he came from if he doesn't like it here. As it happens, Master Elmer was born in Appleton, Minn., and quit his law school to go to France to fight for his country. His parents, it is true, were immigrants, but they came from solid, substantial Norway as far back as 1866 and played no mean part in turning Minnesota's virgin forests into fields and orchards.

### A BIGGER AND BETTER NEW DEAL

To give his radicalism an even more respectable background, he quit the law to become a banker in his home town, and between the years of 1919 and 1933 rose to be a cashier. At the beginning of 1933 he was appointed State securities commissioner by Governor Floyd Olson, and a few months later was elevated to the post of State bank commissioner. As a proof of his persuasiveness, and by way of warning to Republican Senators, he succeeded in winning some of Minnesots's independent bankers. succeeded in winning some of Minnesota's independent bankers to his way of thinking, so that today small-town money masters in Minnesota can be heard denouncing Wall Street and special

Democrats in the Senate thrilled mightily when the newcomer elected to sit on the administration side, but they are due for a shock if they proceed on the theory that the choice indicated unquestioning support of the President and his policies. On the contrary, Senator Benson makes no bones of his belief that the New

Deal has only pecked at problems. Instead of going too far, it has only made an encouraging start. Take, for instance, his attitude with respect to the A. A. A.

"Good enough in its way, but palpably a makeshift." Leaning forward, he tapped the desk with well-tended fingers by way of emphasis. "There can be no such thing as real recovery until the crushing debt burden has been lifted from agriculture. The Frazier-Lemke bill goes straight to the heart of the matter. Three billions in new currency will permit the purchase of Farm Credit billions in new currency will permit the purchase of Farm Credit Administration bonds that will be used to take up farm mortgages under a long-term financing plan at low interest rates.

gages under a long-term financing plan at low interest rates.

"Printing-press money?" His smile was one of amused tolerance. "What have we got right now? Our currency is not redeemable in gold. It is nothing on earth but the Government's promise to pay. More than that, our printing of currency can go much further before it is near the danger point. We have some five billions in currency today. At the same time, the Federal Treasury has nine billions in gold and a billion and a half dollars' worth of silver. Even under the terms of the old law, which stipulated a 40-percent gold base for our currency, we would be justified in having approximately \$22,000,000,000 in currency. So, far from having a dangerous expansion today, we do not possess even an adequate currency."

not possess even an adequate currency."

"The Supreme Court?" Here a very distinct irritation clouded the Senator's youthful face. "Well, one may have respect for the Constitution and the courts and at the same time question the authority of the judicial branch of Government to ride roughshod over the executive and legislative branches. Certainly the people of today have the right to deal with the problems of today as their needs require, and I have the deep conviction that there is a growing resentment against five-to-four decisions which have all the earmarks of economic judgments rather than conclusions based on

#### THE MAN WITHOUT DOUBTS

Along with his money views and his impatience with Supreme Court curbs, Senator Benson believes implicitly that all natural resources ought to be brought under popular control for fullest development, and particularly is he insistent on the public ownership and operation of all public utilities. Rural electrification, in his opinion, can and should be carried to a point where there is elec-

his opinion, can and should be carried to a point where there is electric light and power in every barn.

"Government ownership of railroads?" The lift of his eyebrows expressed surprise at the question. "Of course! It is the one and only way to a fair and effective machinery of distribution."

"No." He shook his head when asked about the "share our wealth" movement. "Nevertheless, the concentration of the country's income in a few hands is an evil that must be cured. How? Why, by a fearless extension of the Roosevelt tax program to a point where society will reclaim that portion of wealth which represents mass cooperation."

The Townsend plan likewise fails to excite his enthusiasm, but in the same breath he insists that the present social-security law is "grossly inadequate" in the matter of pensions for America's aged. "A far more generous provision for our old must be made,"

he declared.

"Production for use? I have never believed in the possibility of creating economic islands or the possibility of any new type of civilization in a community or a State wholly apart from the life of the Nation. I do hold, however, that we have got to cure the disparity between what the producer receives and what the consumer pays; that we have got to bridge the big gap between America's purchasing power and America's producing capacity.

"Chain banks and chain stores and chains of every kind have no place in the American scheme of things. I mean to work for drastic legislation that will put an end to monopolistic combinations and pyramidal finance by means of which powerful, distant groups are able to drain the wealth out of every American community."

## KNOWS HIS POLITICS

Let no one make the blunder of writing the Minnesotan down as a yeasty, impractical emotionalist. He is every whit as hardheaded and assured in his own way as any Old Guard Republican, and knows his politics just as well, if not better. He represents, in fact, a distinct change in the radical movement's type and idea, standing for plan, purpose, and organization as opposed to fanatical individualism. The Farmer-Labor Party in Minnesota, for instance, is no longer a loose thing, held together by indignations, but a disciplined body that works with all the iron precision of an intelligent political machine. About the only point of difference is in the frankness with which intentions are announced and orders given. Witness, as an example, the following editorial from a Minnesota paper at the time of the Benson appointment:

"From their standpoint, the managers of the Farmer-Labor Party in Minnesota are fully justified in sending Benson to the Senate. He is their choice for governor to take over that office when Olson's term ends, and Olson goes to the Senate. A year in Washington will give Benson more opportunity to develop as a Let no one make the blunder of writing the Minnesotan down

Washington will give Benson more opportunity to develop as Washington will give Benson more opportunity to develop as a public speaker. It will give him a chance to mix with national leaders, sit in high places, deal with national and world problems, and to return for the 1936 campaign with a bigger reputation. It will give him the use of the franking privilege, which means that he can mail speeches and statements into all parts of the State without paying postage. This will be a big help in making his name familiar to the voters in preparation for the campaign after he has been nominated for governor."

Could James Aloysius Farley do it any better?

#### CONSIDERATION OF THE CALENDAR

The VICE PRESIDENT. Under the order entered yesterday, the Senate will proceed with the consideration of unobjected bills on the calendar, beginning with the number at which the Senate left off yesterday.

#### SALES OF GOODS IN THE DISTRICT OF COLUMBIA

Mr. KING. Mr. President, yesterday when Senate bill 3450, being Order of Business No. 1599, was reached on the calendar, the Senator from North Dakota [Mr. Frazier], believing that it provided for the imposition of a sales tax, interposed an objection. As a matter of fact, it merely is an ordinary commercial sales measure such as obtains in 42 States of the Union. I now ask unanimous consent to recur to that bill on the calendar, because I am sure there is no objection to the measure.

# The VICE PRESIDENT. Is there objection?

There being no objection, the bill (S. 3450) to regulate the sales of goods in the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That on and after July 1, 1935, all sales of goods in the District of Columbia shall be made under and in accordance with the following provisions of law:

#### PART I

#### FORMATION OF THE CONTRACT

SECTION 1. Contracts to sell and sales: (1) A contract to sell

goods is a contract whereby the seller agrees to transfer the property in goods to the buyer for a consideration called the "price."

(2) A sale of goods is an agreement whereby the seller transfers the property in goods to the buyer for a consideration called the "price."

"price."

(3) A contract to sell or a sale may be absolute or conditional.

(4) There may be a contract to sell or a sale between one part owner and another.

Sec. 2. Capacity—Liabilities for necessaries: Capacity to buy and sell is regulated by the general law concerning capacity to contract, and to transfer and acquire property.

Where necessaries are sold and delivered to an infant, or to a person who by reason of mental incapacity or drunkenness is incompetent to contract, he must pay a reasonable price therefor.

"Necessaries" in this section means goods suitable to the condition in life of such infant or other person, and to his actual requirements at the time of delivery.

#### FORMALITIES OF THE CONTRACT

SEC. 3. Form of contract or sale: Subject to the provisions of this act and of any statute in that behalf, a contract to sell or a sale may be made in writing (either with or without seal), or by word of mouth, or partly in writing and partly by word of mouth, or may be inferred from the conduct of the parties.

or may be interred from the conduct of the parties.

Sec. 4. Statute of frauds: (1) A contract to sell or a sale of any goods or choses in action of the value of \$500 or upwards shall not be enforceable by action unless the buyer shall accept part of the goods or choses in action so contracted to be sold or sold, and actually receive the same, or give something in earnest to hind the contract or in part payment or unless some note.

soid, and actually receive the same, or give something in earnest to bind the contract, or in part payment, or unless some note or memorandum in writing of the contract or sale be signed by the party to be charged or his agent in that behalf.

(2) The provisions of this section apply to every such contract or sale, notwithstanding that the goods may be intended to be delivered at some future time or may not at the time of such contract or sale be actually made, provided or provided or the contract or sale be settedly made. contract or sale be actually made, procured, or provided, or fit or ready for delivery, or some act may be requisite for the making or completing thereof, or rendering the same fit for delivery; but if the goods are to be manufactured by the seller especially for the buyer and are not suitable for sale to others in the ordinary course of the seller's business, the provisions of this section shall not apply not apply.

(3) There is an acceptance of goods within the meaning of this section when the buyer, either before or after delivery of the goods, expresses by words or conduct his assent to becoming the owner of those specific goods.

## SUBJECT MATTER OF CONTRACT

SEC. 5. Existing and future goods: (1) The goods which form the subject of a contract to sell may be either existing goods, owned or possessed by the seller, or goods to be manufactured or acquired by the seller after the making of the contract to sell, in this act called "future goods."

(2) There may be a contract to sell goods, the acquisition of which by the seller depends upon a contingency which may or

may not happen.

may not happen.

(3) Where the parties purport to effect a present sale of future goods the agreement operates as a contract to sell the goods.

SEC. 6. Undivided shares: (1) There may be a contract to sell or a sale of an undivided share of goods. If the parties intend to effect a present sale, the buyer, by force of the agreement, becomes an owner in common with the owner or owners of the remaining shares.

(2) In the case of fungible goods, there may be a sale of an undivided share of a specific mass, though the seller purports to sell and the buyer to buy a definite number, weight, or measure of the goods in the mass, and though the number, weight, or measure of the goods in the mass is undetermined. By such a sale the buyer becomes owner in common of such a share of the mass as the number, weight, or measure bought bears to the number, weight, or measure of the mass. If the mass contains less than the number, weight, or measure bought, the buyer becomes the owner of the whole mass and the seller is bound to make good the deficiency from similar goods unless a contrary intent appears. intent appears.

SEC. 7. Destruction of goods sold: (1) Where the parties purport to sell specific goods, and the goods without the knowledge of the seller have wholly perished at the time when the agreement

is made, the agreement is void.

(2) Where the parties purport to sell specific goods, and the goods without the knowledge of the seller have perished in part or have wholly or in a material part so deteriorated in quality as to be substantially changed in character, the buyer may at his option treat the sale

(a) As avoided; or

(b) As transferring the property in all of the existing goods or in so much thereof as have not deteriorated, and as binding the buyer to pay the full agreed price if the sale was indivisible, or to pay the agreed price for the goods in which the property passes if the sale was divisible.

SEC 8. Destruction of goods contracted to be sold: (1) Where there is a contract to sell specific goods, and subsequently, but before the risk passes to the buyer, without any fault on the part of the seller or the buyer, the goods wholly perish, the con-

- part of the seller of the buyer, the goods wholly perish, the contract is thereby voided.

  (2) Where there is a contract to sell specific goods, and subsequently, but before the risk passes to the buyer, without any fault of the seller or the buyer, part of the goods perish or the whole or a material part of the goods so deteriorate in quality as to be substantially changed in character, the buyer may at his option treat the contract—
  - (a) As avoided; or

(a) As avoided, or
(b) As binding the seller to transfer the property in all of the existing goods or in so much thereof as have not deteriorated, and as binding the buyer to pay the full agreed price if the contract was indivisible, or to pay the agreed price for so much of the goods as the seller, by the buyer's option, is bound to transfer if the contract was divisible.

#### THE PRICE

SEC. 9. Definition and ascertainment of price: (1) The price may be fixed by the contract, or may be left to be fixed in such manner as may be agreed, or it may be determined by the course of dealing between the parties.

(2) The price may be made payable in any personal property.

(3) Where transferring or promising to transfer any interest in real estate constitutes the whole or part of the consideration for transferring or for promising to transfer the property in goods, this

transferring or for promising to transfer the property in goods, this act shall not apply.

(4) Where the price is not determined in accordance with the foregoing provisions, the buyer must pay a reasonable price. What is a reasonable price is a question of fact dependent on the circumstances of each particular case.

SEC. 10. Sale at a valuation: (1) Where there is a contract to sell or a sale of goods at a price or on terms to be fixed by a third person, and such third person without fault of the seller or the buyer cannot or does not fix the price or terms, the contract or the sale is thereby avoided; but if the goods or any part thereof have been delivered to and appropriated by the buyer he must pay a reasonable price therefor.

(2) Where such third person is prevented from fixing the price or terms by fault of the seller or the buyer, the party not in fault may have such remedies against the party in fault as are allowed

by parts IV and V of this act.

# CONDITIONS AND WARRANTIES

SEC. 11. Effect of conditions: (1) Where the obligation of either party to a contract to sell or a sale is subject to any condition which is not performed, such party may refuse to proceed with the contract or sale or he may waive performance of the condition. If the other party has promised that the condition should happen or be performed, such first-mentioned party may also treat the nonperformance of the condition as a breach of warranty.

(2) Where the property in the goods has not passed, the buyer may treat the fulfillment by the seller of his obligations to furnish goods as described and as warranted expressly or by implication in the contract to sell as a condition of the obligation of the buyer to perform his promise to accept and pay for the goods.

the contract to sell as a condition of the obligation of the buyer to perform his promise to accept and pay for the goods.

Sec. 12. Definition of express warranty: Any affirmation of fact or any promise by the seller relating to the goods is an express warranty if the natural tendency of such affirmation or promise is to induce the buyer to purchase the goods, and if the buyer purchases the goods relying thereon. No affirmation of the value of the goods, nor any statement purporting to be a statement of the seller's opinion only, shall be construed as a warranty.

Sec. 13. Implied warranties of title: In a contract to sell or a sale, unless a contrary intention appears, there is—

(1) An implied warranty on the part of the seller that in case of a sale he has a right to sell the goods, and that in case of a contract to sell he will have a right to sell the goods at the time when the property is to pass;

- (2) An implied warranty that the buyer shall have and enjoy quiet possession of the goods as against any lawful claims existing at the time of the sale;
- (3) An implied warranty that the goods shall be free at the time of the sale from any charge or encumbrance in favor of any third person, not declared or known to the buyer before or at the time when the contract or sale is made.

(4) This section shall not, however, be held to render liable a sheriff, auctioneer, mortgagee, or other person professing to sell by virtue of authority in fact or law, goods in which a third person has a legal or equitable interest.

Sec. 14. Implied warranty in sale by description: Where there is a contract to sell or a sale of goods by description, there is an implied warranty that the goods shall correspond with the description and if the contract or sale be by sample, as well as by description, it is not sufficient that the bulk of the goods corresponds with the sample if the goods do not also correspond with the description.

SEC. 15. Implied warranties of quality: Subject to the provisions of this act and of any statute in that behalf, there is no implied warranty or condition as to the quality or fitness for any particular purpose of goods supplied under a contract to sell or a

sale, except as follows:

(1) Where the buyer, expressly or by implication, makes known to the seller the particular purpose for which the goods are required, and it appears that the buyer relies on the seller's skill or judgment (whether he be the grower or manufacturer or not), there is an implied warranty that the goods shall be reasonably fit for such purpose.

(2) Where the goods are bought by description from a seller who deals in goods of that description (whether he be the grower or manufacturer or not), there is an implied warranty that the goods shall be merchantable quality.

(3) If the buyer has examined the goods, there is no implied warranty as regards defects which such examination ought to have revealed

(4) In the case of a contract to sell or a sale of a specified article under its patent or other trade name, there is no implied warranty as to its fitness for any particular purpose.

(5) An implied warranty or condition as to the quality or fitness for a particular purpose may be annexed by the usage of trade.

(6) An express warranty or condition does not negative a warranty or condition implied under this act unless inconsistent therewith.

#### SALE BY SAMPLE

SEC. 16. Implied warranties in sale by sample: In the case of a contract to sell or a sale by sample—

a contract to sell or a sale by sample—

(a) There is an implied warranty that the bulk shall correspond with the sample in quality.

(b) There is an implied warranty that the buyer shall have a reasonable opportunity of comparing the bulk with the sample, except so far as otherwise provided in section 47 (3).

(c) If the seller is a dealer in goods of that kind, there is an implied warranty that the goods shall be free from any defect rendering them unmerchantable which would not be apparent on reasonable examination of the sample.

# PART II

# TRANSFER OF PROPERTY AS BETWEEN SELLER AND BUYER

SEC. 17. No property passes until goods are ascertained: Where there is a contract to sell unascertained goods no property in the goods is transferred to the buyer unless and until the goods are ascertained, but property in an undivided share of ascertained goods may be transferred as provided in section 6.

Sec. 18. Property in specific goods passes when parties so intend: (1) Where there is a contract to sell specific or ascertained goods, the property in them is transferred to the buyer at such time as the parties to the contract intend it to be transferred.

time as the parties to the contract intend it to be transferred.

(2) For the purpose of ascertaining the intention of the parties, regard shall be had to the terms of the contract, the conduct of the parties, usages of trade, and the circumstances of the case.

SEC. 19. Rules for ascertaining intention: Unless a different intention appears, the following are rules for ascertaining the intention of the parties as to the time at which the property in the goods is to pass to the buyer:

Bulle 1 Where there is an unconditional contract to call the contract the contract to call the contract the contract to call the contract the

Rule 1. Where there is an unconditional contract to sell specific goods, in a deliverable state, the property in the goods passes to the buyer when the contract is made and it is immaterial whether the time of payment, or the time of delivery, or both, be postponed.

postponed.

Rule 2. Where there is a contract to sell specific goods and the seller is bound to do something to the goods, for the purpose of putting them into a deliverable state, the property does not pass until such thing is done.

Rule 3. (1) When goods are delivered to the buyer "on sale or return", or on other terms indicating an intention to make a present sale, but to give the buyer an option to return the goods instead of paying the price, the property passes to the buyer on delivery, but he may revest the property in the seller by return-ing or tendering the goods within the time fixed in the contract, or, if no time has been fixed, within a reasonable time.

(2) When goods are delivered to the buyer on approval or on trial or on satisfaction, or other similar terms, the property therein

(a) When he signifies his approval or acceptance to the seller or does any other act adopting the transaction;

(b) If he does not signify his approval or acceptance to the seller, but retains the goods without giving notice of rejection, then if a time has been fixed for the return of the goods, on the expiration of such time, and, if no time has been fixed, on the expiration of a reasonable time. What is a reasonable time is a question of fact.

question of fact.

Rule 4. (1) Where there is a contract to sell unascertained or future goods by description, and goods of that description and in a deliverable state are unconditionally appropriated to the contract, either by the seller with the assent of the buyer, or by the buyer with the assent of the seller, the property in the goods thereupon passes to the buyer. Such assent may be expressed or implied, and may be given either before or after the appropriation

is made.

(2) Where, in pursuance of a contract to sell, the seller delivers the goods to the buyer, or to a carrier or other bailee (whether named by the buyer or not) for the purpose of transmission to or holding for the buyer, he is presumed to have unconditionally appropriated the goods to the contract, except in the cases provided for in the next rule and in section 20. This presumption is applicable, although by the terms of the contract, the buyer is to pay the price before receiving delivery of the goods, and the goods are marked with the words "collect on delivery" or their equivalents.

Rule 5. If the contract to sell requires the seller to deliver the goods to the buyer, or at a particular place, or to pay the freight or cost of transportation to the buyer, or to a particular place, the property does not pass until the goods have been delivered to the buyer or reached the place agreed upon.

ered to the buyer or reached the place agreed upon.

SEC. 20. Reservation of right of possession or property when goods are shipped: (1) Where there is a contract to sell specific goods, or where goods are subsequently appropriated to the contract, the seller may, by the terms of the contract or appropriation, reserve the right of possession or property in the goods until certain conditions have been fulfilled. The right of possession or property may be thus reserved notwithstanding the delivery of the goods to the buyer or to a carrier or other bailee for the purpose of transmission to the buyer. of transmission to the buyer.

(2) Where goods are shipped, and by the bill of lading the goods are deliverable to the seller or his agent, or to the order of the seller or of his agent, the seller thereby reserves the property in the goods. But if, except for the form of the bill of lading, the property would have passed to the buyer on shipment of the goods, the seller's property in the goods shall be deemed to be only for the purpose of securing performance by the buyer of his

obligations under the contract. (3) Where goods are shipped, and by the bill of lading the goods are deliverable to the order of the buyer or of his agent, but possession of the bill of lading is retained by the seller or his agent, the seller thereby reserves a right to the possession of the

goods as against the buyer.

- (4) Where the seller of goods draws on the buyer for the price and transmits the bill of exchange and bill of lading together to the buyer to secure acceptance or payment of the bill of exchange, and transmits the bill of exchange and bill of lading together to the buyer to secure acceptance or payment of the bill of exchange, the buyer is bound to return the bill of lading if he does not honor the bill of exchange, and if he wrongfully retains the bill of lading he acquires no added right thereby. If, however, the bill of lading provides that the goods are deliverable to the buyer or to the order of the buyer, or is endorsed in blank, or to the buyer by the consignee named therein, one who purchases in good faith, for value, the bill of lading, or goods from the buyer will obtain the property in the goods, although the bill of exchange has not been honored, provided that such purchaser has received delivery of the bill of lading endorsed by the consignee named therein, or of the goods, without notice of the facts, making the transfer wrongful.

  Sec. 21. Sale by auction: In the case of a sale by auction—
  - SEC. 21. Sale by auction: In the case of a sale by auction-

(1) Where goods are put up for sale by auction in lots, each lot is the subject of a separate contract of sale.

(2) A sale by auction is complete when the auctioneer announces its completion by the fall of the hammer, or in other customary manner. Until such announcement is made, any bidder may retract his bid; and the auctioneer may withdraw the goods from sale unless the auction has been announced to be without

(3) A right to bid may be reserved expressly by or on behalf of the seller.

of the seller.

(4) Where notice has not been given that a sale by auction is subject to a right to bid on behalf of the seller, it shall not be lawful for the seller to bid himself or to employ or induce any person to bid at such sale on his behalf, or for the auctioneer to employ or induce any person to bid at such sale on behalf of the seller or knowingly to take any bid from the seller or any person employed by him. Any sale contravening this rule may be treated as fraudulent by the buyer.

Sec. 22 Risk of loss: Unless otherwise agreed the goods remain

SEC. 22. Risk of loss: Unless otherwise agreed, the goods remain at the seller's risk until the property therein is transferred to the buyer, but when the property therein is transferred to the buyer the goods are at the buyer's risk whether delivery has been made

or not, except that—

(a) Where delivery of the goods has been made to the buyer or to a bailee for the buyer, in pursuance of the contract and the property in the goods has been retained by the seller merely to secure performance by the buyer of his obligations under the contract, the goods are at the buyer's risk from the time of such

(b) Where delivery has been delayed through the fault of either the buyer or seller the goods are at the risk of the party in fault as regards any loss which might not have occurred but for such

#### TRANSFER OF TITLE

23. Sale by a person not the owner: (1) Subject to the provisions of this act, where goods are sold by a person who is not the owner thereof, and who does not sell them under the authority or with the consent of the owner, the buyer acquires no better title to the goods than the seller had, unless the owner of the goods is by his conduct precluded from denying the seller's

of the goods is by his conduct precluded from denying the sener's authority to sell.

(2) Nothing in this act, however, shall affect—

(a) The provisions of any factors' acts, recording acts, or any enactment enabling the apparent owner of goods to dispose of them as if he were the true owner thereof.

(b) The validity of any contract to sell or sale under any special contract of sale or under the order of a

(b) The validity of any contract to sell or sale under any special common law or statutory power of sale or under the order of a court of competent jurisdiction.

SEC. 24. Sale by one having a voidable title: Where the seller of goods has a voidable title thereto, but his title has not been avoided at the time of the sale, the buyer acquires a good title to the goods, provided he buys them in good faith, for value, and without notice of the seller's defect of title.

SEC. 25. Sale by seller in possession of goods already sold: Where a person having sold goods continues in possession of the goods, or of negotiable documents of title to the goods, the delivery or transfer by that person, or by an agent acting for him, of the goods or documents of title under any sale, pledge, or other disposition thereof, to any person receiving and paying value for the same in good faith and without notice of the previous sale, shall have the same effect as if the person making the delivery or transfer were expressly authorized by the owner of the goods to make the same. make the same.

make the same.

SEC. 26. Creditors' rights against sold goods in seller's possession:

Where a person having sold goods continues in possession of the
goods, or of negotiable documents of title to the goods, and such
retention of possession is fraudulent in fact or is deemed fraudu-

treat the sale as void.

Sec. 27. Definition of negotiable documents of title: A document of title in which it is stated that the goods referred to therein will be delivered to the bearer, or to the order of any person named in such document, is a negotiable document of title within the meaning of this set.

ing of this act.

SEC. 28. Negotiation of negotiable documents by delivery: A negotiable document of title may be negotiated by delivery—

(a) Where by the terms of the document the carrier, warehouseman, or other bailee issuing the same undertakes to deliver the goods to the bearer; or

(b) Where by the terms of the document the carrier, warehouseman, or other bailee issuing the same, undertakes to deliver the goods to the order of a specified person, and such person or a subsequent endorsee of the document has endorsed it in blank or to the heaver.

Where by the terms of a negotiable document of title the goods are deliverable to bearer or where a negotiable document of title has been endorsed in blank or to bearer, any holder may endorse the same to himself or to any specified person, and in such case the document shall thereafter be negotiated only by the endorsement of such endorses. ment of such endorsee.

the document shall thereafter be negotiated only by the endorsement of such endorsee.

SEC. 29. Negotiation of negotiable documents by endorsement: A negotiable document of title may be negotiated by the endorsement of the person to whose offer the goods are by the terms of the document deliverable. Such endorsement may be in blank, to bearer, or to a specified person. If endorsed to a specified person, it may be again negotiated by the endorsement of such person in blank, to bearer, or to another specified person. Subsequent negotiations may be made in like manner.

SEC. 30. Negotiable documents of title marked "Not negotiable": If a document of title which contains an undertaking by a carrier, warehouseman, or other bailee to deliver the goods to the bearer, to a specified person or order, or to the order of a specified person, or which contains words of like import, has placed upon it the words "not negotiable", "nonnegotiable", or the like, such a document may nevertheless be negotiated by the holder and is a negotiable document of title within the meaning of this act. But nothing in this act contained shall be construed as limiting or defining the effect upon the obligations of the carrier, warehouseman, or other bailee issuing a document of title or placing thereon the words "not negotiable", "nonnegotiable", or the like.

SEC. 31. Transfer of nonnegotiable documents: A document of title which is not in such form that it can be negotiated by delivery may be transferred by the holder by delivery to a purchaser or donee. A nonnegotiable document cannot be negotiated and the endorsement of such a document gives the transferee no additional right.

SEC. 32. Who may negotiate a document: A negotiable document.

tional right.

SEC. 32. Who may negotiate a document: A negotiable document may be negotiated by any person in possession of the same, however such possession may have been acquired if, by the terms of the document, the bailee issuing it undertakes to deliver the goods to the order of such person, or if at the time of negotiation the document is in such form that it may be negotiated by delivery

delivery.

SEC. 33. Rights of person to whom document has been negotiated: A person to whom a negotiable document of title has been duly negotiated acquires thereby—

(a) Such title to the goods as the person negotiating the document to him had or had ability to convey to a purchaser in good faith for value and also such title to the goods as the person to whose order the goods were to be delivered by the terms of the document had or had ability to convey to a purchaser in good faith for value; and

The direct obligation of the bailee issuing the document to hold possession of the goods for him according to the terms of the document as fully as if such bailee had contracted directly with

SEC. 34. Rights of person to whom document has been transferred: A person to whom a document of title has been transferred, but not negotiated, acquires thereby, as against the transferor, the title to the goods, subject to the terms of any agreement with the transferor.

If the document is nonnegotiable, such person also acquires the right to notify the bailee who issued the document of the transfer thereof, and thereby to acquire the direct obligation of such bailes.

thereof, and thereby to acquire the direct obligation of such ballee to hold possession of the goods for him according to the terms

of the document.

of the document.

Prior to the notification of such ballee by the transferor or transferee of a nonnegotiable document of title, the title of the transferee to the goods and the right to acquire the obligation of such ballee may be defeated by the levy of an attachment or execution upon the goods by a creditor of the transferor, or by a notification to such ballee by the transferor or a subsequent purchaser from the transferor of a subsequent sale of the goods by the transferor.

SEC. 35. Transfer of negotiable document without endorsement: Where a negotiable document of title is transferred for value by delivery, and the endorsement of the transferor is essential for negotiation, the transferee acquires a right against the that for negotiation, the transferee acquires a right against the transferor to compel him to endorse the document unless a contrary intention appears. The negotiation shall take effect as of the time when the endorsement is actually made.

SEC. 36. Warranties on sale of document: A person who for value negotiates or transfers a document of title by endorsement or delivery, including one who assigns for value a claim secured by a document of title unless a contrary intention appears, warrants:

warrants:

(a) That the document is genuine;(b) That he has a legal right to negotiate or transfer it;(c) That he has knowledge of no fact which would impair the

validity or worth of the document; and
(d) That he has a right to transfer the title to the goods and that the goods are merchantable or fit for a particular purpose, whenever such warranties would have been implied if the contract of the parties had been to transfer without a document of title

the goods represented thereby.

SEC. 37. Endorser not a guarantor: The endorsement of a document of title shall not make the endorser liable for any failure on the part of the bailee who issued the document or previous endorsers thereof to fulfill their respective obligations.

vious endorsers thereof to fulfill their respective obligations. Sec. 38. When negotiation not impaired by fraud, mistake, or duress: The validity of the negotiation of a negotiable document of title is not impaired by the fact that the negotiation was a breach of duty on the part of the person making the negotiation, or by the fact that the owner of the document was deprived of the possession of the same by loss, theft, fraud, accident, mistake, duress, or conversion, if the person to whom the document was negotiated or a person to whom the document was subsequently negotiated paid value therefor in good faith without notice of the breach of duty, or loss, theft, fraud, accident, mistake, duress, or conversion.

tice of the breach of duty, or loss, theft, fraud, accident, mistake, duress, or conversion.

SEC. 39. Attachment or levy upon goods for which a negotiable document has been issued: If goods are delivered to a bailee by the owner or by a person whose act in conveying the title to them to a purchaser in good faith for value would bind the owner and a negotiable document of title is issued for them, they cannot thereafter, while in the possession of such bailee, be attached by garnishment or otherwise or be levied under an execution unless the document be first surrendered to the bailee or its negotiation enjoined. The ballee shall in no case be compelled to deliver up the actual possession of the goods until the document is surrendered to him or impounded by the court.

SEC. 40. Creditors' remedies to reach negotiable documents: A creditor whose debtor is the owner of a negotiable document.

A creditor whose debtor is the owner of a negotiable document of title shall be entitled to such aid from courts of appropriate jurisdiction by injunction and otherwise in attaching such document or in satisfying the claim by means thereof as is allowed at law or in equity in regard to property which cannot readily be attached or levied upon by ordinary legal process.

# PART III

#### PERFORMANCE OF THE CONTRACT

Sec. 41. Seller must deliver and buyer accept goods: It is the duty of the seller to deliver the goods, and of the buyer to accept and pay for them, in accordance with the terms of the contract to sell or sale.

SEC. 42. Delivery and payment are concurrent conditions: Unless otherwise agreed, delivery of the goods and payment of the price are concurrent conditions; that is to say, the seller must be ready and willing to give possession of the goods to the buyer in exchange for the price, and the buyer must be ready and willing to pay the price in exchange for possession of the goods.

SEC. 43. Place, time, and manner of delivery: (1) Whether it is for the buyer to take possession of the goods or for the seller to send them to the buyer is a question depending in each case on

the contract, express or implied, between the parties. Apart from any such contract, express or implied, or usage of trade to the contrary, the place of delivery is the seller's place of business if he have one, and, if not, his residence; but in case of a contract to sell or a sale of specific goods, which to the knowledge of the parties when the contract or the sale was made were in some other place, then that place is the place of delivery.

(2) Where by a contract to sell or a sale the seller is bound to send the goods to the buyer, but no time for sending them is fixed, the seller is bound to send them within a reasonable time.

- (3) Where the goods at the time of sale are in the possession of a third person, the seller has not fulfilled his obligation to deliver to the buyer unless and until such third person acknowledges to the buyer that he holds the goods on the buyer's behalf; but as against all others than the seller the buyer shall be regarded as having received delivery from the time when such third person first has notice of the sale. Nothing in this section, however, shall affect the operation of the issue or transfer of any document of title to goods.
- (4) Demand or tender of delivery may be treated as ineffectual aless made at a reasonable hour. What is a reasonable hour is a question of fact.

(5) Unless otherwise agreed, the expenses of and incidental to putting the goods into a deliverable state must be borne by the

Sec. 44. Delivery of wrong quantity: (1) Where the seller delivers to the buyer a quantity of goods less than he contracted to sell, the buyer may reject them, but if the buyer accepts or retains the goods so delivered, knowing that the seller is not going to perform the contract in full, he must pay for them at the contract rate. If, however, the buyer has used or disposed of the goods delivered before he knows that the seller is not going to perform his contract in full, the buyer shall not be liable for more than the fair value to him of the goods so received.

(2) Where the seller delivers to the buyer a quantity of goods.

(2) Where the seller delivers to the buyer a quantity of goods larger than he contracted to sell, the buyer may accept the goods included in the contract and reject the rest, or he may reject the whole. If the buyer accepts the whole of the goods so delivered, he

must pay for them at the contract rate.

(3) Where the seller delivers to the buyer the goods he contracted to sell mixed with goods of a different description not included in the contract, the buyer may accept the goods which are in accordance with the contract and reject the rest, or he may reject the whole.

(4) The provisions of this section are subject to any usage of trade, special agreement, or course of dealing between the parties. Sec. 45. Delivery in installments: (1) Unless otherwise agreed, the buyer of goods is not bound to accept delivery thereof by install-

(2) Where there is a contract to sell goods to be delivered by stated installments, which are to be separately paid for, and the seller makes defective deliveries in respect of one or more installments, or the buyer neglects or refuses to take delivery of or pay for one or more installments, it depends in each case on the terms of the contract and the circumstances of the case, whether the breach of contract is so material as to justify the injured party in refusing to proceed further and suing for damages for breach of the entire contract, or whether the breach is severable, giving rise to a claim for compensation but not to a right to treat the whole

contract as broken. SEC. 46. Delivery to a carrier on behalf of the buyer: (1) Where, in pursuance of a contract to sell or a sale, the seller is authorized or required to send the goods to the buyer, delivery of the goods to a carrier, whether named by the buyer or not, for the purpose of transmission to the buyer is deemed to be a delivery of the goods to the buyer, except in the cases provided for in section 19, rule 5, or unless a contrary intent appears.

(2) Unless otherwise authorized by the buyer, the seller must (2) Unless otherwise authorized by the buyer, the seller must make such contract with the carrier on behalf of the buyer as may be reasonable, having regard to the nature of the goods and the other circumstances of the case. If the seller omit so to do, and the goods are lost or damaged in course of transit, the buyer may decline to treat the delivery to the carrier as a delivery to himself, or may hold the seller responsible in damages.

(3) Unless otherwise agreed, where goods are sent by the seller to the buyer under circumstances in which the seller knows or ought to know that it is usual to insure, the seller must give such notice to the buyer as may enable him to insure them during their transit, and, if the seller fails to do so, the goods shall be deemed to be at his risk during such transit.

SEC. 47. Right to examine the goods: (1) Where goods are de-

SEC. 47. Right to examine the goods: (1) Where goods are delivered to the buyer which he has not previously examined, he is not deemed to have accepted them unless and until he has had

a reasonable opportunity of examining them for the purpose of ascertaining whether they are in conformity with the contract.

(2) Unless otherwise agreed, when the seller tenders delivery of goods to the buyer, he is bound, on request, to afford the buyer a reasonable opportunity of examining the goods for the purpose of ascertaining whether they are in conformity with the contract.

of ascertaining whether they are in conformity with the contract.

(3) Where goods are delivered to a carrier by the seller, in accordance with an order from or agreement with the buyer, upon the terms that the goods shall not be delivered by the carrier to the buyer until he has paid the price, whether such terms are indicated by marking the goods with the words "collect on delivery", or otherwise, the buyer is not entitled to examine the goods before payment of the price in the absence of agreement permitting such examination.

SEC. 48. What constitutes acceptance: The buyer is deemed to have accepted the goods when he intimates to the seller that he has accepted them, or when the goods have been delivered to him, and he does any act in relation to them which is inconsistent with the ownership of the seller, or when, after the lapse of a reasonable time, he retains the goods without intimating to the seller, that he has rejected them seller that he has rejected them.

seller that he has rejected them.

SEC. 49. Acceptance does not bar action for damages: In the absence of express or implied agreement of the parties, acceptance of the goods by the buyer shall not discharge the seller from liability in damages or other legal remedy for breach of any promise or warranty in the contract to sell or the sale. But if, after acceptance of the goods, the buyer fail to give notice to the seller of the breach of any promise or warranty within a reasonable time after the buyer knows, or ought to know, of such breach, the seller shall not be liable therefor.

SEC. 50. Buyer is not bound to return goods wrongly delivered: Unless otherwise agreed, where goods are delivered to the buyer, and he refused to accept them, having the right so to do, he is not bound to return them to the seller, but it is sufficient if he notifies the seller that he refuses to accept them.

not bound to return them to the seller, but it is sufficient if he notifies the seller that he refuses to accept them.

SEC. 51. Buyer's liability for failing to accept delivery: When the seller is ready and willing to deliver the goods, and requests the buyer to take delivery, and the buyer does not within a reasonable time after such request take delivery of the goods, he is liable to the seller for any loss occasioned by his neglect or refusal to take delivery, and also for a reasonable charge for the care and custody of the goods. If the neglect or refusal of the buyer to take delivery amounts to a repudiation or breach of the entire contract, the seller shall have the right against the goods entire contract, the seller shall have the right against the goods and on the contract hereinafter provided in favor of the seller when the buyer is in default.

#### PART IV

#### RIGHTS OF UNPAID SELLER AGAINST THE GOODS

SEC. 52. Definition of unpaid seller: (1) The seller of goods is deemed to be an unpaid seller within the meaning of this act—

(a) When the whole of the price has not been paid or tendered.

(b) When a bill of exchange or other negotiable instrument has been received as conditional payment, and the condition on which it was received has been broken by reason of the dishonor of the instrument, the insolvency of the buyer, or otherwise wise.

(2) In this part of this act the term "seller" includes an agent of the seller to whom the bill of lading has been endorsed, or a consignor or agent who has himself paid, or is directly responsible for, the price, or any other person who is in the position of a

SEC. 53. Remedies of an unpaid seller: (1) Subject to the provisions of this act, notwithstanding that the property in the goods may have passed to the buyer, the unpaid seller of goods,

as such, has—

(a) A lien on the goods or right to retain them for the price while he is in possession of them;

(b) In case of insolvency of the buyer, the right of stopping the goods in transitu after he has parted with the possession of them:

them;

(c) A right of resale as limited by this act; and

(d) A right to rescind the sale as limited by this act.

(2) Where the property in goods has not passed to the buyer, the unpaid seller has, in addition to his other remedies, a right of withholding delivery similar to and coextensive with his rights of lien and stoppage in transitu where the property has passed to the huyer. to the buyer.

# UNPAID SELLER'S LIEN

SEC. 54. When right of lien may be exercised: (1) Subject to the provisions of this act, the unpaid seller of goods who is in possession of them is entitled to retain possession of them until payment or tender of the price in the following cases, namely—

(a) Where the goods have been sold without any stipulation

as to credit;

as to credit;

(b) Where the goods have been sold on credit, but the term of credit has expired; and

(c) Where the buyer becomes insolvent.

(2) The seller may exercise his right of lien, notwithstanding that he is in possession of the goods as agent or ballee for the

SEC. 55. Lien after part delivery: Where an unpaid seller has made part delivery of the goods, he may exercise his right of lien on the remainder, unless such part delivery has been made under such circumstances as to show an intent to waive the lien or right of retention.

SEC. 56. When lien is lost: (1) The unpaid seller of goods loses

his lien thereon-

(a) When he delivers the goods to a carrier or other ballee for the purpose of transmission to the buyer without reserving the property in the goods or the right to the possession thereof;
(b) When the buyer or his agent lawfully obtains possession

of the goods; and

(c) By waiver thereof.
(2) The unpaid seller of goods, having a lien thereon, does not lose his lien by reason only that he has obtained judgment or decree for the price of goods.

#### STOPPAGE IN TRANSIT

SEC. 57. Seller may stop goods on buyer's insolvency: Subject to the provisions of this act, when the buyer of goods is or becomes insolvent, the unpaid seller who has parted with the

session of the goods has the right of stopping them in transitu; that is to say, he may resume possession of the goods at any time while they are in transit, and he will then become entitled to the same rights in regard to the goods as he would have had if he had never parted with the possession.

SEC. 58. When goods are in transit: (1) Goods are in transit within the meaning of section 57.

within the meaning of section 57-

(a) From the time when they are delivered to a carrier by land or water, or other bailee for the purpose of transmission to the buyer, until the buyer, or his agent in that behalf, takes delivery of them from such carrier or other bailee; and
(b) If the goods are rejected by the buyer, and the carrier or other bailee continues in possession of them, even if the seller has refused to receive them back.

(2) Goods are no longer in transit within the meaning of sec-

(a) If the buyer, or his agent in that behalf, obtains delivery of the goods before their arrival at the appointed destination;
(b) If, after the arrival of the goods at the appointed destination, the carrier or other bailee acknowledges to the buyer or his agent that he holds the goods on his behalf and continues in possession of them as bailee for the buyer or his agent; and it is immaterial that a further destination for the goods may have been indicated by the buyer, and the buyer; and

(c) If the carrier or other bailee wrongfully refuses to deliver
the goods to the buyer or his agent in that behalf.

(3) If goods are delivered to a ship chartered by the buyer, it is a question depending on the circumstances of the particular case, whether they are in the possession of the master as a carrier or as

a question depending on the circumstances of the particular case, whether they are in the possession of the master as a carrier or as agent of the buyer.

(4) If part delivery of the goods has been made to the buyer, or his agent in that behalf, the remainder of the goods may be stopped in transitu, unless such part delivery has been made under such circumstances as to show an agreement with the buyer to give up possession of the whole of the goods.

SEC. 59. Ways of exercising the right to stop: (1) The unpaid seller may exercise his right of stoppage in transitu either by obtaining actual possession of the goods or by giving notice of his claim to the carrier or other bailee in whose possession the goods are. Such notice may be given either to the person in actual possession of the goods or to his principal. In the latter case the notice, to be effectual, must be given at such time and under such circumstances that the principal, by the exercise of reasonable diligence, may prevent a delivery to the buyer.

(2) When notice of stoppage in transitu is given by the seller to the carrier, or other ballee in possession of the goods, he must redeliver the goods to, or according to the directions of, the seller. The expenses of such delivery must be borne by the seller. If, however, a negotiable document of title representing the goods has been issued by the carrier or other ballee, he shall not be obliged to deliver or justified in delivering the goods to the seller unless such document is first surrendered for cancelation.

#### RESALE BY THE SELLER

SEC. 60. When and how resale may be made: (1) Where the goods are of perishable nature, or where the seller expressly reserves the right of resale in case the buyer should make default, or where the buyer has been in default in the payment of the price an unreasonable time, an unpaid seller having a right of lien or having stopped the goods in transitu may resell the goods. He shall not thereafter be liable to the original buyer upon the contract to sell or the sale or for any profit made by such resale, but may recover from the buyer damages for any loss occasioned by the breach of the contract or the sale.

but may recover from the buyer damages for any loss occasioned by the breach of the contract or the sale.

(2) Where a resale is made, as authorized in this section, the buyer acquires a good title as against the original buyer.

(3) It is not essential to the validity of a resale that notice of an intention to resell the goods be given by the seller to the original buyer. But where the right to resell is not based on the perishable nature of the goods or upon an express provision of the contract or the sale, the giving or failure to give such notice shall be relevant in any issue involving the question whether the buyer had been in default an unreasonable time before the sale was made.

(4) It it not essential to the validity of a resale that notice of the time and place of such resale should be given by the seller to

the original buyer.

The seller is bound to exercise reasonable care and judgment in making a resale, and subject to this requirement may make a resale either by public or private sale.

#### RESCISSION BY THE SELLER

SEC. 61. When and how the seller may rescind the sale: (1) An unpaid seller having the right of lien or having stopped the goods in transitu may rescind the transfer of title and resume the property in the goods, where he expressly reserved the right to do so in case the buyer should make default, or where the buyer has been in default in the payment of the price an unreasonable time. The seller shall not thereafter be liable to the buyer upon the contract

to sell or the sale, but may recover from the buyer damages for any loss occasioned by the breach of the contract or the sale.

(2) The transfer of title shall not be held to have been rescinded by an unpaid seller until he has manifested by notice to the buyer or by some other overt act an intention to rescind. It is not necessary that such overt act an intention to rescind. It is not necessary that such overt act should be communicated to the buyer, but the giving or failure to give notice to the buyer of the intention to rescind shall be relevant in any issue involving the question whether the buyer had been in default an unreasonable time before the right of rescission was asserted.

SEC. 62. Effect of sale of goods subject to lien or stoppage in transitu: Subject to the provisions of this act, the unpaid seller's right of lien or stoppage in transitu is not affected by any sale, or other disposition of the goods which the buyer may have made, unless the seller has assented thereto.

If, however, a negotiable document of title has been issued for goods, no seller's lien or right of stoppage in transitu shall defeat the right of any purchaser for value in good faith to whom such document has been negotiated, whether such negotiations be prior or subsequent to the notification to the carrier, or other bailee who issued such document, of the seller's claim to a lien or right of stoppage in transitu.

#### PART V

ACTION FOR BREACH OF THE CONTRACT; REMEDIES OF THE SELLER

SEC. 63. Action for the price: (1) Where, under a contract to sell or a sale, the property in the goods has passed to the buyer, and the buyer wrongfully neglects or refuses to pay for the goods according to the terms of the contract or the sale, the seller may maintain an action against him for the price of the goods.

(2) Where, under a contract to sell or a sale, the price is payable on a day certain, irrespective of delivery or of transfer of title, and the buyer wrongfully neglects or refuses to pay such price, the seller may maintain an action for the price, although the property in the goods has not passed, and the goods have not been appropriated to the contract. But it shall be a defense to such an action that the seller at any time before judgment in such action has manifested an inability to perform the contract or the sale on his part or an intention not to perform it.

(3) Although the property in the goods has not passed, if they cannot readily be resold for a reasonable price, and if the provisions of section 64 (4) are not applicable, the seller may offer to deliver the goods to the buyer, and, if the buyer refuses to receive them, may notify the buyer that the goods are thereafter held by the seller as ballee for the buyer. Thereafter the seller may treat the goods as the buyer's and may maintain an action for the price. for the price.

SEC. 64. Action for damages for nonacceptance of the goods:

(1) Where the buyer wrongfully neglects or refuses to accept and
pay for the goods, the seller may maintan an action against him
for damages for nonacceptance.

(2) The measure of damages is the estimated loss directly and
naturally resulting, in the ordinary course of events, from the

naturally resulting, in the ordinary course of events, from the buyer's breach of contract.

(3) Where there is an available market for the goods in question, the measure of damages is, in the absence of special circumstances, showing proximate damage of a greater amount, the difference between the contract price and the market or current price at the time or times when the goods ought to have been accepted, or, if no time was fixed for acceptance, then at the time of the refusal to accept. refusal to accept.

refusal to accept.

(4) If, while labor or expense of material amount are necessary on the part of the seller to enable him to fulfill his obligations under the contract to sell or the sale, the buyer repudiates the contract or the sale, or notifies the seller to proceed no further therewith, the buyer shall be liable to the seller for no greater damages than the seller would have suffered if he did nothing toward carrying out the contract or the sale after receiving notice of the buyer's repudiation or countermand. The profit the seller would have made if the contract or the sale had been fully performed shall be considered in estimating such damages.

SEC. 65. When seller may rescind contract or sale: Where the goods have not been delivered to the buyer, and the buyer has repudiated the contract to sell or sale, or has manifested his inabil-

repudiated the contract to sell or sale, or has manifested his inability to perform his obligations thereunder, or has committed a material breach thereof, the seller may totally rescind the contract or the sale by giving notice of his election so to do to the buyer.

#### REMEDIES OF THE BUYER

SEC. 66. Action for converting or detaining goods: Where the SEC. 66. Action for converting or detaining goods: Where the property in the goods has passed to the buyer and the seller wrongfully neglects or refuses to deliver the goods, the buyer may maintain any action allowed by law to the owner of goods of similar kind when wrongfully converted or withheld.

SEC. 67. Action for failing to deliver goods: (1) Where the property in the goods has not passed to the buyer, and the seller wrongfully neglects or refuses to deliver the goods, the buyer may maintain an action against the seller for damages for non-delivery.

delivery.

(2) The measure of damages is the loss directly and naturally resulting in the ordinary course of events from the seller's breach

Where there is an available market for the goods in question,

(3) Where there is an available market for the goods in question, the measure of damages, in the absence of special circumstances showing proximate damages of a greater amount, is the difference between the contract price and the market or current price of the goods at the time or times when they ought to have been delivered, or, if no time was fixed, then at the time of the refusal to deliver.

SEC. 68. Specific performance: Where the seller has broken a contract to deliver specific or ascertained goods, a court having the powers of a court of equity may, if it thinks fit, on the application of the buyer, by its judgment or decree direct that the contract shall be performed specifically, without giving the seller the option of retaining the goods on payment of damages. The judgment or decree may be unconditional, or upon such terms and conditions as to damages, payment of the price, and otherwise as to the court may seem just. to the court may seem just

SEC. 69. Remedies for breach of warranty: (1) Where there is a

breach of warranty by the seller, the buyer may, at his election—

(a) Accept or keep the goods and set up against the seller the breach of warranty by way of recoupment in diminution or extinc-

tion of the price;
(b) Accept or keep the goods and maintain an action against

the seller for damages for the breach of warranty;

(c) Refuse to accept the goods, if the property therein has not passed, and maintain an action against the seller for damages for the breach of warranty; and

(d) Rescind the contract to sell or the sale and refuse to receive the goods, or, if the goods have already been received, return them or offer to return them to the seller and recover the price or any

part thereof which has been paid.
(2) When the buyer has claimed and has been granted a remedy in any one of these ways, no other remedy can thereafter be granted.

(3) Where the goods have been delivered to the buyer, he cannot rescind the sale if he knew of the breach of warranty when he ac-cepted the goods, or if he fails to notify the seller within a reason-able time of the election to rescind, or if he fails to return or to offer to return the goods to the seller in substantially as good condition as they were in at the time the property was transferred to the buyer. But if deterioration or injury of the goods is due to the breach of warranty, such deterioration or injury shall not prevent the buyer from returning or offering to return the goods to the

the buyer from returning or offering to return the goods to the seller and rescinding the sale.

(4) Where the buyer is entitled to rescind the sale and elects to do so, the buyer shall cease to be liable for the price upon returning or offering to return the goods. If the price or any part thereof has already been paid, the seller shall be liable to repay so much thereof as has been paid, concurrently with the return of the goods, or immediately after an offer to return the goods in exchange for repayment of the price.

(5) Where the buyer is entitled to rescind the sale and elects to do so, if the seller refuses to accept an offer of the buyer to

(5) Where the buyer is entitled to rescind the sale and elects to do so, if the seller refuses to accept an offer of the buyer to return the goods, the buyer shall thereafter be deemed to hold the goods as bailee for the seller, but subject to a lien to secure the repayment of any portion of the price which has been paid, and with the remedies for the enforcement of such lien allowed to an unpaid seller by section 53.
(6) The measure of damages for breach of warranty is the loss directly and naturally resulting, in the ordinary course of events, from the breach of warranty.

directly and naturally resulting, in the ordinary course of events, from the breach of warranty.

(7) In the case of breach of warranty of quality, such loss, in the absence of special circumstances showing proximate damage of a greater amount, is the difference between the value of the goods at the time of delivery to the buyer and the value they would have had if they had answered to the warranty.

SEC. 70. Interest and special damages: Nothing in this act shall affect the right of the buyer or the seller to recover interest or special damages in any case where by law interest or special damages.

special damages in any case where by law interest or special damages may be recoverable, or to recover money paid where the consideration for the payment of it has failed.

# PART VI

# INTERPRETATION

SEC. 71. Variation of implied obligations: Where any right, duty, or liability would arise under a contract to sell or a sale by implication of law, it may be negatived or varied by express agreement or by the course of dealing between the parties, or by custom, if the custom be such as to bind both parties to the contract or the sale.

contract or the sale.

SEC. 72. Rights may be enforced by action: Where any right, duty, or liability is declared by this act, it may, unless otherwise by this act provided, be enforced by action.

SEC. 73. Rule for cases not provided for by this act: In any case not provided for in this act, the rules of law and equity, including the law merchant, and in particular the rules relating to the law of principal and agent and to the effect of fraud, misrepresentation, duress or coercion, mistake, bankruptcy, or other invalidating cause, shall continue to apply to contracts to sell and to sales of goods.

SEC. 74. Interpretation shall give effect to purpose of uniformity: This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the laws of those States which

enact it

SEC. 75. Provisions not applicable to mortgages: The provisions of this act relating to contracts to sell and to sales do not apply, unless so stated, to any transaction in the form of a contract to sell or a sale which is intended to operate by way of mortgage, pledge, charge, or other security.

Sec. 76. Definitions: (1) In this act, unless the context or subject matter otherwise requires—

"Action" includes counterclaim, set-off, and suit in equity. "Buyer" means a person who buys or agrees to buy goods or any legal successor in interest of such person.
"Defendant" includes a plaintiff against whom a right of set-off or counterclaim is asserted.

or counterciaim is asserted.

"Delivery" means voluntary transfer of possession from one person to another.

"Divisible contract to sell or sale" means a contract to sell or a sale in which by its term the price for a portion or portions of the goods less than the whole is fixed or ascertainable by computation.

"Document of title to goods" includes any bill of lading, dock warrant, warehouse receipt or order for the delivery of goods, or any other document used in the ordinary course of business in the

any other document used in the ordinary course of business in the

sale or transfer of goods, as proof of the possession or control of the goods, or authorizing or purporting to authorize the possessor of the document to transfer or receive, either by endorsement or by

of the document to transfer of receive, either by endorsement of by delivery, goods represented by such document.

"Fault" means wrongful act or default.

"Fungible goods" means goods of which any unit is from its nature or mercantile usage treated as the equivalent of any other

unit.

"Future goods" means goods to be manufactured or acquired by the seller after the making of the contract of sale.

"Goods" include all chattels personal other than things in action and money. The term includes emblements, industrial growing crops, and things attached to or forming part of the land which are agreed to be served before sale or under the contract of sale.

"Order" in sections of this act relating to documents of title means an order by endorsement on the documents.

"Person" includes a corporation or partnership or two or more persons having a joint or common interest.

"Plaintiff" includes defendant asserting a right of set-off or counterclaim.

"Property" means the general property in goods, and not merely a special property.

"Purchaser" includes mortgagee and pledgee.

a special property.

"Purchaser" includes mortgagee and pledgee.
"Purchases" includes taking as a mortgagee or as a pledgee.
"Quality of goods" includes their state or condition.
"Sale" includes a bargain and sale as well as a sale and delivery.
"Seller" means a person who sells or agrees to sell goods, or any legal successor in the interest of such person.
"Specific goods" means goods identified and agreed upon at the time a contract to sell or a sale is made.
"Value" is any consideration sufficient to support a simple contract. An antecedent or preexisting claim, whether for money or

value is any consideration sumificent to support a simple contract. An antecedent or preexisting claim, whether for money or not, constitutes value where goods or documents of titles are taken either in satisfaction thereof or as security therefor.

(2) A thing is done "in good faith" within the meaning of this act when it is in fact done honestly, whether it be done negligently

or not.

(3) A person is insolvent within the meaning of this act who either has ceased to pay his debts in the ordinary course of business or cannot pay his debts as they become due, whether he has committed an act of bankruptcy or not, and whether he is insolvent within the meaning of the Federal bankruptcy law or not.

(4) Goods are in a "deliverable state" within the meaning of this act when they are in such a state that the buyer would, under the contract, be bound to take delivery of them.

SEC. 76a. Act does not apply to the existing sales or contracts to sell: None of the provisions of this act shall apply to any sale, or to any contract to sell, made prior to the taking effect of this act.

Sec. 77. Inconsistent legislation repealed: All acts or parts of

acts inconsistent with this act are hereby repealed.

SEC. 78. Time when the act takes effect: This act shall take effect on the 1st day of July 1936.

Sec. 79. Name of act: This act may be cited as the "Uniform Sales Act."

ADJUSTMENT OF LOSSES BY COOPERATING MARKETING ASSOCIATIONS

Mr. FRAZIER. Mr. President, yesterday when Order of Business No. 500, being Senate Joint Resolution 38, was reached on the call of the calendar the Senator from Utah [Mr. King] objected. I had intended to offer an amendment. I understand the Senator from Utah is willing to withdraw his objection. I ask unanimous consent to recur to the joint resolution and to have it considered at this time in order that I may offer the amendment.

The VICE PRESIDENT. Is there objection to recurring to Calendar No. 500, being Senate Joint Resolution 38, for the purpose of consideration? The Chair hears none.

Mr. McKELLAR. Mr. President, is the joint resolution still open to objection?

The VICE PRESIDENT. Is there objection to its present consideration?

Mr. McKELLAR. That will depend on the attitude of the Senator from North Dakota.

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 38) for the adjustment and settlement of losses sustained by the cooperative marketing associations.

Mr. FRAZIER. Mr. President, yesterday I offered an amendment to strike out the words "and/or cotton."

Mr. McKELLAR. The reason why I ask that those words be stricken out is that I am not familiar with the cooperatives so far as wheat and some other products in the West are concerned, but I am very familiar with the cooperatives so far as cotton is concerned. I think cotton ought not to be included. With the understanding that cotton is to be excluded I shall have no objection to the passage of the joint resolution.

Mr. JOHNSON. Mr. President, to what cooperatives does the joint resolution refer?

Mr. FRAZIER. It refers to grains, and I intend to offer an amendment to strike out cotton.

The VICE PRESIDENT. The joint resolution is before the Senate and open to amendment.

Mr. FRAZIER. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated. The CHIEF CLERK. On page 1, line 8, after the word "grain", it is proposed to strike out the words "and/or cotton"; on page 2, line 6, after the word "grain", to strike out the words "and/or cotton"; and in line 8, after the word "grain", to strike out the words "and/or cotton", so as to make the joint resolution read:

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

The amendment was agreed to.

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

#### ESTATE OF EMIL HOYER (DECEASED)

Mr. GIBSON. Mr. President, I ask unanimous consent to return to Calendar No. 1705, being House bill 685, and I ask the attention of the senior Senator from Tennessee [Mr. McKellar].

The VICE PRESIDENT. The Senator from Vermont asks unanimous consent to return to Order of Business 1705. Is there objection? The Chair hears none.

Mr. McKELLAR. Mr. President, I objected yesterday to the consideration of the bill, but I have since talked with the Senator from Vermont and am glad to withdraw my objection.

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

There being no objection, the bill (H. R. 685) for the relief of the estate of Emil Hoyer (deceased) was considered, ordered to a third reading, read the third time, and passed, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Emil Hoyer (deceased), the sum of \$5,000, in full settlement of all claims against the Government of the United States, or any employee thereof, for the fatal injury to Emil Hoyer as the result of his being struck by an Essex mail truck, no. 16604, owned by the United States Post Office Department, Boston, Mass., and operated by John Mohr, of Brookline, Mass., the accident occurring at 11 o'clock p. m., August 22, 1933, on Massachusetts Avenue, Boston, Mass., near the intersection of St. Botolph Street, the said Emil Hoyer, as a result of the injuries received, having died at Boston, Mass., near the intersection of St. Botolph Street, the said Emil Hoyer, as a result of the injuries received, having died at 11:10 o'clock p. m., August 22, 1933, at the Boston City Hospital, Boston, Mass.: 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 proto the contrary notwithstanding. Any person violating the pro-visions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

# NAVAL AIR STATION, MIAMI, FLA.

Mr. FLETCHER. Mr. President, I ask unanimous consent to recur to Calendar No. 1732, House bill 8372. This bill was objected to yesterday by the Senator from Utah [Mr. King], but I believe we can now adjust the matter without difficulty.

Mr. KING. Mr. President, I hope the request of the Senator from Florida will be granted. Yesterday when the measure was called for consideration I said I would have no objection to it if the Senate would accept the recommendation of the Navy Department to strike out all the bill after the enacting clause and insert in lieu thereof the language which had been recommended by the Navy Department. I understand my friend the Senator from Florida is willing to accept that suggestion. I hope the Senate may consider the bill in order that I may offer the substitute tendered by the Navy Department.

The VICE PRESIDENT. Is there objection to the request of the Senator from Florida to recur to Calendar No. 1732? The Chair hears none. Is there objection to the present con-

sideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 8372) to authorize the acquisition of lands in the vicinity of Miami, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon.

Mr. KING. Mr. President, I move to strike out all after the enacting clause and insert in lieu thereof the language which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

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

That the Secretary of the Navy be, and he is hereby, authorized to accept on the behalf of the United States, free from encumbrances and without cost to the United States, the title in fee simple to such lands as he may deem necessary or desirable, in the vicinity of Miami, Fla., approximately 650 acres, as a site for such naval development as, when, and if, in his discretion, he may consider warranted by naval necessities; the property to be returned to the grantor if not used by the United States for such purposes within 10 years.

Mr. FLETCHER. Mr. President, I do not agree to the amendment; but in order to secure action in the Senate and so that the bill may go to conference I am willing to have it acted on at this time.

Mr. WALSH. Mr. President, in behalf of the Committee on Naval Affairs I will say that if the proposal is agreeable to the Senator from Florida, the Committee on Naval Affairs is likewise agreeable. The measure involves a gift of land near Miami, Fla., for a naval air station and it is desirable that some action be had.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The question is on agreeing to the amendment of the Senator from Utah [Mr. KING].

Mr. FLETCHER. I am willing to have the amendment adopted in order to have the bill go to conference.

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.

PENSIONS TO SOLDIERS AND SAILORS OF REGULAR ARMY AND NAVY, ETC.

The bill (H. R. 9074) granting pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows and dependents of such soldiers and sailors, was announced as next in order.

Mr. McGILL. Mr. President, I reported this bill on behalf of the Committee on Pensions. In my judgment, it is entirely too complicated a measure to take up on this call of the calendar. In addition to that, a measure of a general character has been introduced which would cover such cases as are included in this bill. For that reason I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ACCEPTANCE OF BEQUEST OF THE LATE HENRY H. ROGERS

the United States Naval Academy by the late Henry H. Rogers, of

Southampton, Long Island, N. Y.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to carry out the purposes of section 1 of this act.

Mr. McKELLAR. Mr. President, I desire to ask the Senator from Maine, who reported the bill, as to the nature of the bequest, and its probable value. I observe that \$5,000 is appropriated to carry out the purposes of the bill.

Mr. HALE. Mr. President, in reply to the Senator from Tennessee, I will say that in the will of the late Henry H. Rogers a bequest to the Government was made of a very fine collection of ship models which are valued at between \$300,000 and \$500,000. This bill provides for accepting the collection and authorizes the appropriation of a small sum of money to care for it.

Mr. McKELLAR. That answers the question.

Mr. WALSH. Mr. President, this bill should not be enacted without a word of commendation.

The gift of the late Henry H. Rogers is that of a collection of model ships, the finest in the world, valued at about

The purpose of the bill is to authorize the Secretary of the Navy to accept on behalf of the United States, to be placed in the Naval Academy, the bequest of the late Henry H. Rogers, of Southampton, N. Y., a collection of ship models and to authorize the appropriation of \$5,000 to carry out the purposes of this act.

This collection consists of 107 ship models varying from 6 inches to 6 feet, the average being about 4 feet in length. It is estimated that the value of this collection is about \$300,000 and is probably the most valuable collection of its kind in the world.

The passage of this bill is necessary before this bequest can be accepted, and the Navy Department has received notice of the pending probate of Colonel Rogers' will and is concerned lest its lack of authority to accept the specific bequest delay the probate. The committee strongly recommends that this bill be enacted.

The Navy Department favors this bill as indicated by the letter from the Secretary of the Navy to the Chairman of the Committee and made a part of the report.

Mr. BORAH. Mr. President, I do not yet understand what it is that was bequeathed.

Mr. WALSH. A collection of 107 ship models that represent the development and expansion of shipbuilding. The collection is a very remarkable and very valuable one.

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

# LEAVE OF ABSENCE TO HOMESTEAD SETTLERS

The Senate proceeded to consider the bill (S. 3870) granting a leave of absence to settlers of homestead lands during the year 1936, which had been reported from the Committee on Public Lands and Surveys with an amendment at the end of the bill to insert a new section, so as to make the bill read:

Be it enacted, etc., That any homestead settler or entryman who, during the calendar year 1936, 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 or family or to provide for the education of his children, may, upon filling with the register of the district his affidavit, supported by 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 1936, 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 from the actual residence required by law, but a period equal to such absence shall be added to the statutory life of the entry: The Senate proceeded to consider the bill (S. 3720) to authorize the Secretary of the Navy to accept on behalf of the United States the bequest of the late Henry H. Rogers, and for other purposes, which was read, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to accept on behalf of the United States the collection of ship models, with glass exhibit cases, bequeathed Sec. 2. Any homestead settler or entryman, including any entryman on ceded Indian lands, who is unable to make the payments due on the purchase price of his land on account of economic conditions, shall be excused from making any such payment during the calendar year 1936 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.

The amendment was agreed to.

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

#### RETIREMENT OF EMPLOYEES OF LEGISLATIVE BRANCH

The bill (H. R. 3044) to amend the act of May 29, 1930 (46 Stat. 349), for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch was announced as next in order.

Mr. VANDENBERG, Mr. KING, and other Senators. Let

the bill go over.

Mr. COPELAND. Mr. President, if those who object to the consideration of this bill will withhold their objections for a moment, with the permission of the chairman of the Committee on Rules, I should like to say a word about the

This measure is intended to give the benefits of a very small retirement fund to employees in the legislative branch who are not now provided for in the regular pension law.

We have here in the Senate, in the persons of the Sergeant at Arms, the assistants on both sides of the Chamber, the Secretary, and others, and some clerks in our offices-I think I perhaps have one; I am not sure-officers and employees who have done valiant service for the Government through a great many years. The provision proposed in this bill is identical with the benefit extended to civil-service employees.

There is an impression, I think, that civil-service employees contribute, and thereby have the benefits of retirement through their own financial participation. As a matter of fact, every single civil-service employee has an outright grant of \$30 a month. Then, under the general law, they may make monthly contributions from their salaries which accumulate and on their retirement will be added to the original \$30.

The purpose of the pending bill-which was discussed on two different occasions at special meetings of the Committee on Rules-is that the benefits which are now given to all other employees of the Government may be extended to our clerks and our employees in the legislative branch.

I do not know that it is possible for me to convert the many Senators who objected to the bill; but it seems to me they objected because they did not exactly realize the significance and the propriety of the measure.

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

Mr. COPELAND. I yield to the Senator from Tennessee.

Mr. McKELLAR. I have a great deal of sympathy with the purpose of the bill, but it is a question of how it can be worked out.

Suppose a man is appointed to the Senate, and serves, say, 3 months. I have known Senators to serve less than 3 months. The Senators have full quotas of clerks, even in that short space of time. Since I have been here, as I recall, one Senator served less than 5 weeks; and under the Senator's bill his clerks would all be under civil service.

Mr. COPELAND. No; the Senator from Tennessee is entirely mistaken. If what he says were the case, I should be in full sympathy with the oposition of the Senator. The clerk must have been 15 years in the service, and 50 years of age, before being eligible for this benefit.

Mr. McKELLAR. Take such a case: The appointment is purely personal to the Senator. The Senator may depart at any time, as we all know; and I do not believe the plan outlined in the bill will effect right and justice.

Mr. COPELAND. On the contrary, I will say to the Senator, that all those objections have been met by the bill. The bill was given very serious study in the committee, and amendments have been reported proposing to safeguard every single step in the procedure.

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

Mr. COPELAND. I yield. Mr. ROBINSON. This bill, as it is now presented to the Senate, does not place Senate clerks under the Civil Service Commission.

Mr. COPELAND. No; it does not.

Mr. ROBINSON. It merely gives them the privilege of retirement, as stated by the Senator from New York, after they shall have served 15 years and reached the age of 50 years.

Mr. COPELAND. That is correct.

Mr. ROBINSON. The bill does not interfere with the right of a Senator to choose his own clerk or confidential employees.

Mr. COPELAND. Or to dismiss them.

Mr. ROBINSON. Or to dismiss them. It merely gives to those who are fortunate enough to have had the required service and also who have reached the required age an opportunity for retirement.

Mr. COPELAND. That is correct.

Mr. ROBINSON. I myself raised in the committee, as the Senator from New York will recall, the suggestions which are now being made by the Senator from Tennessee. became satisfied that those objections were removed in the final draft of the bill.

Mr. McKELLAR. Mr. President, I believe objection has already been made to the consideration of the bill; but I should like to ask the Senator from New York to let it go over and let me look into the measure.

Mr. COPELAND. Very well. At this point I ask that a letter from the Civil Service Commission be inserted in the RECORD so that the record will be complete.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD; and, objection having been made, the bill will be passed over.

The letter is as follows:

UNITED STATES CIVIL SERVICE COMMISSION, Washington, D. C., March 18, 1936.

Mr. Chesley W. Jurney.

Sergeant at Arms, United States Senate.

Dear Mr. Jurney: Receipt is acknowledged of your communication of March 17, 1936, inquiring whether the Civil Service Commission would have anything to do with the appointment of employees at the Capitol in the event either the House or Senate bills providing for retirement of employees in the legislative branch of the Government should pass. It is assumed that you refer to H. R. 3044, introduced by Mr. RAMSPECK, and S. 3205, introduced by Senator NEELY.

Senator Neely.

In reply you are advised that if either bill should become law this Commission would have nothing whatever to do with appointments to positions at the Capitol. The civil-service retirement law in no way limits or repeals the power of appointing officers in the matter of making appointments. Certain employees of the legislative branch of the Government, such as employees of the Architect of the Capitol and Library of Congress are now subject to the provisions of the Civil Service Retirement Act of May 29, 1930, whose appointments are made without regard to Civil Service Act and rules, the Commission exercising no control over such appointments. such appointments.

Of course, under both bills records of service would be necessary. Section 15 of the Civil Service Retirement Act provides in part:

"The Civil Service Commission shall keep a record of appointments, transfers, changes in grade, separations from the service, reinstatements, loss of pay, and such other information concerning individual service as may be deemed essential to a proper determination of rights under this act."

If H. R. 3044, as passed by the House of Representatives, should become law, such records would be prepared under regulations approved by this Commission, but so far as appointments are concerned they would not come under the jurisdiction of this office.

Very sincerely yours,

HARRY B. MITCHELL, President.

## SANTA BARBARA NATIONAL FOREST, CALIF.

The Senate proceeded to consider the bill (H. R. 6544) to conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, Calif., by the withdrawal of certain public land, included within the Santa Barbara National Forest, Calif., from location and entry under the mining laws, which had been reported from the Committee on Public Lands and Surveys 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 the public lands of the United States, within the boundaries of the Santa Barbara National Forest, located

in the State of California and hereinafter described, are hereby withdrawn from location or entry under the mining laws of the United States:

Onice States:

All Government lands in sections 29, 30, 31, 32, and 33, township 7 north, range 24 west, San Bernardino meridian.

All Government lands in sections 7, 8, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, township 7 north, range 25

west, San Bernardino meridian.

All Government lands in sections 7 to 36, inclusive, township 7 north, range 26 west, San Bernardino meridian.

All Government lands in sections 1 to 36, inclusive, township 7 north, range 27 west, San Bernardino meridian.

All Government lands in sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35, and 36, township 7 north, range 28 west, San Bernardino meridian.

All Government lands in sections 5, 8, and 17, township 6 north, range 24 west, San Bernardino meridian.

All Government lands in township 6 north, range 25 west, San

Bernardino meridian. All Government lands in township 6 north, range 26 west, San

Bernardino meridian. All Government lands in township 6 north, range 27 west, San Bernardino meridian, except sections 19, 30, and 31.

All Government lands in sections 1, 2, and 12, township 6 north,

range 28 west, San Bernardino meridian.

All Government lands in sections 6, 7, 18, 19, 30, and 31, township 5 north, range 24 west, San Bernardino meridian.

All Government lands in township 5 north, range 25 west, San Bernardino meridian.

All Government lands in township 5 north, range 26 west, San

Bernardino meridian, except in sections 31 and 32.

All Government lands in sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, township 5 north, range 27 west, San Bernardino meridian: *Provided*, That this act shall not defeat or affect any lawful right which has already attached under the mining laws and which is hereinafter maintained in accordance with such laws: which is hereinafter maintained in accordance with such laws: Provided further, That the President upon recommendation of the Secretary of the Interior and the Secretary of Agriculture, may, by Executive order, when in his judgment the public interest would best be served thereby, and after reasonable notice has been given through the Department of the Interior, restore to location and entry under the mining laws, any of the lands hereby withdrawn therefrom: Provided further, That any person desiring to locate and enter upon any such withdrawn lands under the mineral land laws may make such location and entry upon a showing satisfactory to the Secretary of the Interior and the Secretary of Agriculture that the lands to be entered are chiefly valuable for minerals. the lands to be entered are chiefly valuable for minerals.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill? It seems to be more or less important.

Mr. JOHNSON. Mr. President, I simply know that this is a House bill which has come over here with the approval of the Department of the Interior and the Department of Agriculture. The reports of both Departments are annexed to the report of the committee, and the Senator will see if he will examine his records, approving the bill, and making no objection to it.

Mr. KING. Mr. President, I should like to ask the Senator from California if he knows the cost that will be involved to the Federal Treasury as a result of the enactment of this

Mr. JOHNSON. It is a matter of withdrawal of lands. do not see how there can be any very great cost, or in fact any cost.

Mr. McNARY. Mr. President, I will state that, after examination, if it shall be ascertained that no valuable minerals are on the lands, it is desirous of incorporating them in the Santa Barbara National Forest for the purpose of conserving the watersheds of Santa Barbara County.

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

The bill (S. 4135) for the relief of Helen Curtis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helen Curtis, widow of James L. Curtis, late American Minister to Liberia, the sum of \$5,000, equal to 1 year's salary of her deceased husband.

# AMENDMENT OF NATIONAL FIREARMS ACT

The bill (H. R. 3254) to exempt certain small firearms from the provisions of the National Firearms Act was considered, ordered to a third reading, read the third time. and passed, as follows:

Be it enacted, etc., That subsection (a) of section 1 of the National Firearms Act, relating to the definition of "firearms", is amended by inserting, after "definition", a comma and the following: "but does not include any rific which is within the foregoing provisions solely by reason of the length of its barrel if the caliber of such rific is 22 or smaller and if its barrel is 16 inches or more in length."

#### FILING OF COPIES OF INCOME RETURNS

The Senate proceeded to consider the bill (H. R. 11365) relating to the filing of copies of income returns, and for other purposes.

Mr. McKELLAR. Mr. President, what does this bill provide?

Mr. WALSH. Mr. President, under section 55 (b) of the Revenue Act of 1934 copies of income returns are authorized to be made available to States for the administration of State and local tax laws. It is estimated that over 6,000,000 returns will be filed this year. Of these approximately 2,500,-000 will be sent to Washington, from which will be selected approximately 750,000 returns for investigation. These investigations produce additional revenue of approximately \$300,000,000, although the Bureau of Internal Revenue in the time allotted to perform this work cannot complete more than 400,000 investigations.

To permit the original returns to be available for inspection would result in a great deal of delay in the auditing and investigation of returns, with a consequent loss of millions of dollars in revenue. It is necessary that copies thereof be available for the purposes of such inspection, but to impose upon the Treasury Department the work of making copies of a great number of returns would seriously interfere with the work of audit and investigation, as the returns would have to be withdrawn from use by the Treasury during the process of making copies.

Moreover, the Bureau of Internal Revenue today is not equipped to make any large number of copies of income returns, since it has only three photostating machines. These machines cost approximately \$1,300, and at least one machine will be required in each of the 64 collection districts, with a number of machines required in some of the larger districts. Since it will be necessary also to employ a considerable number of additional personnel to prepare copies, it is evident that a large additional appropriation will be required if the burden of preparing a great number of copies of returns is placed on the Bureau.

The Treasury Department has issued regulations requiring taxpayers to file copies, but the only method of enforcing such regulations is a criminal penalty for willful failure. The bill, therefore, provides for the assessment and payment of \$5 in the case of failure by an individual to file a copy, and \$10 in the case of failure by a corporation, partnership, or fiduciary to file such copy.

Although forms have been distributed to taxpayers which contain a statement that the taxpayer must file a copy with the original return, nevertheless, further opportunity is provided in the bill for taxpayers to become familiar with the requirement of filing a copy. It is provided that in case of returns for the calendar year 1935, and fiscal years beginning in 1935, such assessment shall only be made after the taxpayer has been mailed a request to file the copy required within 15 days. The bill, therefore, provides for a reasonable, yet effective, means of enforcing the requirement of filing copies of returns.

Mr. President, the purpose of the bill is to save the time of the Department, and the expense which would be involved if the Department itself had to make these copies for the several State governments.

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

Mr. WALSH. I yield.

Mr. McKELLAR. Then it does not do away with the law which provides that States may have this information? It is merely to expedite and give the Treasury Department less trouble?

shall be filed with the income-tax returns.

Mr. McKELLAR. It seems to me that is proper. I thought at first it was a bill to repeal the provision of the law referred to.

Mr. WALSH. It is unanimously reported by the com-

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

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

GRANT OF LAND TO THE NORTHERN MONTANA AGRICULTURAL AND MANUAL TRAINING SCHOOL

The bill (S. 1871) granting certain public lands to the State of Montana for the use and benefit of the Northern Montana Agricultural and Manual Training School was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

Mr. ROBINSON. Mr. President, I observe from the report submitted with this measure that the recommendation of the Interior Department is adverse. Some Senator suggested that the bill go over.

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

#### GRADING OF ENLISTED MEN IN THE ARMY

The Senate proceeded to consider the bill (S. 4132) to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army, which was read, as follows:

Be it enacted, etc., That section 4b of the National Defense Act, as amended, be, and the same hereby is, amended by striking out the present wording and substituting therefor the following:
"Sec. 4b. Enlisted men: On and after July 1, 1936, the grades and ratings of enlisted men shall be such as the President may

from time to time direct, with monthly base pay in each grade and pay for each rating as prescribed by law. The numbers in grades and/or ratings of enlisted men shall be such as are authorized from time to time by the President by Executive order: Provided, That nothing in this section shall operate to reduce the pay which are selected as the pay which are selecte the pay which any enlisted man is now receiving, during his current enlistment and while he holds his present grade and rating, nor to change the present rate of pay of any enlisted man now on the retired list, nor to change existing provisions of law relating to flying cadets: Provided further, That the transportation privileges authorized by section 12 of the act of Congress approved May 18, 1920, shall apply only to enlisted men of the first three grades."

SEC. 2. All laws and parts of laws in conflict with the provisions of this act are repealed as of the effective date of this act.

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

Mr. SHEPPARD. Mr. President, this bill enables the President to rearrange grades and ratings of enlisted men without increasing the total number. It is an administrative measure, which gives the Department greater flexibility in these respects.

Mr. KING. May I inquire of the Senator whether it would increase the cost to the Government?

Mr. SHEPPARD. As to whether there would be any actual increase in appropriations would depend on the appropriations made by Congress for the Army from time to time.

Mr. KING. If the ratings and grades changed the status and gave the men advanced status, obviously it would increase the annual expenses of the War Department.

Mr. SHEPPARD. Final power in the matter would rest with the Committees on Appropriations and Congress. The Navy Department has the same flexibility in rearranging grades and ratings.

Mr. KING. Is there any limitation as to the grades and the compensation in the respective grades? Suppose the President should transfer all the men to the highest grade: what would be the result?

Mr. SHEPPARD. He is supposed to exercise his discretion in the matter within the enlisted strength allowed by law.

Mr. KING. Does the law fix the grades and the compensation in each grade?

Mr. SHEPPARD. It does at present. Under the National Defense Act there are established for the enlisted men in the Army seven grades and six specialist ratings, the specialist

Mr. WALSH. It seeks to enforce the regulation that copies | ratings carrying extra pay applicable to men in the sixth and seventh grades. In addition there are two specialist airmechanics ratings applicable to the Air Corps.

This bill would permit the President by Executive order from time to time to establish the numbers of enlisted men of the Regular Army in grades or ratings in accordance with changed circumstances and conditions. Its effect would be to eliminate from the National Defense Act the provisions specifying the numbers in enlisted grades and specialist ratings.

The War Department advises that the Navy already has this administrative freedom to adjust its allotments. In recommending this legislation for favorable action the War Department contends that the bill will have no effect at all of endangering the control of expenditures for enlisted pay, and that since the appropriation for enlisted pay has been the basic control factor in the past and will so continue in the future, the enactment of the bill would not increase the cost of the Military Establishment.

Mr. KING. Obviously the latter statement of the War Department is not quite accurate, because if we should lift from a lower grade to a higher grade any considerable number, it would be bound to increase the expenditures, and though the Committees on Appropriations finally have the say as to what the aggregate appropriations for the Army shall be, if enlisted men are lifted from grades A, B, and C to higher grades, and serve in those grades, obviously when the Committees on Appropriations are asked to make appropriations they would take into account the fact that those grades had been filled by persons of lower grades, and it would be their duty, it seems to me, to make the necessary appropriations to meet the larger expenditures.

Mr. SHEPPARD. It is a matter of policy, of determination as to what should be done in the best interest of the Army. The same rule we are trying to adopt by this bill prevails in the Navy.

Mr. KING. Mr. President, we are in the habit of citing the case of one department that has had some favorable consideration, and had a set-up that becomes a precedent, in an endeavor to provide certain set-ups in all the departments. That is true in the civil service; employees are moved to grades, and because Mr. A has been elevated to a higher grade, then Mr. B must be elevated to a higher grade. The result is that in the higher grades there is, in my opinion, a superabundance of employees.

Mr. SHEPPARD. I do not think the War Department has anything like that in mind. I think they are actuated by a desire to use the best method of classifying enlisted men.

Mr. KING. Mr. President, I shall not object to the consideration of the bill, but I shall vote against it, because I think it is unwise legislation.

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

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

# STUDIES OF SUB-BITUMINOUS AND LIGNITE COAL

The Senate proceeded to consider the bill (S. 3748) to authorize the Bureau of Mines to conduct certain studies, investigations, and experiments with respect to sub-bituminous and lignite coal, and for other purposes, which had been reported from the Committee on Mines and Mining with an amendment, on page 2, line 15, after the word "act" and the period, to insert the words, "the above amount to be expended over a period of 3 years, as follows: \$40,000 to be expended during the fiscal year ending June 30, 1937; \$30,000 to be expended during the fiscal year ending June 30, 1938; and \$30,000 to be expended during the fiscal year ending June 30, 1939", so as to make the bill read:

Be it enacted, etc., That the Bureau of Mines, under the general direction of the Secretary of the Interior, is authorized to conduct investigations, studies, and experiments on its own initiative and in cooperation with individuals, State institutions, laboratories, and other organizations, with a view to (1) the development of a commercially practicable carbonization method of processing sub-bituminous and lignite coal so as to convert such coal into an all-purpose fuel, to provide fertilizers, and obtain such other byproducts thereof as may be commercially valuable; (2) the development of efficient methods, equipment, and devices for burning

lignite or char therefrom; and (3) determining and developing methods for more efficient utilization of such sub-bituminous and

methods for more efficient utilization of such sub-bituminous and lignite coal for purposes of generating electric power.

Sec. 2. The Bureau of Mines is further authorized, under the general direction of the Secretary of the Interior, to erect such plants, construct and purchase such machinery and equipment, and to take such other steps as it may deem necessary and proper to effectuate the purposes of this act.

Sec. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$100,000 for the purpose of carrying out the provisions of this act. The above amount to be expended over a period of 3 years, as follows: \$40,000 to be expended during the fiscal year ending June 30, 1937; \$30,000 to be expended during the fiscal year ending June 30, 1938; and \$30,000 to be expended during the fiscal year ending June 30, 1939.

Mr. ROBINSON. Mr. President, this bill carries a comparatively large authorization, the sum of \$100,000. It is true that the expenditure of the fund would be restricted to \$40,-000 during the fiscal year ending June 30, 1937; \$30,000 during the fiscal year ending June 30, 1938, and the remainder during the fiscal year ending June 30, 1939. It provides for certain studies and experimentation. I think the obligation is on the author of the bill to justify its provisions.

Mr. FRAZIER. Mr. President, it will be noted, from the report of the Secretary of the Interior, that the bill is recommended by the Bureau of Mines, by the Interior Department, and also by the Director of the Bureau of the Budget, and they suggest an amendment, which has been included. bill was discussed before the Committee on Mines and Mining, of which the Senator from Kentucky [Mr. Logan] is chairman, and was reported unanimously.

There is a great deal of lignite coal in several States, especially in four Western States. According to the Bureau of Mines, over 60 percent of all the coal in the United States is in the form of lignite and sub-bituminous coal, in four States, Wyoming, North Dakota, Montana, and Colorado, and owing to the excessive amount of moisture contained in the lignite coal, it is not practical to ship it any great distance; it does not keep well. The desire is to experiment further in the carbonization of the coal. Some work along this line was done some years ago, as is set out in the report of the Secretary; but the Bureau did not have enough money to complete the work. It was along the line of carbonizing the coal and compressing it into briquets, which make an excellent fuel. It will also burn under certain conditions in the form of char as it comes from the carbonization process, There is a desire also to experiment in the generation of electricity by the use of this lignite coal, which is a very cheap process, according to engineers who have made an investigation of it. They say it is even cheaper than water power. There is no water power in some of the lignite-coal States where there is such an abundance of lignite coal. The Bureau of Mines estimates that in North Dakota lignite coal exists to the extent of 600,000,000,000 tons, and it is mined only to a small extent.

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

Mr. McKELLAR. Have not studies long since been made as to this kind of coal? It seems to me the owners of the land, and others interested in such a vast project, have all the information that could possibly be obtained by the Bureau now; that the information has already been obtained and is before the public.

Mr. FRAZIER. It is very true that a great deal of experimental work has been done, but coal is still shipped from the head of the Lakes to the section of the country to which I have referred; that is, it comes from West Virginia and Pennsylvania, and it is sold out there at seventeen or eighteen dollars a ton, instead of the lignite coal being used, because so many people do not know how to burn the lignite coal. It burns very well if there is just the proper kind of grates in the stoves and furnaces and the proper sort of drafts. But we desire that there shall be more experimentation in this regard. Then, the electric feature is very important. It would work right in with the rural electrification program which is being carried on at the present time.

Mr. COUZENS. Mr. President, may I ask the Senator whether the lignite land is not all privately owned?

Mr. FRAZIER. It is not all privately owned. It is not a question of the land. The State owns a good deal of coal land in North Dakota, and I presume the same is true in the other States, but the bill authorizes the Bureau of Mines to cooperate with State institutions, like the schools of mines in those States, or private instituions, in making the investi-

Mr. McKELLAR. Is any part of the money to be used in teaching people how to use this particular kind of coal?

Mr. FRAZIER. It may be used to demonstrate, under the direction of the Bureau of Mines, how that coal can be burned, and the process of making briquets by carbonization. It is also to be used in the generation of electricity. It is claimed that 21/2 tons of lignite coal will make a ton of first-class briquets, which have the heating quality of anthracite coal.

The PRESIDING OFFICER. Under the rule, the Senator's time has expired. The Senate is operating under the 5-minute rule.

Mr. FRAZIER. Mr. President, yesterday, under the 5-minute rule, certain Senators spoke for an hour and a half. I ask unanimous consent to have a little more time.

The PRESIDING OFFICER. Without objection, the Chair will recognize the Senator from North Dakota for 5 minutes more. The Chair feels that he should enforce the rule. Everything done yesterday was done by unanimous consent. The Senate is operating under a rule, and should recognize it if the rule is to continue to exist.

Mr. ROBINSON. Mr. President, it is to be observed that the bill as originally introduced by the Senator from North Dakota contemplated that the appropriation should be made without express limitation on the time for its expenditure.

Mr. FRAZIER. The expenditure is under the direction of the Bureau of Mines, of course.

Mr. ROBINSON. Yes. It will be noted also that the approval of the bill by the Department is on condition that the investigations be continued over a period of 3 years.

Mr. FRAZIER. There is no objection to that.

Mr. ROBINSON. I know; but I am wondering if there is not really an objection to it. Considering the research which has been made, the progress which has been had in the matter, why is it necessary to have a 3-year investigation?

Mr. FRAZIER. The Department seems to think-and I suppose the suggestion came from the Bureau of Mines—that it would be necessary to carry out experiments through a period of 3 years. Personally, I had not thought it would take that long; but I was perfectly willing to comply with the request of the Department. I have talked several times with officials of the Bureau of Mines in regard to a proposition of this kind. In fact, the Bureau of Mines made the request for funds from the P. W. A. for this purpose; but its request was not granted, either because the money at that time was allocated, or because there were so many requests for money that they could not be accommodated.

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

Mr. KING. I shall speak in my own time.

I have visited the lignite- and brown-coal mines in Germany, from which are produced coal which has a lower heating content than the lignite coal of the Senator's State. I am familiar with the coal of the Senator's State as well as the coal of South Dakota. In Germany lignite and brown coal are used effectively. I saw the German coal mines in 1923 and again in 1926. Their great chemists years ago had worked out processes by which were removed all the carboniferous content and the heating content of the coal. All that is necessary to be done is to get a good chemist to analyze the coal. If we have none in the United States, we can send over to Germany and immediately get all the information that is desired; and if the proposition is a feasible one, the chemist will tell us in a short time.

Mr. FRAZIER. I appreciate the remarks of the Senator from Utah. One of the important things is the generation of electricity by the use of lignite coal. I started to make a statement in that connection.

In making a ton of briquets out of 2½ tons of lignite coal, natural gas or coal gas is eliminated by the carbonization process. It is claimed by engineers who have experimented on it, and who are ready to stake their reputations on it, that that gas can be used as fuel for gas engines to propel motors to generate electricity. The exhaust of the gas engines is very hot and will carbonize the coal, and in that carbonization process there is given off the gas which can be used as fuel. If that is correct, then in the States where lignite coal is found, communities can be taken care of by a project of this kind for furnishing electric light and electric power; and I think it would work very well with the rural electrification program which is now under way. The Bureau of Mines is strongly in favor of it, and I hope the bill may be passed.

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

The amendment was agreed to.

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

PRELIMINARY EXAMINATION OF SUWANNEE RIVER, FLA.

The Senate proceeded to consider the bill (H. R. 8300) to authorize a preliminary examination of Suwannee River in the State of Florida from Florida-Georgia State line to the Gulf of Mexico.

REFERENCES TO DEBATE IN HOUSE OF COMMONS (LONDON) ON THE AMERICAN FOREIGN DEBTS-REPLY TO SPEECHES

Mr. LEWIS. Mr. President, I ask the Senate to indulge me for one or two moments. I should like to have the attention of the eminent Senator from Idaho [Mr. Borah], the Senator from Michigan [Mr. Vandenberg], and the Senator from California [Mr. Johnson]—these who have ever joined me in the preservation of American rights.

Mr. President, the public press brings us information this morning that yesterday, in the House of Commons in England, Mr. Lloyd George, known to fame and recorded in history, impeached the conduct of England for repudiating her debt to the United States. He called attention to the fact that while England was accusing Germany of violation of a treaty in moving her troops to the border of the Rhine, she—England—at the same time was violating the treaty she made with the United States of America and failing in her promise to pay her debt due this country; and he propounded the query:

What is the difference between the violation by Germany of a treaty and that which you (England) are doing in violating your agreement as against America?

At the same time, sirs, he was responded to by the officer of the exchequer, who answered that they are not repudiating their debts, and observed that they cannot do that which is impossible. It is at this point that I attract the attention of those who, like myself, are interested in seeking to obtain our rights from these governments in collecting money due us. I summon all to the knowledge that when the able officer of England cries out that the payment to us by his Government is impossible, we cannot refrain from calling the attention of the world to the fact that while England says it is impossible to pay, and assumes to deny and refute the charge that she is repudiating her debt, England gives out to the public that she is paying her debts, is reducing her taxes, and now has a surplus in her Treasury, and boasts of it, as rightfully she should, if the facts be as she states

In addition to this, sirs, let it be recalled that this noble nation announces the extra and additional expenditure of \$1,000,000,000 for extra armament in preparation for assault upon nations, or to prepare against those which she assumes will be involved in conflict against her. At the same time, Senators, we see from financial international records that England is to lend the equivalent of one-half billion dollars to France in money, part of which is contracted for to be turned over to Rumania as one of the lesser adjuncts of France in anticipation of military conflict, and preparation for what is called by Mr. Lloyd George "a new world war." Yet this eminent officer of the exchequer cries that to pay some installments on our debt is impossible!

I invite the Senate to the thought that even if it were true, as a justification, that there was any impossibility to pay the debt, where was the impossibility to acknowledge the debt, to include it in the budget as due, which they refuse to do? Where, we ask, was the impossibility to carry out the last contract, separately made, to pay interest upon the debt contracted after the war?

Sirs, not only is this interest not paid but a short while ago, in our presence here in Washington, through the representative of this great Government, it was asserted that there was no change in the denial of the debt; that "things had not changed." What things? Why, the things in which they had announced their refusal to pay us; their declining to include in their budget the acknowledgment of the debt; and their further declining even to treat with us in respect to the now-due interest.

Mr. President, in this same connection I invite my colleagues to recall what happened in the late days with our other ally debtor, great France. Herriot, making a campaign to return to his previous premier position, announced that the first duty of France is to pay her debt to America. The labor member in England on the floor of the house joined Mr. Lloyd George in denunciation of the course of England in repudiating the debt to America and defeating the just demands of our country in return for the largess and generosity we have displayed to them. In France at the same time the labor forces, partly Socialists, joined Herriot in demanding that the debt due by France shall be paid to America, while one high official representing the Government of the French Republic announced: "We owe no money to America. If there be anything owed, it is by America to us for saving her from being run over, ravished, and destroyed by Germany."

In addition to this, there arises an eminent source in this great body of French statesmen who asserts to the world that instead of France owing America, America should credit France with amounts she owes France, "of money lent to save America in her revolution against England." And this is the attitude lately again expressed at a time when, as I behold the situation, these two great Nations of Europe should be remembering the kindnesses of this America in advancing to each of them, in the hour of their travail and danger, the money which rescued them from devastation and death.

Mr. President, what do these eminent men mean? Do they really mean that they are disguising the truth, that they are deceiving the country? Is it not the witches, Senators, who, referring to their attitude as to Macbeth, cry out, as a model of execution?—

Fair is foul, and foul is fair; Hover through the fog and filthy air.

Mr. President, the United States of America is seeking nothing from these lands as a favor. We are asking nothing from them, sir, that is not due us. In the meantime, while they are seeking trade relations with us, they are denying every opportunity to give us a fair profit from a just trade. They are embarrassing us with every obstruction, of which we are not complaining. They are expending large sums preparatory to a conflict which they feel and openly assert in all instances will involve us, with the assertion on the part of their great leader that we—to use the exact language of the quotation—"cannot escape being brought in" to preserve what they call our rights.

Mr. President, I resent the intimation that it is impossible to recognize this debt. I resent the more the effort to avoid its existence; and, sir, I both repudiate and resent it as bad manners, their refusal even to negotiate with us, or even to include the subject in a memorandum, as they presume upon the theory that this, the Nation of America, will forget the obligation. It is assumed we will ignore it, because it is known that certain large financial interests in the United States, which wish to dispose of new bonds, are exerting themselves to have the debt wiped out, canceled, to the end that the new bonds will become a first lien. In this prospect they hope to negotiate further loans from America,

European debtors now due America.

As to the masters of finance who manipulate this trickery, I denounce them in their combination with the English policy and that of the French design. For myself, I announce that the time has come when Government, through whoever speaks for it, will proclaim that the American people exact something in the name of America, and that we here today again remind these honorable debtors that America will not forget the debts due us; she will not cancel them, and she will not excuse the insult unnecessarily heaped upon her.

We will inform the world that as to America our position is, as against these debtors to us, that the debts should be paid, particularly at a time when our needs are so great to compensate the woes and agonies of the farmers and to assuage the distress of the toiler in his need and to restore the ravaged lands upon which the rivers and great floods have belched their infliction and devastation. For the relief of all these we seek this money due, that we may repair these damages and these destructions. For these causes it is seen that we are not seeking favor, sirs; we are demanding our right; and, for myself, I trust I may have the cooperation of my honorable colleagues as we announce to the world that we expect to force, by every means that friendly pressure can bring, the payment of these debts due us, in order that before the world we may continue to stand as independent, courageous America.

#### FOREIGN DEBTS DUE TO THE UNITED STATES

Mr. BORAH. Mr. President, I wish to say a word in support of the remarks made by the able Senator from Illinois [Mr. LEWIS] with reference to the international debts due the United States.

The debate which took place in the House of Commons in Great Britain on yesterday, taken in connection with the things which had preceded, indicates unmistakably that it is not the intention of the Government of Great Britain ever to pay its debt to us. I can reach no other conclusion.

No international debts could be grounded upon more just, equitable, and moral grounds than those which underlie the debts now due to the people of the United States from European countries. No international obligation could rest upon grounds more binding. It must be borne in mind that these debts do not represent the amount of money which was loaned to the Allies during the world conflict. They represent the amount which was agreed upon long after the war closed, and after full consultation upon the part of the parties in interest and after the presentation of all facts touching matters which could be considered in the nature of equitable offsets. These debts represent a settlement after full discussion upon the basis of what the governments could pay and what the governments should pay. The money had been loaned, and the obligation incurred, and thereafter a free and full adjustment made.

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

Mr. McKELLAR. They really represent an adjustment and compromise of very, very much larger sums which the nations actually owed us.

Mr. BORAH. The Senator is quite right. These debts taken as a whole represent a settlement upon the basis of about 50 cents on the dollar. With one nation we settled on the basis of about 28 cents on the dollar. It is true that the proportion in the case of Great Britain was higher than that, but taken as an average the debts represent a curtailment, or settlement, or adjustment, on the basis of about 50 cents on the dollar of the amounts which were actually loaned.

These debts are not, therefore, debts which were incurred at a time of national conflict, representing the entire amount which was loaned. They are debts representing a con-tractual relation made in time of peace, when all parties had an opportunity to present their case. In my opinion the actions of these governments during the last few years indicate unmistakably that they are not intending to pay the amounts of the debts as adjusted after the war was

while they would deprive us of all the benefit of the loans of | over. The repudiation of these debts when all circumstances are considered is without precedent in international affairs.

It will be recalled that the great Premier of England, Mr. Ramsay MacDonald, according to press reports, stated months ago in the House of Commons, in answer to a query, in substance, that you need not give yourselves any uneasiness further about the debt due to the United States. The statement was construed and could be construed in no other light than that the debt obligation had passed out of the mind and purpose of the British Government. They were not proposing to include the debt in the budget, or apparently to give any further consideration or take any cognizance of it thereafter. There followed repeatedly acts upon the part of the governments which have indicated their

Mr. President, not a person in the United States would insist upon Great Britain or any other government paying a debt which they were actually physically unable to pay at a particular time, as the Chancellor of the Exchequer has said was the case with Great Britain.

What we do expect, what we have a right to expect, what the integrity of international contracts demands, is a recognition of the obligations and an assurance of an intention to meet them as soon as the nations are able to meet the debts. There is no indication of that kind upon the part of these governments; no indication that when they are more able to meet the obligations they will do so. Apparently they have wiped them away and off the record, and do not propose at, any time in the future to meet their obligations.

The distinguished war Premier of Great Britain, Mr. Lloyd George, made the following statement upon yesterday:

It is an essential principle of the law of nations that no power can liberate itself from an engagement of a treaty or modify the stipulations thereof except with the consent of the other contracting party.

The whole structure of international order depends upon adhering to, obeying, and carrying out international agreements, and there is not a contract or a treaty involved in the chaotic conditions which now embroil Europe which entails any obligation, legal or moral, more binding than the obligation to pay these debts.

It is claimed that Germany has ignored the obligations of the Versailles Treaty, and that Italy has ignored the obligations of the Covenant of the League of Nations, and that by reason of these actions Europe has been placed again in a state of chaos of turmoil. There is no difference in law and in morals, in international obligations, between the act of Germany and the act of Italy, and the acts of these nations in repudiating these debts which they contracted to pay upon an investigation. Greater consequences may flow from one than from the other, there may be differences in that respect, but so far as moral or legal obligation goes, the nations are just as much bound to respect these obligations as Germany was to respect the Versailles Treaty, and infinitely more so, because Germany signed the Versailles Treaty under duress, at the point of the bayonet, while these debt contracts were made after full, free, deliberate investigation and agreement to pay.

If we are not to give consideration to such contracts as that, I ask, how we can expect international contracts to be respected by any nation which has the slightest interest in disregarding them. What element of integrity, of validity, of honor, is absent in these solemn contracts entered into for the highest consideration, and after the most thorough investigation the great war Minister in urging payment is speaking for the honor of the nation and for the validity of international agreements.

It is not alone a question of the dollars and cents involved. That is very great, because the amount now due, interest and all, is about \$12,000,000,000, and about \$10,000,000 of it in default. That is an item of very great moment. But of even greater moment than that is the fact that these nations came here when in distress, and came here to this Chamber and spoke from the Senate to our people in behalf of their people. And the people of the United States, the taxpayers, went down in their pockets and contributed, and we took the obligations of the nations who borrowed from us. It is an obligation due to the taxpayers of the United States. After the war was over and all the equities which might inhere were disposed of, we entered into an agree-

I ask what reason there can be for entering into any agreement with any of these nations in the future if they disregard an obligation of that kind? It is striking at the very heart of international order, of international amity, of international good faith to disregard the obligation.

Mr. Chamberlain says, in reply to the ex-Premier:

His Majesty's Government never repudiated its obligations to United States. No country, no person, can be bound to fulfill the impossible.

I ask, in reply to that peculiar answer, what has the Government of Great Britain indicated by word or act as to their intention to meet these obligations in the future? Have they said to the American people "that under the depressed conditions which now prevail we are unable to meet the debts, but we propose to meet them"? Have they indicated that in the future, when conditions are different economically and financially, they will meet them? Certainly not. They have eliminated them from their budget. He is careful to utter no word that would indicate their intention to meet these obligations in the future.

They have stated from the floor of the Houses of Parliament that there is no reason further to regard them. We must reach the conclusion that Great Britain has concluded to repudiate her debt to the people of the United States. If she has not reached that conclusion, it is time that she say to the people of the world that "We propose to pay as soon as it is possible for us to pay." Her reputation calls for an assuring statement that the default is temporary.

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

Mr. BORAH. I yield.

Mr. McKELLAR. May I say in that connection that Great Britain could not possibly offer the excuse of not being able to pay because she is today continuing to build one of the greatest navies that the world has ever seen and is adding tremendously to her Army expenditures? With all the money that she has she could easily reduce the expenditures on the Navy and Army alone and pay along on

Mr. BORAH. Mr. President, whatever argument Great Britain may advance as to her present inability to meet the situation, and certainly in the present conditions as they obtain, they would all be considered sympathetically. Whatever argument she might advance, she can advance no argument against the attitude of mind which she has unmistakably manifested with reference to these debts.

Mr. President, Great Britain alone is not responsible for this situation. We have had numerous travelers abroadand some of them much more regarded abroad than at home-advising the people of Great Britain and the people of Europe that they should not pay the debts, that the people of the United States do not expect them to pay the debts, and undoubtedly that has had its effect in molding the policy of Great Britain and the other nations. For a little attention abroad they betray the rights of their own

Who can speak for the taxpayers of the United States? This Government has no right to compromise their claim, and it should not permit any act or policy which would indicate that they propose to do so.

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

Mr. WALSH. Have the members of the Committee on Foreign Relations requested or examined any correspondence which has passed between the departments of the Federal Government and the Government of Great Britain and other debtor countries in connection with these claims?

Mr. BORAH. Not that I know of.

Mr. WALSH. Does anyone know just what moves have been made by officials of the Federal Government to urge and impress upon the Government of Great Britain and the other debtor governments what the attitude of the American Government is?

Mr. BORAH. I will say to the Senator that I was not speaking of any act upon the part of any official of our Government

Mr. WALSH. I understand that. The Senator is speaking for the taxpayers, but I do think there ought to be some protest made other than on the floor of the Senate or the floor of the House.

Mr. BORAH. I do not know why the Members of the body which made this contract should not have an opportunity to discuss it and to manifest our disposition toward it. I do not know why we should be silent. We were the people who loaned this money. The Congress is responsible for the loan and for the settlement.

Mr. WALSH. I did not intend to infer any criticism of the Senator. I think he is pursuing exactly the proper course, but I did want to inquire what else was being done besides making protests on the floor of the Senate and the floor of the House.

Mr. BORAH. In my opinion, nothing. Mr. WALSH. Does not the Senator think something ought to be done?

Mr. BORAH. I do. I feel a firm, decisive attitude on the part of our Government would restore payment.

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

Mr. BORAH. I yield.

Mr. KING. I think I am speaking entirely within the record when I speak in answer to the question propounded by the Senator from Massachusetts [Mr. Walsh] that the President of the United States in a recent utterance indicates that Congress has declared upon this question, and, as the Chief Executive, he took the same view.

Mr. BORAH. Mr. President, I am not controverting that proposition. But the question was asked me what was being done except recording the protest. I do not know of anything being done except that.

Mr. WALSH. It seems to me that the Foreign Relations Committee might well ask what correspondence has passed between these debtor countries and what available informa-

Mr. BORAH. A few days ago, Mr. President, the distinguished Senator—he is not present, and I hesitate therefore to refer to the matter—the distinguished Senator from California [Mr. McADOO] introduced a resolution looking to a further compromise of the debt, a further reduction of the debt. That can be construed across the water in only one light, and that is we do not expect the payment according to the present contract. The contract is out. It is their contract. They entered into it. They presented the facts. Upon them they were willing to contract, and that contract should stand. There is no occasion for indicating that we propose to make another contract which in due time may also be repudiated. We have been just and fair and patient. We should insist on payment according to the terms of the agreement.

# PRELIMINARY EXAMINATION OF SUWANNEE RIVER, FLA.

The Senate resumed the consideration of the bill (H. R. 8300) to authorize a preliminary examination of Suwannee River in the State of Florida from Florida-Georgia State line to the Gulf of Mexico.

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

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

#### EXAMINATION OF ONONDAGA CREEK, N. Y.

The bill (H. R. 8797) to provide a preliminary examination of Onondaga Creek, in Onondaga County, State of New York, with a view to the control of its floods was considered, ordered to a third reading, read the third time, and passed.

LITTLE ROCK CONFEDERATE CEMETERY, ARKANSAS

The bill (S. 4190) to amend the act approved February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, Arkansas, 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 section 1 of the act of Congress approved February 7, 1913 (37 Stat. 663), be, and the same is hereby, amended to read as follows:

"That the Secretary of War is hereby authorized to accept a conveyance to the United States of the Confederate Cemetery in Little Rock, Ark., which adjoins the national cemetery at that place, and when so accepted the Government shall take care of and properly when so accepted the Government shall take care of and properly maintain and preserve the cemetery, its monument or monuments, headstones, and other marks of the graves, its walls, gates, and appurtenances, and preserve and keep a record, as far as reasonably practicable, of the names of those buried therein, with such history of each as can be obtained, and the said conveyance shall be such that it will permit the burial in said cemetery of all soldiers, sailors, or marines and all officers or men of the Coast Guard, dying in the service of the United States, or dying in a destitute condition after having been honorably discharged from the service, or who served, or hereafter shall have served, during any war in which the United States has been, or may hereafter be, engaged, and, with the conor hereafter shall have served, during any war in which the United States has been, or may hereafter be, engaged, and, with the consent of the Secretary of War, any citizen of the United States who served in the army or navy of any government at war with Germany or Austria during the World War and who died while in such service or after honorable discharge therefrom, as provided in Revised Statutes, 4878, amended by the act of April 15, 1920 (41 Stat. 552; U. S. C., title 24, sec. 281), and the act of June 13, 1935 (Public, No. 132, 74th Cong.), in addition to men who were in the military and naval service of the Confederate States of America: Provided, That the Secretary of War shall at all times leave sufficient space in said cemetery for the purpose of future burials of Confederate veterans: Provided further, That organized bodies of ex-Confederates or indiriduals shall have free and unrestricted entry to said cemetery for the purpose of burying worthy ex-Confederates, for decorating the graves, and for all other purposes which they have heretofore enjoyed, all under proper and reasonable regulations and restric-tions made by the Secretary of War."

Mr. ROBINSON. I ask that the report of the committee accompanying the bill may be printed in the RECORD.

There being no objection, the report (No. 1690) was ordered to be printed in the RECORD, as follows:

# Report to accompany S. 4190

The Committee on Military Affairs, to whom was referred the bill (S. 4190), to amend the act approved February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, Arkansas, and for other purposes, having considered the same, report favorably thereon with a recommendation

that it do pass.

In 1913 the city of Little Rock conveyed to the United States the Confederate Cemetery in Little Rock. The War Department submits that a large portion of the tract so conveyed will never be required for the burial of Confederate veterans, and the purpose of S. 4190 is to authorize the Secretary of War to accept a convey-ance from the city of Little Rock without restriction to the end that the Confederate area may be available for the future inter-ment of those individuals who, under existing law, are entitled to burial in national cemeteries. The original donors, the city of Little Rock, are agreeable to this change, and the measure is recommended for enactment by the War Department. Attention is called to the fact that the wall formerly separating the National and Confederate Cemeteries has been removed, and the entire tract now comprises one cemetery. The Secretary of War entire tract now comprises one cemetery. The Secretary of War has advised that the National Cemetery area will soon be filled, and that this additional space made possible under the provisions of S. 4190 will provide ample burial space for many years. Report of the War Department on S. 4190 follows:

JANUARY 24, 1936.

Hon. Morris Sheppard,
Chairman, Committee on Military Affairs,
United States Senate.

Dear Senator Sheppard: There is enclosed the draft of a bill to "Amend the act of February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, and for other purposes", which the War Department presents for the consideration of the Congress with a view to its enactment into law.

Existing laws which will be affected are as follows:
The act of February 7, 1913 (37 Stat. 663), authorizing the
Secretary of War to accept a conveyance to the United States of
the Confederate Cemetery in Little Rock, Ark., and restricting
its use for the burial of men who served in the military or naval

service of the Confederate States of America only.

Revised Statutes 4878, as amended by the act of April 15, 1920 (41 Stat. 532; U. S. C., 24:281), and the act of June 13, 1935 (Public, No. 132, 74th Cong.), authorizing burials in national

cemeteries.

cemeteries.

By deed dated June 9, 1913, the city of Little Rock conveyed to the United States of America the Confederate Cemetery in Little Rock, which property was accepted by the Secretary of War under the authority contained in the act of February 7, 1913, supra, for the purposes therein specified. A large portion of the tract so conveyed will never be required for the burial of Confederate veterans, and it is desired to amend said act in order that a conveyence may now he accepted from the city of Little. that a conveyance may now be accepted from the city of Little Rock, without restriction, to the end that the Confederate area may be available for the future interment of those individuals who, under existing law, are entitled to burial in national ceme-teries. The wall formerly separating the national and Confederate cemeteries has been removed, and the entire tract now comprises

one cemetery. The national cemetery area will soon be filled, and this additional space will provide ample burial space for many years. The proposed amendment removes the restrictions in the act of February 7, 1913, authorizes the acceptance of a new conveyance and adds appropriate language to permit the burial of all classes of soldiers, sallors, marines, and officers and enlisted men of the Coast Guard entitled to interment in a national cemetery.

The original donors, the city of Little Rock, are agreeable to

this change.

The Acting Director, Bureau of the Budget, has advised that the proposed legislation would not be in conflict with the financial program of the President.

GEO. H. DERN. Secretary of War.

Supplemental report from the War Department follows:

FEBRUARY 15, 1936.

Hon. MORRIS SHEPPARD

. Monais Sharran, Chairman, Committee on Military Affairs, United States Senate.

United States Senate.

Dear Senator Sheppard: Referring to my letter to you of January 24, 1936, requesting the introduction of a bill to "Amend the act of February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, Arkansas, and for other purposes", it is further requested that this draft of bill be amended, before its introduction, if practicable to do so: (a) By inserting immediately after the word "marines", appearing in line 16 of the War Department draft, the words "and all officers or men of the Coast Guard", and (b) by inserting immediately after the word "dying", appearing in line 17 of the War Department draft, the words "in a destitute condition."

The foregoing amendments are deemed advisable in order that the bill will conform to title 24, section 281, United States Code. Sincerely yours,

Sincerely yours,

GEO. H. DERN. Secretary of War.

DISTINGUISHED SERVICE CROSS TO COL. JOHN A. LOCKWOOD

The Senate proceeded to consider the bill (S. 1880) granting the Distinguished Service Cross to Col. John A. Lockwood, United States Army, retired, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert:

That the President is hereby authorized to cause the recommendation for the award of a decoration to Col. John A. Lockwood, United States Army, retired, who served as a captain in the United States Army, commanding Troop M, Fourth Regiment United States Cavalry, during October, November, and December 1899, for distinguished conduct in the Philippine Islands, to be considered by the proper boards or authorities, and such award made to said Lockwood as his said conduct merits.

The amendment was agreed to.

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

The title was amended so as to read: "A bill to authorize the award of a decoration for distinguished service to Col. John A. Lockwood, United States Army, retired."

# SLUM-CLEARING AND LOW-COST HOUSING PROJECTS

The Senate proceeded to consider the bill (S. 3247) to amend title II of the National Industrial Recovery Act, as amended by the Emergency Appropriation Act, fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935, which had been reported from the Committee on Finance with an amendment, in section 2, page 3, line 9, after the date "1935", to strike out "shall not be construed as the acquisition of exclusive jurisdiction thereof by the United States and the civil rights under the local law of the tenants or inhabitants on such property shall remain unimpaired, and jurisdiction over any such property heretofore or hereafter acquired is hereby ceded back to the respective States in which such property is or may be located" and insert "shall not be held to deprive any State or political subdivision thereof, of its civil and criminal jurisdiction in and over such property, or to impair the civil rights under the local law of the tenants or inhabitants on such property; and insofar as any such jurisdiction has been taken away from any such State or subdivision, or any such rights have been impaired, jurisdiction over any such property heretofore or hereafter acquired is hereby ceded back to such State or subdivision", so as to make the bill read:

Be it enacted, etc., That section 203 (a) (3) of title II of the National Industrial Recovery Act, approved June 16, 1933 (48 Stat. 195), as amended by the Emergency Appropriation Act, fiscal year 1935, approved June 19, 1934 (48 Stat. 1055), and as extended by the Emergency Relief Appropriation Act of 1935, approved April 8, 1935 (Public Res. No. 11, 74th Cong.), is hereby amended by

inserting, after the words "required to be used for such purpose" and before the semicolon, the following: "Provided, That such sums as the Administrator shall determine to be necessary to provide for the payment of operation and maintenance (including insurance) of any project for slum clearance or low-cost housing or both (whether constructed or financed under this title or under or both (whether constructed or financed under this title or under or pursuant to the Emergency Relief Appropriation Act of 1935) shall be available for such purposes to the Administrator out of any moneys received from any lease of or from or on account of such project: Provided further, That section 321 of the act entitled 'An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes', approved June 30, 1932 (47 Stat. 382, 412), shall have no application to such leases."

Sec 2 Section 203 (a) of the said National Industrial Recovery

shall have no application to such leases."

Sec. 2. Section 203 (a) of the said National Industrial Recovery Act is further amended by striking out the word "and", after the words "improvement of transportation facilities"; and by inserting, after the words "in accordance with such act", the following: "and (6) to maintain and operate any project for slum clearance or low-cost housing or both (whether constructed or financed under this title or under or pursuant to the Emergency Relief Appropriation Act of 1935) and to pay as an operating expense such sums in lieu of taxes or special assessments or both to States counties municipalities and political subdivisions thereof States, counties, municipalities, and political subdivisions thereof or any of them, as the Administrator may determine, and to dedicate streets, alleys, and parks for public use and grant easements: Provided, That the acquisition by the Administrator of any real or personal property in connection with the construction of any project for slum clearance or low-cost housing or both under this title or under or pursuant to the Emergency Relief Appropriation Act of 1935 shall not be held to deprive any State or political subdivision thereof of its civil and criminal jurisdiction in and over such property, or to impair the civil rights under the local law of the tenants or inhabitants on such property; and insofar as any such jurisdiction has been taken away from any such State or subdivision, or any such rights have been impaired, jurisdiction over any such property heretofore or hereafter acquired is hereby ceded back to such State or subdivision."

The amendment was agreed to.

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

#### BILLS PASSED OVER

The bill (H. R. 10104) to aid in providing the people of the United States with adequate facilities for park, parkway, and recreational-area purposes, and to provide for the transfer of certain lands chiefly valuable for such purposes to States and political subdivisions thereof was announced as next in order.

Mr. ADAMS. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (H. R. 4886) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. COUZENS. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

#### WASHINGTON GAS LIGHT CO.

The Senate proceeded to consider the bill (S. 3977) to authorize the Washington Gas Light Co. to alter its corporate structure, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments

The first amendment was, in section 1, page 1, line 5, after the word "Company", to insert the word "may."

The amendment was agreed to.

Mr. CLARK. Mr. President, I ask that the bill go over. Mr. KING. Mr. President, will the Senator withhold his objection?

Mr. CLARK. I will be glad to withhold it. Mr. KING. This bill is very important. It has been unanimously reported by the respective committees of the House and the Senate. It has the approval also of the District Commissioners and the Public Utilities Commission. They are very much in favor of it.

Mr. CLARK. I will ask the Senator to let the bill go over. I should like to have an opportunity to examine it. I regard the Washington Gas Light Co. as the most unconscionable monopoly that I know of in the utilities field in the United States. It has come under my observation, and I am not disposed to consent by my vote to any change in its corporate structure unless I have an opportunity to examine it and see what it is.

The PRESIDING OFFICER. The bill will be passed over, and the clerk will state the next bill on the calendar.

MISSOURI RIVER BRIDGE AT RANDOLPH. MO.

The bill (S. 3799) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo., was announced as next in order

The PRESIDING OFFICER. There is an identical House bill on the calendar. Without objection, the House bill will be substituted for the Senate bill and considered at this time.

There being no objection, the bill (H. R. 10187) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo., was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3799 will be indefinitely postponed.

# ST. LAWRENCE RIVER BRIDGE NEAR OGDENSBURG, N. Y.

The bill (S. 3971) to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y., authorized to be built by the St. Lawrence Bridge Commission by an act of Congress approved June 14, 1933, heretofore extended by acts of Congress approved June 8, 1934, and May 28, 1935, are hereby further extended 1 and 3 years, respectively, from June 14, 1936.

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

expressly reserved.

# BILL PASSED OVER

The bill (S. 3486) to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States" was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT TO DISTRICT OF COLUMBIA UNEMPLOYMENT ACT

The bill (S. 4165) amending section 1 (h) of the District of Columbia Unemployment Act 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 (h) of the District of Columbia Unemployment Compensation Act is hereby amended by striking therefrom the figure "15" and inserting in lieu thereof the figure "16."

Sec. 2. Section 1 (k) of the said act is hereby amended so as

to read as follows:

"(k) The term 'week' means the calendar week commencing at 12:01 o'clock antemeridian Sunday and ending at 12 o'clock midnight the following Saturday, or any fiscal week of 7 days ending at 12 o'clock midnight on any week day: Provided, That an employer keeping records and making reports on a fiscal-week basis shall not change such basis without specific written permission of the Board or its duly authorized officer."

SEC. 3. Section 4 of the aforesaid act is hereby amended by inserting at the end thereof a new subsection to be lettered "(f)"

and to read as follows:

"(f) The Board may, if it determines such measure to be advisable, by suitable regulations provide for the payment of contributions of \$2 or less by the cancelation of stamps to be sold by the Board."

SEC. 4. Section 18 (b) of the said act is hereby amended by striking therefrom the words "which will reveal the employer's identity."

The title was amended so as to read: "A bill amending the District of Columbia Unemployment Act."

#### PENALTIES FOR RECKLESS DRIVING IN THE DISTRICT

The Senate proceeded to consider the bill (S. 3976) to amend the act approved February 27, 1931, known as the District of Columbia Traffic Act, which had been reported from the Committee on the District of Columbia with amendments.

Mr. BORAH. Mr. President

Mr. McKELLAR. I should like an explanation of the bill. Mr. BORAH. I wish to inquire what this bill proposes with reference to the District of Columbia Traffic Act?

Mr. KING. Mr. President, the bill now before the Senate deals only with the question of reckless driving. Under the present law the penalty for reckless driving is, as I recall, \$100 and 30 days in jail. The Commissioners recommended

6 months' imprisonment and \$500 fine. The committee, or some members of the committee, believed that was a little too extreme, and they amended it by providing for a \$250 fine and 3 months' imprisonment for reckless driving.

Mr. BORAH. What is the fine now?

Mr. KING. It is \$100.

Mr. BORAH. And I presume it is not inflicted once in a thousand times?

Mr. KING. Oh, yes; it is.

Mr. BORAH. I never heard of it being done.

Mr. KING. I may say that the District authorities are administering the present act very effectively, and every day, if the Senator will note the newspapers, he will see that many, many drivers' licenses are suspended.

Mr. BORAH. That may be true, but they assess a fine of

\$5, and sometimes even remit that.

Mr. KING. That is a matter for the judges, but this bill provides a greater penalty for an offense of which, I am sorry to say, some people are guilty.

Mr. ROBINSON. The bill, as I understand, authorizes

both fine and imprisonment?

Mr. KING. Exactly, and increases the penalty. I should like to see it a little more severe.

Mr. McKELLAR. As I understand, it does not provide for both penalties, but either may be inflicted.

Mr. ROBINSON. Well, it may be both. The clause is in the usual form.

The PRESIDING OFFICER. The amendments reported by the committee will be stated.

The amendments of the Committee on the District of Columbia were, on page 1, at the beginning of line 11, to strike out "\$500" and insert "\$250", and in the same line, after the word "than", to strike out the word "six" and insert the word "three", so as to make the bill read:

Be it enacted, etc., That subsection (c) of section 9 of the act of Congress entitled "An act to amend the acts approved March 3, 1925, and July 3, 1926, known as the District of Columbia Traffic Acts, etc.", be, and the same is hereby, amended to read as follows:

"(c) Any individual violating any provision of this section where the offense constitutes reckless driving shall upon conviction for the first offense be fined not more than \$250 or imprisoned not more than 3 months, or both; and upon conviction for the second or any subsequent offense committed within 2 years from the date of any such previous offense such individual shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both."

The amendments were agreed to.

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

#### TRADE AND VOCATIONAL SCHOOLS IN THE DISTRICT

The bill (H. R. 8577) to amend the Teachers' Salary Act of the District of Columbia approved June 4, 1924, as amended in relation to raising the trade or vocational schools to the level of junior high schools, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That it is the purpose of this act to raise the trade or vocational schools from the present elementary-school level to the rank of junior high schools as to salary schedule; and to

provide other necessary legislation relating thereto.

SEC. 2. That on and after July 1, 1936, the salaries of teachers and principals of the trade or vocational schools shall be as follows:

#### CLASS 1-TEACHERS

Group A. A basic salary of \$1,400 per year, with an annual increase in salary of \$100 for 8 years, or until a maximum salary of \$2,200 per year is reached.

\$2,200 per year is reached.

Group B. A basic salary of \$2,300 per year, with an annual increase in salary of \$100 for 3 years, or until a maximum salary of \$2,600 per year is reached.

#### CLASS 2-TEACHERS

Group A. A basic salary of \$1,600 per year, with an annual increase in salary of \$100 for 8 years, or until a maximum salary of \$2,400 per year is reached.

Group B. A basic salary of \$2,500 per year, with an annual in-

crease in salary of \$100 for 3 years, or until a maximum salary of

Grease in salary of \$100 for 3 years, or until a maximum salary of \$2,800 per year is reached.

Group C. A basic salary of \$1,800 per year, with an annual increase in salary of \$100 for 10 years, or until a maximum salary of \$2,800 per year is reached.

Group D. A basic salary of \$2,900 per year, with an annual increase in salary of \$100 for 3 years, or until a maximum salary of \$3,200 per year is reached.

A basic salary of \$3,500 per year, with an annual increase in salary of \$100 for 5 years, or until a maximum salary of \$4,000 per year is reached.

SEC. 3. That the Board of Education is hereby authorized, empowered, and directed to classify and assign the teachers and principals in the service in trade or vocational schools on July 1, 1936, to the salary classes and positions in the foregoing salary schedule for said trade or vocational schools, in accordance with such rules as the Board of Education may prescribe.

SEC. 4. That the Board of Education is authorized and empowered to establish occupational schools on the elementary-school level for pupils not prepared to pursue vocational courses in the trade or vocational schools; and also to carry on trade or vocational courses on the senior high school level or in senior high schools.

SEC. 5. The appointments, assignments, and transfers of teachers and principals authorized in this act shall be made in accordance with the act approved June 20, 1906, as amended (Public, No. 254).

#### SEC. 6. This act shall take effect on July 1, 1936.

#### RED RIVER BRIDGE, MINNESOTA AND NORTH DAKOTA

The Senate proceeded to consider the bill (S. 3945) to extend the times for commencing and completing the construction of a certain free highway bridge across the Red River from Moorhead, Minn., to Fargo, N. Dak., which had been reported from the Committee on Commerce with amendments, on page 1, line 8, after the date 1934, to insert "heretofore extended by an act of Congress approved August 5, 1935", and on page 2, at the beginning of line 1, to insert the word "further", so as to make the bill read:

Be it enacted, etc., That the times for commencing and completing the construction of two free highway bridges across the Red River, between Moorhead, Minn., and Fargo, N. Dak., authorized to be built by the State Highway Departments of the States of Minnesota and North Dakota by an act of Congress approved June 4, 1934, heretofore extended by an act of Congress approved August 5, 1935, are hereby further extended 1 and 3 years, respectively, from June 4, 1936.

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

The amendments were agreed to.

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

#### ALICE D. HOLLIS

The bill (S. 3516) for the relief of Alice D. Hollis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alice D. Hollis, widow of William Stanley Hollis, late a consul general of the United States, the sum of \$7,000, such sum representing 1 year's salary of her deceased husband who died while in the Foreign Service.

# BILL PASSED OVER

The bill (S. 3744) to amend the act creating the Federal Trade Commission, to define its powers and duties, and for other purposes, was announced as next in order.

Mr. VANDENBERG. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

JURISDICTION IN NORTHERN AND MIDDLE DISTRICTS OF ALABAMA

The bill (S. 3477) relating to the jurisdiction of the judge for the northern and middle districts of Alabama 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 enactment of this act, except as hereinafter provided, the jurisdiction of the present district judge for the northern and middle districts of Alabama, and his successors, shall be confined to the middle dis-

SEC. 2. (a) If the trial of any case has been entered upon in the northern district of Alabama before said district judge for the northern and middle districts of Alabama and has not been concluded on or before the date of enactment of this act, the juris-

diction in such northern district of said judge shall be deemed to be extended as to such trial until it has been concluded.

(b) The said judge shall have power, notwithstanding his absence from such northern district, to decide all matters which have been submitted to him within such district, to decide motions nave been submitted to him within such district, to decide motions for new trials, settle bills of exceptions, certify or authenticate narratives of testimony, or perform any other act required by law or the rules to be performed in order to prepare any case so tried by him for review in an appellate court; and his action thereon in writing filed with the clerk of the court where the trial or hearing was had shall be as valid as if such action had been taken by him within such district and prior to the date of enactment of

this act.

SEC. 3. Nothing in this act shall be construed to alter or amend any provision of law relating to the designation and assignment of a district judge to hold court in a district other than his own.

#### CONVEYANCE OF LAND TO ENFIELD, CONN.

The bill (H. R. 8559) to convey certain land to the city of Enfield, Conn., 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 to convey to the board of selectmen of the town of Enfield of the State of Connecticut, for street purposes only, all the right, title, and interest of the United States to the following-described parcel of land which forms a part of the new

post-office site at Enfield, Conn.: Lying and being in the town of Enfield, county of Hartford, State of Connecticut, being a strip of land fronting 32 feet on the northerly side of High Street and extending of that width in a northwardly direction along the westerly side of Bartley Avenue for the full depth of the post-office site, a distance of 150 feet: Provided, however, That the said town of Enfield, Conn., shall not have the right to sell or convey the said described premises nor to devote the same to any other purpose than as hereinbefore provided; and in the event said premises shall not be used for street purposes only and cared for and maintained as are other public streets in said town, the right, title, and interest conveyed to the town of Enfield shall revert to the United States.

#### DISPOSITION OF POST-OFFICE PROPERTY AT OAKLAND, CALIF.

The bill (H. R. 6645) to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926, was considered, ordered to a third reading, read the third time, and passed,

Be it enacted, etc., That the act entitled "An act to provide for Be it enacted, etc., That the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926, is amended by adding the following: "That the Secretary of the Treasury be, and he is hereby, authorized and empowered, as soon as he advantageously can do so, to sell, alter, remodel, demolish, or otherwise dispose of the old post-office building at Oakland, Calif., the cost of demolition or other disposition, if any, to be paid from any unallocated moneys available for public building construction. The Secretary of the Treasury is hereby further authorized to sell all of the old post-office site situated at Broadway, Seventeenth, and Franklin Streets in Oakland, Calif., at such time, for such price, and upon such terms and conditions as he may deem to be to the best interests of the United States, and to convey such propthe best interests of the United States, and to convey such property to the purchaser thereof by the usual quitclaim deed, the proceeds of said sale to be covered into the Treasury as miscellaneous receipts."

#### C. C. YOUNG

The Senate proceeded to consider the bill (S. 2553) for the relief of C. C. Young, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and insert:

That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment, as if the United States were suable in tort, upon the claim of C. C. Young, father of Adriel Young, who was killed by the explosion of a 37-millimeter shell near Camp Pike, on September 15, 1932.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, and appeals from and payment of any judgment thereon, shall be in the same manner as in the cases of claims over which such court has jurisdiction under the provisions of paragraph 20 of section 24 of the Judicial Code, as amended.

The amendment was agreed to.

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

The title was amended so as to read: "A bill conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claim of C. C. Young."

ADDITIONAL LAND FOR WALTER REED GENERAL HOSPITAL

The Senate proceeded to consider the bill (H. R. 3629) to authorize the acquisition of additional land for the use of Walter Reed General Hospital, which was read, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to negotiate for the purchase from the present owner or owners, and to enter into a contract for the purchase, if the price be satisfactory and within the limits hereby authorized, of all that tract or parcel of land shown on plat book of the District of Columbia

as parcels 89/16, 89/17, 89/18, and 89/19, located adjacent to and on the south side of the existing reservation of the Walter Reed General Hospital, and extending from Sixteenth Street on the west through to Georgia Avenue on the east, and containing 22.78 acres, more or less, exclusive of all lands therein set apart for acres, more of less, exclusive of all failus therein set apart for streets; and if said land be acquired, the said Walter Reed General Hospital, by the Secretary of War, is hereby authorized and empowered to use for hospital purposes all land indicated upon said plat book as reserved and set apart for streets within said tract of land, and all of said land when so acquired shall be for use in

connection with the Walter Reed General Hospital.

SEC. 2. That there is hereby authorized to be appropriated a sum not exceeding \$204,162 to enable the Secretary of War to carry out the provisions of this act.

SEC. 3. If the Secretary of War be unable to negotiate a contract for the purchase of said tract of land from the present owner or owners thereof at a price that he shall deem to be fair and reasonand not exceeding the sum of \$204,162, then and in such event the Secretary of War is hereby authorized to cause condemnation proceedings to be instituted in the name of the United States for proceedings to be instituted in the name of the United States for the condemnation of said tract of land for the purposes herein stated, under the provisions of the act of Congress of May 18, 1933, being Public Law No. 17 of the Seventy-third Congress, and en-titled "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 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." Section 25 of said act, with reference to the procedure in con-demnation proceedings, is hereby made a part of this act by way of reference and for the purpose of prescribing the mode and man-ner of exercising the right of eminent domain for securing for the uses of the Government of the United States the land hereinbefore mentioned. The provisions of this section shall not be construed to be in substitution for but shall be supplemental to any method of acquiring land or interests therein provided in exist-

ing law.
SEC. 4. In the hearing upon said condemnation proceedings it SEC. 4. In the hearing upon said condemnation proceedings it shall be in order to introduce in evidence the tax assessments as to said real estate of the taxing authorities of the District of Columbia for the 10 years preceding the institution of such condemnation proceedings, and it shall be further in order to offer in evidence in the course of said condemnation proceedings testimony as to the prices for which parcels of real estate situate within 1,000 feet of any portion of the land hereby sought to be acquired for the uses of the United States Government, whether such sale was by private contract between the seller and buyer, or at any judicial sale, whether for the partition of real estate or for the satisfaction of any lien, or for the satisfaction of any execution based upon judgment, and any other facts logically and naturally indicating the fair and reasonable value of said parcel of real estate shall be competent to be introduced in evidence in such condemnation proceedings, irrespective and notwithstanding any existing rules of evidence heretofore prevailing in the United States courts in the District of Columbia or elsewhere.

Mr. KING. Mr. President, I notice that the War Department opposes this measure. I am not familiar with it.

Mr. SHEPPARD. Mr. President, the purpose of this bill is to authorize the Secretary of War to negotiate for the purchase of a tract of land of some 22 acres lying immediately south of the present Army Medical Center here in Washington, which includes Walter Reed Hospital. The War Department points out that this land is needed for additional facilities, primarily for quarters. Eighty-three officers of the 105 on duty at Walter Reed General Hospital now reside at varying distances therefrom, and at an annual commutation cost to the Government of about \$100,-000. The War Department calls attention to the fact that savings would eventually accrue to the Government by the enactment of this legislation, and that in addition it is considered necessary for the efficient functioning of the hospital that a greater number of the officer personnel on duty at the hospital should reside in closer proximity thereto.

The land for which provision is made in the bill is the only available land remaining for the expansion of Walter Reed General Hospital, expansion in any other direction being precluded by existing street and building developments. The bill authorizes an appropriation of not to exceed \$204,162 to enable the Secretary of War to carry out the provisions of the measure. In view of the fact that the Bureau of the Budget points out this proposed legislation is not in accord with the President's financial program, the War Department does not recommend favorable action. However, in its report on the bill the needs for the additional land for Walter Reed are clearly set forth, and in view of these needs the Military Affairs Committee, after giving careful consideration to House bill 3629, has reported it favorably with a recommendation that it pass.

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

TIMBER RIGHTS ON GIGLING MILITARY RESERVATION, CALIF.

The bill (H. R. 10182) to authorize the Secretary of War to acquire the timber rights on the Gigling Military Reservation (now designated as Camp Ord), in California, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to acquire by purchase, condemnation, or otherwise, all the rights and interests which were reserved by the former owners on conveyance to the United States of the land embraced in the military reservation known as the Gigling Military Reservation (now designated as Camp Ord), in Monterey County, Calif., relative to the cutting of timber thereon and the preparation and removal of forest products, and to terminate all easements, rights, and privileges insofar as they have application to timber operations for private benefit; and there is hereby authorized to be appropriated the sum of \$25,000 to carry out the provisions of this act.

#### RELIEF OF STATE OF ALABAMA

The bill (H. R. 3369) for the relief of the State of Alabama, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the State of Alabama be, and is hereby, relieved from all responsibility and accountability for certain quartermaster and other property to the approximate value of \$22,361.43, the property of the War Department in possession of the Alabama National Guard, which was lost, destroyed, or used for emergency relief work incident to the Elba (Ala.) flood of March 1929, and the tornadoes which occurred over large portions of said State in March 1932; and the Secretary of War is hereby authorized and directed to terminate all further accountability for said property.

#### ARMY BASE TERMINAL, CHARLESTON, S. C.

The Senate proceeded to consider the bill (S. 3789) authorizing the Secretary of Commerce to convey the Charleston Army base terminal to the city of Charleston, S. C., which had been reported to the Committee on Commerce with an amendment, on page 1, after line 7, to strike out the words "leased by the United States Shipping Board to the Port Utilities Commission of Charleston, S. C., on December 3, 1930, with the exception of such portion of said land as has been transferred by the War Department by Executive order" and to insert in lieu thereof "transferred to the United States Shipping Board by Executive Order No. 3920 dated November 3, 1923, with the exception of such portion of said land as has been retransferred to the War Department by Executive order, or is now under consideration for retransfer, and also subject to all the rights and privileges now enjoyed by the War Department as specifically set forth in said Executive Order No. 3920, or as may hereafter be agreed upon by Secretary of War and the city of Charleston: Provided, however, That the charges for water and electric current furnished the War Department shall not exceed rates prevailing in the city of Charleston and vicinity for such services", so as to make the bill read:

Such services", so as to make the bill read:

Be it enacted, etc., That the Secretary of Commerce is authorized and directed to convey by quitclaim deed to the city of Charleston, S. C., that portion of the Charleston Quartermaster Intermediate Depot, including improvements thereon, which was transferred to the United States Shipping Board by Executive Order No. 3920 dated November 3, 1923, with the exception of such portion of said land as has been retransferred to the War Department by Executive order, or is now under consideration for retransfer, and also subject to all the rights and privileges now enjoyed by the War Department as specifically set forth in said Executive Order No. 3920, or as may hereafter be agreed upon by Secretary of War and the city of Charleston: Provided, however, That the charges for water and electric current furnished the War Department shall not exceed rates prevailing in the city of Charleston and vicinity for such services.

Sec. 2. The deed executed by the Secretary of Commerce shall

SEC. 2. The deed executed by the Secretary of Commerce shall contain the express condition that in the event of a national emergency the property so conveyed, with all improvements placed thereon, may be taken upon order of the President by the United States for the use of the War Department during the period of such emergency.

The amendment was agreed to.

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

IRRIGATION CHARGES ON INDIAN RESERVATION PROJECTS

The bill (S. 1318) to authorize the Secretary of the Interior to adjust irrigation charges on projects on Indian reservations, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

Mr. O'MAHONEY. Mr. President, I hope the Senator will withhold his objection in order that I may make an explanation of the measure.

Mr. McKELLAR. I shall withhold it to hear what the Senator has to say.

Mr. O'MAHONEY. This is a measure to authorize and direct the Secretary of the Interior to make an investigation into the question of irrigation charges to white settlers on certain Indian reclamation projects. As long ago as 1914 a law was enacted by Congress which made reimbursable to the Federal Government all expenditures that had been theretofore or might thereafter be made on Indian reclamation projects. The result has been that in numerous cases whites who purchased lands within certain projects were by that act of Congress made responsible for the repayment pro rata of expenditures which had previously been made.

In 1932 Congress enacted a law authorizing the Secretary of the Interior to make investigation with respect to Indianowned lands and to adjust the charges, so that the lands now owned by whites are in a different status from those owned by Indians. The bill merely authorizes the Secretary to make investigation and report to Congress. No modification of charges can be made without an act of Congress after the report is submitted.

Mr. McKELLAR. Mr. President, I invite the Senator's attention to the report of Secretary Ickes, who said:

The foregoing facts, and the substitute draft of legislation, were submitted to the Bureau of the Budget on April 22 for consideration and appropriate recommendation. The Acting Director of that Bureau advised on May 28 that neither S. 1318, nor the proposed substitute therefor, would be in accord with the financial program of the President. His reasons are set forth at some length, as will be noted from the enclosed copy of his letter to me.

That is signed by Secretary Ickes. In the report of the Acting Director of the Budget, who is the present Budget Director, I find this statement:

In this view of the situation you are advised that neither the bill S. 1318, nor the proposed substitute therefor, would be in accord with the financial program of the President.

Mr. O'MAHONEY. The committee has met that objection. Mr. McKELLAR. Why did they overrule the objection?

Mr. O'MAHONEY. The committee did not overrule the objection as a matter of fact, but met it by eliminating from the bill the provision which would have made the recommendations of the Secretary effective within 60 days after being reported to Congress unless rejected. That provision is no longer in the bill, so that nothing can be made effective without special act of Congress. Therefore the Bureau of the Budget and the Secretary of the Interior will have ample opportunity to raise objections if any financial problem should be involved.

Mr. McKELLAR. Will the Senator state in a word what is the purpose of the bill?

Mr. O'MAHONEY. The purpose of the bill is to enable the Secretary of the Interior to make recommendations to Congress for the modification or cancelation of certain charges upon the old Indian projects where white settlers, having moved in and having purchased the land in good faith, are now being bound by expenditures which were made before they purchased the land.

Mr. McKELLAR. The effect of the bill would be to give the Secretary a power which he does not want to assume and does not think proper to assume, and he reports against the bill.

Mr. O'MAHONEY. Only because of the provision regarding the budgetary objection.

Mr. KING. Mr. President, will the Senator yield? Mr. O'MAHONEY. Certainly.

Mr. KING. May I inquire whether the investigation contemplated by the act is limited only to the State of Wyoming or will it embrace investigations in other States where white settlers have obtained Indian lands and many of whom now are unable to get water, though water was promised by the Government when they purchased the land.

Mr. O'MAHONEY. It will apply to all Indian reclamation projects.

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

There being no objection, the Senate proceeded to consider the bill (S. 1318) to authorize the Secretary of the Interior to adjust irrigation charges on projects on Indian reservations, and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and to insert the following:

That the Secretary of the Interior is authorized and directed to cause an investigation to be made to determine whether the owners cause an investigation to be made to determine whether the owners of non-Indian lands under Indian irrigation projects and under projects where the United States has purchased water rights for Indians are unable to pay irrigation charges, including construction, maintenance, and operating charges, because of inability to operate such lands profitably by reason of lack of fertility of the soil, inadequacy of water supply, defects of irrigation works, or for any other causes. Where the Secretary finds that said landowners are unable to make payment due to the existence of such causes, he may adjust defer or cancel such charges, in whole or in part, as may adjust, defer, or cancel such charges, in whole or in part, as the facts and conditions warrant. In adjusting or deferring any such charges the Secretary may enter into contracts with said landowners for the payment of past due charges, but such con-tracts shall not extend the payment of such charges over a period in excess of 10 years.

SEC. 2. Where the Secretary finds that any such lands cannot be cultivated profitably due to a present lack of water supply, proper drainage facilities, or need of additional construction work, he shall declare such lands temporarily nonirrigable for periods not to exceed 5 years and no charges shall be assessed against such lands dur-

ing such periods.

SEC. 3. Where the Secretary finds that any such lands are permanently nonirrigable he may, with the consent of the landowner, eliminate such lands from the project.

SEC. 4. Where irrigation assessments against any such lands remained unpaid at the time the Indian title to such lands became extinguished and no lien existed and attached to such lands for the payment of charges so assessed and no contract for the pay-ment of such charges was entered into, the Secretary shall cancel

all such charges.

SEC. 5. The Secretary shall have power to make such rules and regulations as may be necessary to carry out the provisions of this

SEC. 6. The Secretary shall make reports to the Congress on the first Monday of each regular session, and from time to time thereafter, showing the action taken under the provisions of this act during the preceding year. No proceedings under this act shall become effective until approved by the Congress.

The amendment was agreed to.

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

The title was amended so as to read: "A bill to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes."

# MANNER OF INFLICTING THE PUNISHMENT OF DEATH

The Senate proceeded to consider the bill (S. 3836) to amend the Criminal Code with respect to the manner of inflicting the punishment of death, which was read, as follows:

Be it enacted, etc., That section 323 of the act entitled "An act to codify, revise, and amend the penal laws of the United States", approved March 4, 1909, is amended to read as follows:

"SEC. 323. The manner of inflicting the punishment of death shall be the same as that provided by the law of the State, Territory, possession, or the District of Columbia, in which the judgment of death is rendered, but if the laws of any such State, Territory, possession, or the District of Columbia do not provide for the penalty of death or for the manner of inflicting the punishment of death, then the manner of inflicting such punishment shall be by hanging. Such punishment may be inflicted at any ment of death, then the manner of inflicting such punishment shall be by hanging. Such punishment may be inflicted at any place within the State, Territory, possession, or the District of Columbia in which the judgment of death is rendered."

Mr. ROBINSON. Mr. President, I think the Senator in charge of the bill should explain it.

Mr. VAN NUYS. Mr. President, the present law where the penalty is death provides as follows:

The manner of inflicting the penalty of death shall be by

The bill would amend that provision of the statute so as to make the punishment accord to the State practice. In those States whose law provides for electrocution, the death penalty would be inflicted by electrocution. Arizona uses lethal gas to inflict the death penalty. Other States have different means of inflicting the death penalty. This measure would make the punishment accord to the State practice.

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

Mr. VAN NUYS. Certainly.

Mr. BORAH. There is so much disturbance in the Chamber I cannot understand the explanation which the Senator is making.

Mr. VAN NUYS. The only purpose of the bill is, where the death penalty is inflicted under the Federal statute, to provide that the penalty shall be inflicted in the manner provided by the laws of the different States. In Indiana it would be by electrocution. In Arizona it would be by lethal gas. Other States have different means of inflicting capital punishment.

The Federal law is arbitrary as it stands today and death must be by hanging. For instance, in the United States District Court of Indiana recently there was convicted a man who under the present law had to be hanged. The United States marshal had to search several States to procure a gallows to inflict the punishment according to the Federal statute as it now reads. Under the amendment proposed by this bill that man could have been electrocuted in the State penitentiary in the form provided by the State statute.

Mr. BORAH. It simply provides that the Federal Government in the matter of execution shall conform to the practice

in the States?

Mr. VAN NUYS. That is all there is to it.

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

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

# ADDITIONAL JURISDICTION UNDER THE BANKRUPTCY ACT

The bill (H. R. 10490) to amend chapter 9 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 79 of chapter 9 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, be, and the same is hereby, amended to read as follows:

"SEC. 79. Additional jurisdiction: Until January 1, 1940, in addition to the jurisdiction exercised in voluntary and involuntary and involunt

tary proceedings to adjudge persons bankrupt, courts of bankruptcy shall exercise original jurisdiction in proceedings for the relief of debtors, as provided in this chapter of this act."

Mr. ROBINSON. Mr. President, may I say with reference to the bill just passed that it merely extends the time in which debtors may be adjudged bankrupts.

# OPERATION OF FOREIGN AND AMERICAN SHIPS IN THE FOREIGN

The Senate proceeded to consider the resolution (S. Res. 260) requesting certain information concerning the operation of foreign ships and of American ships engaged in foreign trade

Mr. COPELAND. Mr. President, there are on the desk some amendments which have been considered and reported by the Commerce Committee. I ask that they may be now considered.

The PRESIDING OFFICER. The clerk will report the amendments.

The amendments were, on page 1, line 3, after "of", insert "all"; on page 1, line 3, after "the", strike out "most important"; on page 2, line 13, after "of", strike out "the six" and insert "each of the"; on page 2, line 13, after "operating", strike out "the largest"; on page 2, line 14, after "for", insert "each of"; on page 2, line 14, after "1926" strike out all down to and including "and" in line 15 and insert "to"; on page 2, line 15, after "1935", insert a comma and the following: "inclusive"; and, on page 2, line 19, after

"contracts", strike out all down to and including "mail" in line 22, so as to make the resolution read:

Resolved, That the Secretary of Commerce is requested to furnish to the Senate, as soon as practicable, the following information:
(1) A list of all the acts of Congress governing the operation of (1) A list of all the acts of Congress governing the operation of American ships in foreign trade; (2) a brief summary of the handicaps which confront American-flag ships when competing with ships of a foreign flag; (3) show how these handicaps result in higher operating costs to the American shipowner; (4) whether it is the general practice of American shipowners to purchase fuel and supplies in this country or abroad, and the approximate annual amount of such purchases for all foreign-trade ships of the American merchant marine; (5) whether it is the general practice of foreign shipowners to purchase fuel and supplies in this country or abroad, and the approximate annual amount of such purchases for all foreign-flag ships trading with the United States and its possessions; (6) the estimated percentage of the relative operating costs of ships flying the flags of Great Britain, Germany, France, Italy, and Japan on the basis of 100 percent for ships flying the flag of the United States; (7) the percentage of American trans-Atlantic cargo car-States; (7) the percentage of American trans-Atlantic cargo carried by American-flag ships and the percentage carried by foreign-flag ships; (8) the percentage of American trans-Pacific cargo carried by American-flag ships and the percentage carried by foreign-flag ships; (9) the profit or loss of American lines operating American flag ships; (9) the profit or loss of American lines operating American flag ships; (10) the profit or loss of American lines operating American flag ships; (10) the profit or loss of American lines operating American flag ships; (10) the profit or loss of American lines operating American flag ships; (10) the profit or loss of American lines operating American flag ships; (10) the profit or loss of American lines operating american flag ships; (10) the profit or loss of American trans-Pacific cargo carried by American-flag ships and the percentage carried by foreign-flag ships; (10) the percentage of American trans-Pacific cargo carried by American-flag ships and the percentage carried by foreign-flag ships; (10) the percentage of American trans-Pacific cargo carried by American-flag ships and the percentage carried by foreign-flag ships; (10) the percentage of American trans-Pacific cargo carried by American-flag ships and the percentage carried by foreign-flag ships; (10) the percentage of American trans-Pacific cargo carried by American-flag ships and the percentage carried by foreign-flag ships; (10) the percentage of American trans-Pacific cargo carried by American tra can-flag tonnage for each of the years 1926 to 1935, inclusive; (10) the operating expenses of the same lines for the same years and their gross incomes for such years; (11) how many of such lines held mail contracts, either on a poundage or per-mile basis, and the aggregate amount of money paid to them under such contracts.

The amendments were agreed to.

Mr. BLACK. Mr. President, I have a number of amendments which I desire to offer to the resolution.

The PRESIDING OFFICER. The amendments offered by the Senator from Alabama will be stated.

The CHIEF CLERK. On page 2, line 10, after the word "ships", it is proposed to insert "during each year from 1918 to 1935, inclusive,"

The amendment was agreed to.

The CHIEF CLERK. On page 2, line 12, it is proposed to make the same amendment.

The amendment was agreed to.

The CHIEF CLERK. On page 2, line 12, it is proposed to strike out the words "the profit or" and all of lines 13 and 14, and in line 15 to strike out "1934, and 1935" and to insert in lieu thereof:

The profit or loss of all American lines now holding foreign ocean mail contracts for each of the years from 1926 to 1935, inclusive, showing in each instance the percentage that such profits or losses bears to the capital stock of the company reported upon, and showing in each instance all commissions and compensation of any nature paid by such lines to all affiliated, associated, subsidiary, or holding companies of such lines.

Mr. McNARY. Mr. President, before action is taken upon that amendment, I wish to ask the Senator from Alabama a question. The amendment has not been printed, has it?

Mr. BLACK. It has not. Mr. McNARY. This is the first exposition we have had of the amendment, and there has been no discussion of it. A number of absent Senators are interested in this matter.

Mr. BLACK. No; there has been no discussion of it. may state to the Senator that I did explain to the Senator from Maryland the type of amendment I desired to offer. This is a resolution calling for information only.

Mr. McNARY. I appreciate that fact; but, in view of the absence of some Members on this side of the Chamber, I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed

Mr. COPELAND. Would it not be well to have the amendments printed so that they will be available?

Mr. McNARY. Of course, my request would include the printing of the amendments.

The PRESIDING OFFICER. The amendments will be printed and lie on the table.

## ENFORCEMENT OF TWENTY-FIRST AMENDMENT

The Senate proceeded to consider the bill (H. R. 8368) to enforce the twenty-first amendment, which had been reported from the Committee on the Judiciary with an amendment, in section 11, page 7, line 12, after the word "act", to insert "and nothing in this act shall apply to the Canal Zone", so as to make the section read:

SEC. 11. Nothing contained in this act shall repeal any other provisions of existing laws except such provisions of such laws as are directly in conflict with this act and nothing in this act shall apply to the Canal Zone.

Mr. McKELLAR. Mr. President, will the Senator from Utah explain this bill?

Mr. KING. Mr. President, a number of amendments have been submitted in part to meet typographical errors and because of the necessity of renumbering the paragraphs and sections. There is one amendment which strikes out a provision which is found in another bill which has passed the House and will be reported by the Finance Committee within a few days. The primary purpose of the bill is to protect the dry States against the transportation of liquor into the same.

Mr. McKELLAR. I have no objection.

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

The amendment was agreed to.

Mr. BORAH. Mr. President, I have not had an opportunity to read the bill. What do I understand the Senator to say to be the object of the bill?

Mr. KING. It is to protect the dry States.

Mr. BORAH. In what way?

Mr. KING. In matters arising under the twenty-first amendment; that is, following the repeal of the eighteenth amendment and the adoption of the twenty-first amendment, it became necessary to provide by Federal law for the protection of the so-called dry States.

Mr. BORAH. I understand; but how is it proposed to protect the dry States?

Mr. KING. So that liquor may not be transported into dry States, or, if so, then, with respect to its movement or use, it shall be subject to the laws of such States.

Mr. BORAH. Does the bill undertake to deal with the matter of transporting liquor into the States?

Mr. KING. As I understand the bill, it forbids it.

Mr. BORAH. It forbids the shipment of liquor into dry States?

Mr. KING. Yes.

Mr. BORAH. And provides a penalty for such shipment? Mr. KING. Yes; that is my understanding.

The PRESIDING OFFICER. 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.

Mr. KING subsequently said: Mr. President, inadvertently, when the Senate considered House bill 8368, there were a number of amendments not disposed of. I now enter a motion to reconsider the votes whereby the bill was ordered to a third reading, read the third time, and passed; and when the Senate again meets, I shall ask to have the bill again considered.

The PRESIDING OFFICER. The motion of the Senator from Utah will be entered.

#### BILL PASSED OVER

The bill (S. 4197) relating to the admissibility in evidence of certain writings and records made in the regular course of business was announced as next in order.

Mr. ASHURST. Mr. President, in that bill there is a word which I think I should like to explore further before I ask the Senate to consider the bill. I ask to have the bill go over for the present.

The PRESIDING OFFICER. The bill will be passed over. TERMS OF DISTRICT COURT, MIDDLE DISTRICT OF PENNSYLVANIA

The bill (H. R. 11098) to provide for terms of the United States District Court for the Middle District of Pennsylvania to be held at Wilkes-Barre, Pa., was announced as next in order.

Mr. COPELAND. I ask that the bill go over. The PRESIDING OFFICER. The bill will be passed over. Mr. ASHURST. Mr. President, I should like to take a moment on the next bill.

My able friend from New York, the senior Senator from that State, has objected to this bill. With reluctance and regret, my conception of my duty will require me to move to proceed to the consideration of the bill as soon as the call of the calendar shall have been completed. Not as a threat, not in any bad humor, but, carrying out what I believe to be my duty. I now respectfully give notice that just as soon as the call of the calendar shall have been completed I will move to proceed to the consideration of this bill, for reasons which I shall then give.

I ask to have the notice entered that I shall make the motion and crave the recognition of the Chair when the calendar shall have been completed.

#### STATUE OF ALBERT GALLATIN

The joint resolution (S. J. Res. 215) authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C., was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That authority is hereby granted to any association organized within 2 years from date of the approval of this resolution for that purpose to erect a statue of Albert Gallatin, Secretary of the Treasury, from May 14, 1801, to February 9, 1814, opposite the west entrance to the Treasury Building in the city of Washington within the grounds occupied by such building, or or Washington within the grounds occupied by such building, or at such other place within such grounds as may be designated by the Fine Arts Commission, subject to the approval of the Joint Committee on the Library, the model of the statue so to be erected and the pedestal thereof to be first approved by the said Commission and by the Joint Committee on the Library, the same to be presented by such association to the people of the Library. United States

Sec. 2. That for the preparation of the site and the erection of a pedestal upon which to place the said statue, under the direction of the Director of Public Buildings and Public Parks of the National Capital, the sum of \$10,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated.

CONSTRUCTION OF BASIN FOR TESTING MODELS OF NAVAL CRAFT The bill (H. R. 10135) to authorize the construction of a model basin establishment, and for other purposes, was

announced as next in order. Mr. BORAH. Mr. President, what is the proposed model hasin?

Mr. WALSH. Mr. President, this is a bill which has already been passed by the House. The naval appropriation bill contains an appropriation of the amount mentioned in the bill, which authorizes the appropriation of \$3,500,000.

I can best explain what the naval experimental model basin is by reading some of the testimony presented to the Naval Affairs Committee by Admiral Land.

Mr. BORAH. I will not ask the Senator to do that; but I do not understand the object of the basin. Is it a bathing basin?

Mr. WALSH. No, sir. Before ships are built, models of them are made, and tests are made of the speed and strength of the models: tests are made of the material of the different parts of the mechanism, and so forth; and that is true also of airplanes. There is now in every country such a basin. We now have one at the Washington Navy Yard, but it is obsolete and is unable to perform the functions that are required. Great Britain has two such model basins; Germany has one; Japan is planning one; nearly every maritime country in the world has one. The one at the Washington Navy Yard is obsolete and inadequate and too small for the purposes required.

Mr. BORAH. This basin is necessary as a part of the Naval Establishment; is it?

Mr. WALSH. In order correctly to build a ship, it is necessary to have a basin of this kind, not only for the Navy but for our merchant marine. Private shipping interests hire the use of this basin for the purpose of testing out their models; and it is expected that one-half the expense will be borne by income received from American shipping interests which now have to go to foreign countries to have this work done.

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

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

Mr. KING. I notice in the bill it is provided, in line 11, page 1-

Including aircraft and the investigation of other problems of ship design, at a cost not to exceed \$3,500,000.

Is the Government to expend \$3,500,000 for this purpose? Mr. WALSH. This bill merely authorizes the appropriation. The naval appropriation bill, which is before the House and is about to reach the Senate, will have in it an item for this purpose; and at that time the Senator will be able to question the appropriation.

Mr. TYDINGS. Mr. President, will the Senator yield? Mr. WALSH. I yield to the Senator from Maryland.

Mr. TYDINGS. Is it not a fact that without a basin of this kind not only war craft but all merchant marine ships cannot be tested as to displacement, safety devices, speed, oil carriage, how they heel in rough water, the angle of pitch, and many other things that are necessary to be determined in the design of a ship? Models of all the ships that are being built in this country are tested in foreign countries except those that will fit in the present antiquated basin in Washington; and unless this proposed basin shall be built it will be necessary to prepare large models of ships that are to be constructed, send them abroad, have them tested in foreign model basins, and pay the fee over there. While every other maritime country in the world has one of these model-testing basins, we have none that will now fit the needs.

Mr. WALSH. It is a matter of great humiliation that we have no such basin.

Mr. KING. Mr. President-

Mr. WALSH. If the Senator will withhold his question for a moment, I desire to read what Admiral Land says:

The naval experimental model basin is one of the most vital projects that face the country as a whole. That is evident, because it has not only to do with ships or shipping but also has to do with aviation.

The model basin which we now have is in the Washington Navy Yard and was designed in 1895. It is quite obsolete in its siz and in everything pertaining thereto. Its poor foundations—

By the way, it is necessary to have a rock foundation. That is why it is contemplated to build this new basin away out in the District of Columbia, up the Potomac River, where a suitable rock foundation may be had.

Its poor foundations make it extremely difficult to obtain better designs by the designing Bureau of the Navy Department. They cannot expand because of the lack of space. It is in a congested area and is quite unsatisfactory.

Other maritime countries of the world have produced, or have built, far more efficient model basins in the last few years, the data of which is available in this House Pamphlet No. 484. Those

countries are: Two in England, 3 in Germany, 1 in Austria, 2 in Italy, 1 in France, and a projected one in Japan.

I hope the Senator will not object to the consideration of the bill, because I really think this model basin is a basic necessity for the building of proper naval sea and aircraft.

Mr. KING. Mr. President, I am unwilling now to vote for an authorization of \$3,500,000 for building such a basin. That is what it amounts to. Let the bill go over for the present.

The PRESIDING OFFICER. The Senator from Utah objects. The clerk will state the next bill on the calendar.

#### LAND FOR NAVAL AIR STATION, CALIFORNIA

The Senate proceeded to consider the bill (S. 4020) to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon, which was read, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to purchase in behalf of the United States as a site for a naval air station, at a cost not to exceed \$1, and to accept the title in fee simple to all that certain piece or parcel of land situate, lying and being south of the Alameda Mole, in the city of Alameda, county of Alameda, State of California, and more particularly described as follows: Commencing at a point on the United States bulkhead line, said point being distant due south thereon 202.1 feet from point "k" as said line and point are delineated and so designated upon that certain map entitled "Harbor Line Survey, San Francisco Bay, 1910, Sheet No. 6", on file in the United States engineer's office, Customs House, San Francisco; and running thence north 73°58' west 409.95 feet to a point, said line being parallel with and distant southerly 122.7 feet measured at right angles from center line of the South Pacific Coast Railway right angles from center line of the South Pacific Coast Railway Co.'s right-of-way; thence north 83°28' west 342 feet to a point; thence north 76°5' west 500 feet to a point; thence north 81°15' west 680 feet to a point; thence north 89°50' west 1,687.88 feet to a point on the United States Pierhead Line; thence south 47°50'53' west 482.14 feet to a point, which point is the intersection of the United States pierhead line with the southwesterly line of the city of Alameda (also easterly line of the city and county of San Francisco); thence south 27°50' east 11,529 feet along the southwesterly boundary line of the city of Alameda to a point. which Francisco); thence south 27°50° east 11,529 feet along the south-westerly boundary line of the city of Alameda to a point, which point is the intersection with the westerly line of Benton Field; thence north 16°2′ east 9,344.13 feet to a point; thence north 73°58′ west 4,190.05 feet to the point of beginning, containing 929.337 acres, more or less, free from all encumbrances, except a certain lease entered into by and between the city of Alameda and the Alameda Airports, Inc., a subsidiary of the Curtiss-Wright Corporation. Title to the above-referred-to property is accepted by the United States upon the understanding that at least

Corporation. Title to the above-referred-to property is accepted by the United States upon the understanding that at least \$1,000,000 will be expended by the Government of the United States in development work by December 31, 1939, otherwise title to said lands will revert to the city of Alameda.

SEC. 2. The Secretary of the Navy is further authorized to construct, install, and equip at said naval air station such buildings and utilities, technical buildings and utilities, landing field and mats, and all utilities and appurtenances necessary for the operation, maintenance, and repair of landplanes and seaplanes, including ammunition storage, fuel and oil storage, and distribution systems therefor, roads, walks, aprons, seaplane ramps, docks, runways, sewer, water, power, station and aerodrome lighting, telephone and signal communications, and other essentials, including the necessary bulkheading, dredging, grading, and filling and the

phone and signal communications, and other essentials, including the necessary bulkheading, dredging, grading, and filling and the removal and remodeling of existing structures and installations.

SEC. 3. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the following sums: (a) Not to exceed \$296,000 for the purpose of acquiring the Curtiss-Wright Corporation leasehold interest and all improvements of every kind and nature on said tract of land; (b) \$4,000 to be paid to the city of Alameda, Calif., to reimburse said city for the expenses of a special election held for the purpose of authorizing the city council of the city of Alameda to convey to the United States the above-described parcel of land for the above-specified purpose, and for incidental expenditures in connection with such conveyance; and (c) \$1,000,000 to be used for any of the purposes as set forth in section 2 of this act.

Mr. KING. Mr. President, I should like to have an explanation of this bill. I notice that it requires the expenditure of at least a million dollars in the development of work by December 31, 1939.

Mr. JOHNSON. The Senator is in error in saying that it requires that expenditure. The grant is made upon the condition that by the time referred to a certain amount of work will have been done on this particular project.

Mr. KING. It is provided:

Title to the above-referred-to property is accepted by the United States upon the understanding that at least \$1,000,000 will be expended by the Government of the United States in development work by December 31, 1939.

Mr. JOHNSON. There is something over 900 acres of land, and a portion of 95 acres in use as an airport. In addition to that there are eight-hundred-and-some-odd acres of tide lands. The city has held a referendum on the grant of the site to the Navy Department, and upon the terms stated on the referendum voted overwhelmingly to convey it. Of course it wants to make this grant, and to be certain that if it is accepted—and the acceptance is wholly discretionarythe work will be done. So it is made a condition precedent that by 1939 a million dollars shall have been expended upon this particular project, which the Navy Department and everybody connected with the national defense says is an absolutely necessary work. Between Puget Sound and San Diego there is not a single naval airport, and that one is essential on San Francisco Bay, or in its vicinity, nobody

The PRESIDING OFFICER (Mr. CLARK in the chair). 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 AMERICAN MERCHANT MARINE

The bill (S. 3500) to develop a strong American merchant marine to promote the commerce of the United States, to I read the third time, and passed.

aid national defense, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

INTERNATIONAL EXPOSITION OF PARIS—ART AND TECHNIQUE IN MODERN LIFE

The joint resolution (H. J. Res. 305) accepting the invitation of the Government of France to the United States to participate in the International Exposition of Paris-Art and Technique in Modern Life, to be held at Paris, France, in 1937, was considered, ordered to a third reading, read the third time, and passed.

#### AVIATION INSTRUCTION IN PUBLIC SCHOOLS

The bill (S. 2926) to authorize the Commissioner of Education in the Department of the Interior to conduct a study and disseminate his findings and recommendations regarding suitable aviation instruction courses for the public schools, 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 in order to meet the growing demand from all parts of the United States and its Territories for comprehensive information regarding suitable aviation instruction courses for the public schools, the Office of Education of the Interior Department is hereby authorized to make the necessary field and other studies and disseminate its findings and recommendations in such manner as will best most the advertised requirements of the such manner as will best meet the educational requirements of the

SEC. 2. The information to be so disseminated shall have as its objectives (1) the broadening of the reader's horizon with respect to progress made in aviation and its place in our commercial, industrial, and social life; (2) providing outlines for suitable elementary academic background instruction for secondary schools in such subjects as aerodynamics and the theory of flight, and airplane and its engine, meteorology, and map reading; (3) furnishing information on model airplane building and model airplane clubs in the public schools and other organizations; (4) providing data on occupational opportunities in aviation, including educational and training requirements, where training can be secured as on occupational opportunities in aviation, including educational and training requirements, where training can be secured, and expense of such training; (5) supplying outlines and recommending programs for training in the various aviation industries, including information regarding Federal aid; (6) mapping outlines for extension courses for those employed in some phase of aviation; (7) suggesting procedure for surveying aviation training needs in a region or locality; (8) indicating procedure for the improvement of aviation personnel by conference methods.

SEC. 3. The Commissioner of Education is hereby authorized to employ such professional and other personnel in the city of Washington and elsewhere as may be necessary to carry out the provisions of this act.

SEC. 4. That this act shall be in full force and effect on and after

SEC. 4. That this act shall be in full force and effect on and after

July 1, 1935.

#### VOCATIONAL EDUCATION IN ALASKA

The Senate proceeded to consider the bill (S. 3167) to extend the provision of certain laws relating to vocational education and civilian rehabilitation to the Territory of Alaska, which had been reported from the Committee on Education and Labor with an amendment, on page 2, line 6, to strike out "\$30,000" and to insert in lieu thereof "\$15,000", so as to make the bill read:

Be it enacted, etc., That the Territory of Alaska shall be entitled to share in the benefits of the act entitled "An act to provide for to share in the benefits of the act entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure", approved February 23, 1917, and any act amendatory thereof or supplementary thereto, upon the same terms and conditions as any of the several States. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1936, and annually thereafter, the sum of \$15,000, to be available for allotment under such act to the Territory.

of \$15,000, to be available for allotment under such act to Territory.

Sec. 2. The Territory of Alaska shall be entitled to share in the benefits of the act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment", approved June 2, 1920, and any act amendatory thereof or supplementary thereto, upon the same terms and conditions as any of the several States. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1936, and annually thereafter, the sum of \$5,000, to be available for allotment under such act to the Territory.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading,

The Senate proceeded to consider the joint resolution (S. J. Res. 231) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Swedes in Delaware, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and to insert the following:

That in commemoration of the three hundredth anniversary of the landing of the Swedes in Delaware there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 20,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate single design, containing some recognized emblem of the State of Delaware, to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be sub-

Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

SEC 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the president of the Delaware Tercentenary Commission upon payment by him of the par value of such coins, but not less than 5,000 such coins shall be issued to him at any one time, and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such commission, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event. ration of such event.

ration of such event.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

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

COMMEMORATION OF THE INCORPORATION OF BRIDGEPORT, CONN.

The Senate proceeded to consider the bill (S. 4229) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the incorporation of Bridgeport, Conn., as a city, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and to insert the following:

That in commemoration of the one hundredth anniversary of the That in commemoration of the one hundredth anniversary of the incorporation of the city of Bridgeport, Conn., there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 10,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Sec. 2. The coins herein authorized shall hear the date 1936.

SEC. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the Bridgeport Centennial, Inc., Bridgeport, Conn., upon payment by it of the par value of such coins, but not less than 5,000 such coins shall be issued to it at any one time, and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such Bridgeport Centennial, Inc., and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

Sec. 3. All laws now in force relating to the subsidiary silver

memoration of such event.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

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

COMMEMORATION OF CLEVELAND CENTENNIAL CELEBRATION

The Senate proceeded to consider the bill (S. 4335) to authorize the coinage of 50-cent pieces in commemoration of the centennial celebration of Cleveland, Ohio, to be known as the Great Lakes Exposition, which had been reported by

COMMEMORATION OF THE LANDING OF THE SWEDES IN DELAWARE | the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and to insert:

That in commemoration of the centennial anniversary in 1936

That in commemoration of the centennial anniversary in 1936 of the city of Cleveland, Ohio, to be known as the Great Lakes Exposition, and to commemorate Cleveland's contribution to the industrial progress of the United States for the past 100 years, there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 50,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Sec. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the treasurer of the Cleveland Centennial Commemorative Coin Association upon payment by him of the par value of such coins, but not less than 5,000 such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such Cleveland Centennial Commemorative Coin Association, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

memoration of such event.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution bution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

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

COMMEMORATION OF ONE HUNDREDTH ANNIVERSARY OF STATEHOOD OF WISCONSIN

The Senate proceeded to consider the bill (S. 3842) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the statehood of Wisconsin, and to assist in the celebration of the Wisconsin Centennial during the year of 1936, which had been reported from the Committee on Banking and Currency with an amendment, to strike out all after the enacting clause and to insert:

That in commemoration of the one hundredth anniversary of the establishment of the Territorial Government of Wisconsin, and to further and give added meaning to the centennial celebration of said State during the year of 1936, there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 20,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate single design, containing some recognized emblem of the State of Wisconsin, to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

tary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Sec. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the chairman of the coinage committee of the Wisconsin centennial celebration upon payment by him of the par value of such coins, but not less than 5,000 such coins shall be issued to him at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such committee, and the net proceeds shall be used by it, in defraying the expenses incidental and appropriate to the commemoration of such event.

Sec. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

The amendment was agreed to.

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

The title was amended so as to read: "A bill to authorize the coinage of 50-cent pieces in commemoration of the onehundredth anniversary of the establishment of the Territorial Government of Wisconsin, and to assist in the celebration of the Wisconsin Centennial during the year of TWO HUNDRED AND FIFTIETH ANNIVERSARY OF NEW ROCHELLE,

The Senate proceeded to consider the bill (H. R. 10489) to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding and settlement of the city of New Rochelle, N. Y., which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and to insert:

That in commemoration of the two hundred and fiftieth anniversary of the founding and settlement of the city of New Rochelle, N. Y., there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 25,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this columns.

SEC. 2. The coins herein authorized shall bear the date 1936 SEC. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of a committee of not less than three persons duly authorized by the mayor of the city of New Rochelle, N. Y., upon payment by it of the par value of such coins, but not less than 5,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such committee, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event. such event.

Sec. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the coins of the United States and the coining of striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

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.

COMMEMORATION OF THREE HUNDREDTH ANNIVERSARY OF LONG ISLAND, N. Y.

The Senate proceeded to consider the bill (H. R. 11323) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of the first settlement on Long Island, N. Y., which had been reported from the Committee on Banking and Currency with an amendment, to strike out all after the enacting clause and to

That in commemoration of the three hundredth anniversary of the founding of the first settlement on Long Island, N. Y., there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 100,000 silver 50-cent pieces of standard size, weight, and composition, and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Sec. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be

SEC. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the chairman or secretary of the Long Island Tercentenary Committee upon payment by him of the par value of such coins, but not less than 5,000 such coins shall be issued to him at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be dispressed of at par or at a premium by this act. Such coins may be disposed of at par or at a premium by such committee and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfetting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

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.

#### STOCKYARDS AND MEAT PACKING

The Senate resumed the consideration of the bill (S. 1424) to amend the Packers and Stockyards Act, 1921.

PERSONNEL OF REGIONAL OFFICES OF HOME LOAN BANK BOARD

Mr. McKELLAR. Mr. President, I ask that the unfinished business be laid aside temporarily in order that I may bring before the Senate a resolution. I think there will be no objection to the consideration of the resolution.

A day or two ago I submitted Senate Resolution 268, asking for certain information from the Federal Home Loan Bank Board and the Home Owners' Loan Corporation. I ask unanimous consent to have the unfinished business temporarily laid aside in order that the resolution may be considered

The PRESIDING OFFICER. Is there objection to laying aside the unfinished business temporarily? The Chair hears none. Is there objection to the present consideration of the

There being no objection, the Senate proceeded to consider the resolution (S. Res. 268) calling on the Federal Home Loan Bank Board for certain information concerning regional offices and employees.

Mr. McKELLAR. I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, line 1, after the word "Board", it is proposed to insert "and Home Owners' Loan Corporation."

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

The amendment was agreed to.

The resolution as amended was agreed to, as follows:

Whereas the question of regional offices established by the Federal home-loan bank, in addition to State offices, is a question to be dealt with by the Congress; and

Whereas it is desired by the Senate to have information concerning such regional offices for the purpose of proposed legislation:

Therefore be it

Resolved, That the Federal Home Loan Bank Board and Home
Owners' Loan Corporation furnish to the Senate, at the earliest
practicable moment, the number and location of regional offices,
the number of persons employed in each, the names of the various the number of persons employed in each, the names of the various officials and employees of such offices, the legal residence of each such official and employee at the date of their first employment by the Corporation, the date of such first employment, the salary of each such official and employee, the general duties of such regional offices, and for what reasons, if any, regional offices were established in States where there are State offices or district offices; and the total monthly pay-roll expense, for the last available month, of State and regional offices in each State in which such regional offices are located; also the total pay-roll expense of the home office in Washington, by months, from January 1, 1935, to January 31, 1936, inclusive.

The preamble was agreed to.

NORTHERN MONTANA AGRICULTURAL AND MANUAL TRAINING SCHOOL

Mr. MURRAY. Mr. President, I ask unanimous consent to revert to Senate bill 1871, Calendar No. 1755, granting certain public lands to the State of Montana for the use and benefit of the Northern Montana Agricultural and Manual Training School. The bill was introduced by my colleague the senior Senator from Montana [Mr. WHEELER].

The purpose of the bill is to provide a grant of lands to the Northern Montana Agricultural and Manual Training School. An amendment was presented in the Committee on Public Lands and Surveys which provides-

That the withdrawal of lands for purposes of classification or the inclusion of lands within a grazing district, as provided by the act approved June 28, 1934, shall not be considered to be a reservation for the purposes of this act.

The purpose of the bill is to overcome the fact that all of these lands had been temporarily withdrawn in connection with the passage of the Grazing Act. All the other colleges in the State of Montana have had grants of this character. This is the only college in the State that is without such a grant. The land is all practically worthless; all of the good lands have already been granted. I do not understand why The PRESIDING OFFICER. That completes the calendar. there should be any objection to the consideration of the bill. The PRESIDING OFFICER. The Senator from Montana asks unanimous consent to return to Calendar No. 1755, being Senate bill 1871.

Mr. VANDENBERG. Mr. President, I ask the Senator from Montana to explain why the Department of the Interior is opposed to the bill.

Mr. MURRAY. I do not understand that the Department of the Interior is opposed to it. Here is the statement made:

It has not been the policy of this Department to recommend further grants of lands to the States for specific purposes, except in the case of some special and urgent reason for such a grant.

The urgent reason is that this is the only college in the State that has not had a similar grant. The land, as I have said, is practically worthless, and it is doing the Federal Government a favor to allow it to turn the land over to the State

Mr. VANDENBERG. Is what the Senator has read the extent of the Department's opinion?

Mr. MURRAY. That is the important part of it.

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

There being no objection, the Senate proceeded to consider the bill (S. 1871) granting certain public lands to the State of Montana for the use and benefit of the Northern Montana Agricultural and Manual Training School, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 8, after the word "School", to insert: "Provided, That the withdrawal of lands for purposes of classification or the inclusion of lands within a grazing district, as provided by the act approved June 28, 1934 (48 Stat. 1269), shall not be considered to be a reservation for the purposes of this act", so as to make the bill read:

Be it enacted, etc., That there are hereby granted and confirmed to the State of Montana 500,000 acres of surveyed, nonmineral, unappropriated, and unreserved public lands of the United States in the State of Montana for the use and benefit of the Northern Montana Agricultural and Manual Training School: Provided, That the withdrawal of lands for purposes of classification or the inclusion of lands within a grazing district, as provided by the act approved June 28, 1934 (48 Stat. 1269), shall not be considered to be a reservation for the nurroess of this set

That the withdrawal of lands for purposes of classification or the inclusion of lands within a grazing district, as provided by the act approved June 28, 1934 (48 Stat. 1269), shall not be considered to be a reservation for the purposes of this act.

SEC. 2. Such lands shall be in addition to the land granted to the State of Montana under the provisions of the act entitled "An act to provide for the division of Dakota into two States and to enable the people of North Dakota, South Dakota, Montana, and Washington to form constitutions and State governments and to be admitted into the Union on an equal footing with the original States, and to make donations of public lands to such States", approved February 22, 1889, as amended, and the grant of such lands shall be subject to the same terms and conditions as are imposed upon the grants made by such act of February 22, 1889, as amended, so far as is consistent with the provisions of this act.

The amendment was agreed to.

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

TERMS OF DISTRICT COURT, MIDDLE DISTRICT OF PENNSYLVANIA

Mr. ASHURST. Mr. President, pursuant to the notice I gave while the calendar was being called, with the distinct understanding that my motion, if agreed to, will not do more than temporarily suspend or displace the unfinished business, I move that the Senate proceed to the consideration of Order of Business No. 1795, being the bill (H. R. 11098) to provide for terms of the United States District Court for the Middle District of Pennsylvania to be held at Wilkes-Barre, Pa.

Mr. McNARY. Mr. President, may I invite the attention of the Senator from Arizona to the fact that, if his motion should prevail it would have the parliamentary effect of displacing the unfinished business, which I am sure the Senator does not want to do.

Mr. ASHURST. The Senator is correct.

Mr. McNARY. If the Senator desires to have his proposal considered, it would be necessary first to ask unanimous consent temporarily to lay aside the unfinished business and proceed to the consideration of the bill in which he is interested. I doubt if the Senator could obtain such consent in view of the attitude earlier in the day of the distinguished Senator from New York. From that predicament, I do not know how the Senator is going to extricate himself.

Mr. ASHURST. Mr. President, I move that the Senate proceed to consider House bill 11098 as a special order.

The PRESIDING OFFICER. The Chair will state to the Senator from Arizona that even the motion as he now puts it, to proceed to the consideration of the bill indicated by him as a special order, would have the effect of displacing the unfinished business.

Mr. ASHURST. Then, with the distinct understanding that it will not displace the unfinished business for longer than this day, I move that the Senate proceed to the consideration of the bill named by me.

The PRESIDING OFFICER. The Chair will state that he is unable to put the motion, except as a request for unanimous consent, with the proviso attached to it by the Senator from Arizona.

Mr. ASHURST. I do not believe that I can procure unanimous consent. That is my judgment.

Mr. President, I will state the reason why I make the motion. Law and order broke down in Los Angeles, Calif. Law and order have now to some extent been restored in Los Angeles. Law and order have broken down in New York City. There are eight judges in the southern district of that State. Each judge last year tried and disposed of an average of 772 cases. The docket is 22 months in arrears in the trial of actions at law; 23 months in arrears in the trial of suits in equity; and 27 months in arrears in the trial of admiralty suits. The intervals are computed not from the date of filing the suits but from the date of joining the issue.

The judicial conference recommended two additional district judges for the southern district of New York.

The Judiciary Committee last year agreed to the bill, and the bill was passed by the Senate. A bill has now come from the House to provide for the terms of the district court in the middle district of Pennsylvania. The Judiciary Committee authorized its chairman to move as an amendment to that bill the bill which passed the Senate last August. If the United States Senate believes that a condition which denies justice, for justice long delayed is justice denied, should be allowed to continue because, forsooth, one of the most powerful political organizations of America is opposed to the creation of any more judges, peace be with you.

I now insist on my motion—and I shall later ask for unanimous consent, if I am so driven—that the Senate proceed to the consideration of the House bill. Let the roll be called and let us see who stands for law and order and who stands for a political organization which says, "You shall have no law and order." Mr. President, have I spoken plainly? If not, I can use more direct English, if necessary. [Laughter.]

Mr. COPELAND. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from New York?

Mr. ASHURST. I always yield to my able friend the Senator from New York. He has been frank; that virtue has characterized him always; he has never deceived me, and in his long career I do not think he has ever deceived any man. He is opposing this bill. I yield to him my tribute of respect, because he is opposing it on grounds that seem to him sufficient. I simply do not agree with him, and I wish the Senate to meet this test without avoidance, without shirking. The man who meets a test squarely is secure from my prejudice; the man who dodges a test has no respect anywhere. Now I ask that my motion be put, unless the Senator from New York desires to interrupt me.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arizona that the Senate proceed to the consideration of House bill 11098.

Mr. McNARY. Mr. President, I thought the Senator said it was not his purpose to displace the unfinished business.

Mr. ASHURST. I do not intend to do so. I now call as a witness the Senator in charge of the unfinished business to confirm my statement that the unfinished business will not be considered until next Monday. It is well known that I do not intend to displace the unfinished business. I should prefer to have the measure providing the two additional for

New York defeated rather than that the unfinished business should be delayed for 1 hour. But let not this mere fiction of displacing the unfinished business deny justice to millions of people. Let no mere fiction as to displacing the unfinished business, when everybody knows it will not be considered until Monday, be the screen behind which the Senate will stand to avoid a test on what is a hot question. [Laughter.]

Mr. McNARY obtained the floor.

Mr. COPELAND. Mr. President-

The PRESIDING OFFICER. The Senator from Oregon [Mr. McNary] has been recognized.

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

Mr. McNARY. I simply wish to inquire whether the Senator from Arizona persists in his motion to displace the unfinished business?

Mr. ASHURST. Yes, Mr. President; with all due respect, all I want is a test. I want a vote, and if it is required of me I shall move to substitute as the unfinished business the bill I have indicated, and then I will move to replace the unfinished business just as soon as this day's work shall have been ended.

Mr. NORRIS. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Nebraska?

Mr. McNARY. I yield. Mr. NORRIS. The motion of the Senator from Arizona, as I see it, will not bring a test such as he has outlined to those who are opposed to law and order, and one thing and another. The unfinished business is a bill which the Committee on Agriculture and Forestry has reported pertaining to public stock markets in the United States. As between that bill and the bill the Senator wants considered, it may be that many Senators favor them both.

Mr. ASHURST. That is true.

Mr. NORRIS. But the Senate cannot consider them both at once; and under our parliamentary rules, if the Senator's motion should prevail, then the unfinished business, the other bill, would be out in the air. It could be taken up again, of course, but it would have to go through a certain formality.

Mr. ASHURST. As usual, the Senator from Nebraska is correct. While I doubt the propriety of such a procedure, I will ask the senior Senator from Kansas, who is in charge of the unfinished business, if he intends to have the unfinished business considered until Monday, if the Senator from Kanas will be so courteous as to reply to that question?

Mr. CAPPER. Mr. President, two or three Senators are absent from the city at this time who have asked that the unfinished business be not brought to a vote until Monday. There is no objection, of course, to a discussion of the unfinished business.

Mr. ASHURST. But the Senator has no intention to have the unfinished business seriously considered until Monday?

Mr. CAPPER. I can promise not to ask that, so far as

I have anything to do with it.

Mr. ASHURST. The Senator's promise is as good as his bond. His promise to his colleague is that the bill will not be considered until Monday. So another fiction has fallen and been shattered. Let us not try now to say that the unfinished business is going to be interrupted by the consideration of the bill to which I have referred. I am opposed to the unfinished business: I shall not vote for it; but I shall move, as soon as the New York judgeship bill shall have been disposed of, to resume the consideration of the unfinished business. I give a pledge that, while I am very much opposed to the unfinished business, I shall not use 3 minutes in arguing against it. Now, I call for a vote on my motion to proceed to the consideration of House bill 11098.

Mr. COPELAND. Mr. President, I should like to ask the Senator from Arizona, who is very well informed regarding Federal judges, whether there is now a vacancy on the bench in New York City?

Mr. ASHURST. Does the Senator mean the district bench?

Mr. COPELAND. Yes.

Mr. ASHURST. Really I do not know. There are eight judges in the southern district of New York, and those eight judges in the last calendar year each tried and dis-

posed of 772 cases. As to a vacancy, I do not know.

Mr. COPELAND. Let us test the matter. The Senator does not know whether there is or is not a vacancy.

Mr. ASHURST. A vacancy to be filled?

Mr. COPELAND. Yes.

Mr. ASHURST. Frankly, I do not know.

Mr. COPELAND. There is a vacancy which has been there a long time. It is a great pity that law and justice have broken down in New York, when the situation could be saved if we had judges. Why has not the vacancy been filled? Why not fill the vacancy?

Mr. ASHURST. The Senator is too able to fail to know that we have no appointing power and that judges are appointed upon the recommendations of Senators. Have the Senators from New York made the recommendation?

Mr. COPELAND. Upon the recommendation of a Senator?

Mr. ASHURST. Yes; the judges are appointed upon the recommendation of Senators.

Mr. COPELAND. Why, Mr. President!

Mr. ASHURST. My able friend is not going to set up a screen and say these judges are appointed without our recommendation. We know they are appointed upon the recommendation of Senators. Has the Senator made his recommendation for the filling of the vacancy?

Mr. COPELAND. Does the Senator mean that individual Senators make recommendations?

Mr. ASHURST. Mr. President, I cannot accuse the Senator of being disingenuous. He is too frank, too manly, and too lovable a man, but he would be disingenuous, which is the last quality he wishes to assume, to pretend that Senators do not make recommendations as to the appointment of Federal judges. A great deal of the trouble arises because our recommendations are not respected by the executive arm of the Government.

If I were the President, I would appoint judges upon the recommendation of the Senators from New York. I have read—and not one Senator has read more often than I the life of Roscoe Conkling and the life of David B. Hill. I am familiar with the works of Elihu Root, James A. O'Gorman, and James W. Wadsworth. But the Empire State of New York, with those learned men in the United States Senate, was never better represented than she is now when ROYAL COPELAND and "BOB" WAGNER sit in the Senate.

I regret that the performance of my duty requires me even for a moment to embarrass them, but if they are embarrassed because the chairman of the Senate Committee on the Judiciary proceeds with his duty, I am not to blame. Let us not be embarrassed too much in this life. The able Senator from Tennessee [Mr. McKellar] one morning about a year ago said something that I have remembered, and I shall never forget. He said, "Do not try to come to the Senate unless you are a fighter. If you are not a fighter, do not attempt to come to the United States Senate."

I am only making this fight because I am profoundly convinced of the propriety of that which the judiciary of New York three times has requested, to wit, the appointment of additional judges. The Senate of the United States last August considered and passed a bill providing for their appointment. Now the necessity is equally as great. I do not retreat because of any objection that may come from very capable men politically.

Senators, I am proud of the Senate. Do not forget when you enter the door to this Chamber that you have walked into the greatest body in the world. Here we can talk all the time or at any time upon any subject we please without individual hesitation, and sometimes we talk without reflection. It is the greatest office to which an American may aspire. We may talk about the executive and judicial branches of the

Government. These seats, Senators, are the seats of learning. | fer larger powers to the Federal courts was that the under-This is the forum where liberty is perpetuated. This is the place where justice is done.

We criticize the courts, and I have been a critic in my time. Let us be certain first before we become too vociferous in our criticism of courts and Presidents, that we are doing our own duty. To refuse and fail to pass this bill granting needed aid to the judicial arm of the Government would be a failure on the part of the Senate to do its duty.

I may not be parliamentarily correct. When I have had to enlist myself against trained parliamentarians possibly I have erred, but I am not going to believe that a mere parliamentary technicality will keep the Senate from doing what it knows ought to be done. I ask for a vote upon my motion.

Mr. COPELAND. Mr. President, I am delighted to have been interrupted by the Senator from Arizona. I am always happy to hear him. However, I return to my question. There has been a vacancy in the southern district of New York for about a year. If law and justice are breaking down in New York—and I had not known that it had until today; indeed, I thought we were really quite orderly.

Mr. ASHURST. Mr. President, will the Senator yield further right at that point?

Mr. COPELAND. I yield. Mr. ASHURST. Before this debate proceeds further, duty and courtesy require me to say that I followed the lead of the Senator from New York [Mr. COPELAND] and the Senator from Michigan [Mr. VANDENBERG]. They were the ones who, among all the Senators, first saw that law and order were breaking down. They were the ones who introduced the bills called the anticrime bills.

It was the magnificent leadership of the Senator from New York and his speeches, not only in this forum but in others, in which he reiterated that law and order were breaking down in our country, which convinced me. Because of his leadership we have today anticrime statutes which the Government is using in pursuing and convicting and imprisoning wild and reckless men who pay no attention to public laws. If I have said that law and order were breaking down in various parts of our country, I have but followed the lead and cribbed the speeches of the splendid Senator from New York.

Mr. COPELAND. Mr. President, have I still the floor? The PRESIDING OFFICER. The Senator from New York still has the floor.

Mr. COPELAND. Mr. President, it is true the Senator from Michigan [Mr. VANDENBERG] and I have called attention of the country repeatedly, together with our colleague, the Senator from Iowa [Mr. MURPHY]-

Mr. ASHURST. I hope I may be indulged another interruption to say that I beg the pardon of the Senator from Iowa. He should have been included as a member of the illustrious trio which led the fight for law and order. It was not the chairman of the Judiciary Committee who led that fight. I was but a wayworn and heavy-paced traveler. I wish to include in that worthy trio the junior Senator from Iowa [Mr. MURPHY].

Mr. COPELAND. Mr. President, when we made our speeches around the country we were not talking about the Federal courts. Law and order have broken down in certain sections. There are large communities in the country under the domination of the underworld. In those communities law and order have broken down, but not so far as the Federal Government is concerned. No man who knows the facts would say that there has been any failure on the part of the Federal Government to do its duty. If we were talking today about police courts or magistrate courts, courts having to do immediately with the underworld, I would say of almost every community in America that law and order have disappeared. No matter how carefully the police may make the fight, no matter how well the facts may be presented, the failure of magistrates and judges in the lower courts is preventing the proper administration of law and order in the United States of America.

There is no trouble with the Federal courts. One reason why, in the work of our crime committee, we sought to trans-

world fears the Federal courts. Those in the underworld do not want Uncle Sam to pursue them. They do not want to be in the clutches of the Federal Government.

So, when the Senafor from Arizona said that law and order had broken down in New York or Chicago or any other community of the country because of the failure of Federal judges to do their duty, he demonstrated that he is not well informed.

Mr. President, as regards New York, there has been a vacancy there which might have been filled by appointment at any time from the time we were in session last summer up to this moment. If law and order suffer in New York, why has not that vacancy been filled? We have been hearing about fictions this morning-legal fictions, social fictions, legislative fictions. There is no break-down in law and order so far as the Federal courts are concerned in the southern district of New York.

Mr. President, the Senator has spoken about something else. He has spoken about the recommendations of Senators being conclusive or influential.

Mr. WALSH. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Massachusetts?

Mr. COPELAND. I do.

Mr. WALSH. Would the Senator be willing to tell the Senate why the vacancy has not been filled for a period of

Mr. COPELAND. I think perhaps I should say that we have just enough candidates so that we ought to have three places, and to make one appointment would break the

Mr. WALSH. So the Senator implies that the purpose of this proposed legislation is to make jobs for three persons? Mr. COPELAND. It is to make enough in the group so

that all of them may be taken care of.

Mr. WALSH. That is a rather serious charge. Mr. NORRIS. Mr. President-

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

Mr. COPELAND. I yield.

Mr. NORRIS. How many new judges are provided for in this bill?

Mr. COPELAND. Two in this bill, and we have one vacancy.

Mr. NORRIS. Does the Senator mean to say that it is necessary to take care of only two men?

Mr. COPELAND. No; three men.

Mr. NORRIS. Cannot more candidates than that be found in New York?

Mr. COPELAND. We have to take care of three men.

Mr. NORRIS. Will three positions be enough?

Mr. COPELAND. No; three are not enough to take care of all those who want the jobs.

Mr. NORRIS. Then provision for more ought to be put in the bill. [Laughter.]

Mr. COPELAND. But if we could have three jobs, we would just about balance things, so that everything would be all right.

Mr. President, there is no man in the Senate who is less interested in politics, pure and simple, than am I; but we have had long and many discussions here about the Federal judges. I opposed the increase of Federal judges in the southern district of New York back in the time when former Senator Wadsworth was my colleague, and figures were brought here to indicate that there was no necessity for any more. I was prevailed upon by somebody-I have no idea now who it was-to introduce the bill which passed last year providing for two additional judges. But since discovering that through a year's time those in authority have not seen fit to fill the vacancy and do away with 331/3 percent of the break-down of law and order, I have become weakened in my belief that we need any more judges.

Mr. President, this is a matter of very little concern to me personally. I am not a member of the legal profession. I have no occasion to consult Federal judges. So far, I have been able to keep out of their grasp; but so far as I can see there is no pressing need at the moment for the expenditure of \$20,000 a year, beginning now and going on forever, for two additional judges at \$10,000 each.

If the present judgeship vacancy had been filled, and there still existed an apparent need for more judges, there would be some sense in the proposition; but, as it is, why not fill the one place and see how well we get along?

Mr. ASHURST. Mr. President, will the Senator yield? Mr. COPELAND. I yield to the Senator from Arizona.

Mr. ASHURST. In the first place, I do not know why the vacancy has not been filled. I have dispatched a young man to telephone the executive branch and ask the reason.

I remember an occasion in New York when a great explosion occurred, and glass was flying everywhere. The pieces of glass were 6 inches or more long. They flew around as poniards and pierced the eyes of people; and the able Senator from New York left his place of business and went out and served bleeding and crushed humanity; but he could not properly take care of more than two or three cases at one time

Applying the same test, refusing help to a judge who disposes of 772 cases each year would be like saying to my able friend the Senator from New York, "Take care of more cases of injury than you can possibly care for. We will not give you help. You shall not have nurses; you shall not have the media by which you can efficiently do your work."

I say, and the record is unchallenged, that the eight judges in the southern district of New York—in some instances they call in a judge from the outside—between July 1, 1934, and July 1, 1935, disposed of 6,175 cases, an average of 772 cases each a year. It was suggested that their vacations were too long, whereupon I caused an investigation to be made and found that their vacations were not one-tenth as long as the vacations which Senators of the United States take each year, on full salary—and I do not complain of that; I hope the vacations will continue. So I found that we cannot say that the judges are not working properly. Their vacations are short. Moreover, the bankruptcy law which we passed, and I think properly passed, has thrown each year 1,500 more cases on these judges.

I am no great apologist for Federal judges. I believe in the Federal judiciary. They have no way of enforcing their opinions and decisions save the force of public opinion. They have no army, no navy, no treasury, no patronage. There was one beautiful thing about the old regime of England during feudal times, in the days of the harsh laws of the knights—noblesse oblige. Lofty station, noble birth, and great privilege required high-minded men to act with scrupulous fairness on all occasions.

Is it noblesse oblige, is it knightly, is it chivalrous to compel these judges to work harder than we work, far harder than we work, when their vacation is only one-fifth of our vacations, and say, "You shall not have the media, you shall not have the instrumentalities necessary to carry on your great work"? They are a coordinate part of the Government. Noblesse oblige, courtesy, no less statesmanship, require the Senate, when a necessity appears, to grant proper help to the judges and provide extra judges when they are necessary.

I ask the Senator, will he not say that disposing of 772 cases a year is good, solid work for any court?

Mr. COPELAND. Mr. President, I do not know whether that is much work or not sufficient work; but I am here to say that my observation is that no Federal judge that I know works as much in 1 month as I do in 3 days.

Mr. ASHURST. Very well. The Senator from New York is an exception; and I can bear testimony to the fact that he employed at one time eight additional secretaries or clerks at his own expense. I happen to know that fact, because I led the fight to provide an additional clerk for each Senator. I happen to know that the Senator from New York is an industrious, hard-working Senator; but I am sure that, hard as he is driven, he is not driven with any greater intensity than are the judges now sitting in the southern district of New York or than the Federal judges

in Los Angeles were driven before the two additional judges were provided for that district.

Mr. COPELAND. Mr. President, I should like now to resume the floor in my own right. I am in a yielding mood, and, of course, I yield to the Senator from Arizona whenever he wishes to speak.

Referring to the matter in general, I have the conviction that about the nicest, easiest job a man may have is to be a Federal judge. I observe that judges are sent into New York in the summertime from other districts. They come from southern districts, where it is hot. They come up because the atmosphere of New York is rather enjoyable in the summer. Then our own judges go up in the mountains, or go to Europe. Mr. President, without speaking from professional knowledge, I venture to say that we could reduce the number of Federal judges in this country by 25 percent, and law and order would not break down.

It is a notorious fact that one cannot have the ear of a judge until 10 o'clock in the morning. He is all through his arduous duties by 3 or 4 o'clock in the afternoon. I never in my life had any job that I could finish within those hours. If it were a fact that Federal judges were taking home with them packages of papers and burning the midnight oil to inform themselves regarding the precedents and the decisions in order to determine what they ought to do in the various cases presented to them, we should say, "Well, you ought to have some help." But when anyone says that law and order in this country are breaking down because of the lack of Federal judges, "it is to laugh"; it is an absurdity; it is not in accordance with the observation of any man who looks into the matter at all.

If we were now to adopt a motion to take away two Federal judges from the southern district of New York, in my judgment, it would be a wise motion. We have had a vacancy, as I have said several times, for a year. If these judges are so overworked and interfered with in their trips to Europe and in their trips to the mountains, let us fill that vacancy and provide them a little more leisure. I cannot see a particle of statesmanship in the proposal to add now to the one vacancy which exists two more judgeships so that three judges could be appointed.

I am not interested personally; it makes no difference to me. The political aspects mean nothing. I would not have anything to say about the appointment of one of them anyway, but if I felt the judges were needed, that would not make any difference. I am not concerning myself with the political aspects of this job or that; I am trying here to serve, in the first place, the people of my State, and so far as I can to serve the people of the United States, to do those things which I can in my feeble way to help my Government. I do not care who the persons may be who recommend the appointments; I am not concerned as to that; but I know there is a place which should have been filled, and which has not been filled. And why is it not filled? If that does not give it the taint of politics I do not know anything about politics from observation. Yet before we can fill one vacancy, which has existed for a year, there must be two more vacancies in order that the balance may be maintained.

Mr. President, the Senate may do as it pleases, of course, but so far as I am concerned, I am not in favor of adding any more judgeships until the vacancies which now exist shall have been filled.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona [Mr. Ashurst] that the Senate proceed to the consideration of House bill 11098, to provide for terms of the United States District Court for the Middle District of Pennsylvania to be held at Wilkes-Barre, Pa.

Mr. ASHURST. I ask for the yeas and nays.

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

Mr. BULKLEY (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. Carey], who is necessarily absent from the Senate. Not knowing how he would vote, I transfer my pair to the junior Senator from Massachusetts [Mr. Coolinge] and vote "yea."

Mr. ASHURST (when Mr. Neely's name was called). I am authorized to announce that the Senator from West Virginia [Mr. Neely] is unavoidably absent. If present, he would vote "yea."

The roll call was concluded.

Mr. BILBO. I have a pair with the Senator from Iowa [Mr. Dickinson], which I transfer to the Senator from Alabama [Mr. Bankhead] and vote "nay." I am not advised as to how the Senator from Iowa or the Senator from Alabama would vote if present.

Mr. LEWIS. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Rhode Island [Mr. Gerry], the Senator from California [Mr. McAdoo], and the Senator from Florida [Mr. Trammell] are detained from the Senate on account of illness.

The Senator from North Carolina [Mr. Balley], the Senator from Washington [Mr. Bone], the Senator from Virginia [Mr. Byrd], the Senator from Arkansas [Mrs. Caraway], the Senator from Texas [Mr. Connally], the Senator from Oklahoma [Mr. Gore], the Senator from Maryland [Mr. Tydings], the Senator from Arizona [Mr. Hayden], the Senator from Louisiana [Mrs. Long], the Senator from Georgia [Mr. Russell], the Senator from Utah [Mr. Thomas], and the Senator from Montana [Mr. Wheeler] are detained in important committee meetings.

The Senator from Minnesota [Mr. Benson], the Senator from Massachusetts [Mr. Coolidge], the Senator from Colorado [Mr. Costigan], the Senator from Connecticut [Mr. Maloney], the Senator from Illinois [Mr. Dieterich], the Senator from Virginia [Mr. Glass], the Senator from Nevada [Mr. McCarran], the Senator from West Virginia [Mr. Holt], the Senator from New Jersey [Mr. Moore], the Senator from South Carolina [Mr. Smith], and the Senator from Oklahoma [Mr. Thomas] are unavoidably detained.

The Senator from North Carolina [Mr. Reynolds] is detained on official business at the Department of Labor, doing some research work in connection with the Reynolds-Starnes bill.

Mr. SHIPSTEAD. I have a pair with the senior Senator from Virginia [Mr. GLASS], who is absent. I transfer that pair to the junior Senator from Minnesota [Mr. Benson] and vote "nay."

Mr. METCALF (after having voted in the negative). I have a general pair with the senior Senator from Maryland [Mr. Tydings]. I understand that Senator has not voted, so I withdraw my vote, not knowing how he would vote.

Mr. McKELLAR. I have a pair with the junior Senator from Delaware [Mr. Townsend], which I transfer to the junior Senator from Illinois [Mr. Dieterich], and vote "yea."

Mr. BARKLEY. I have a pair with the senior Senator from Delaware [Mr. Hastings], who is absent. I transfer that pair to the junior Senator from New Jersey [Mr. Moore], and vote "yea."

The result was announced—yeas 36, nays 25, as follows:

	7	TEAS-36	
Ashurst Austin Bachman Barkley Black Brown Bulkley Burke Byrnes	Chavez Clark Couzens Davis Fletcher George Guffey Harrison Hatch	King Lewis Logan Lonergan McGill McKellar Minton Murphy Murray	O'Mahoney Pittman Pope Radcliffe Robinson Schwellenbach Sheppard Truman Van Nuys
	1	NAYS-25	
Adams Donahey Barbour Duffy Bilbo Frazier Borah Gibson Bulow Hale Capper Johnson Copeland Keyes		La Follette McNary Norris Nye Overton Shipstead Stelwer	Vandenberg Wagner Walsh White
	NOT	VOTING-35	
Bailey Bankhead Benson Bone Byrd Caraway Carey Connally Coollidge	Costigan Dickinson Dieterich Gerry Glass Gore Hastings Hayden Holt	Long McAdoo McCarran Maloney Metcalf Moore Neely Norbeck Revnolds	Russell Smith Thomas, Okla, Thomas, Utah Townsend Trammell Tydings Wheeler

So Mr. Ashurst's motion was agreed to; and the Senate proceeded to consider the bill (H. R. 11098) to provide for terms of the United States District Court for the Middle District of Pennsylvania to be held at Wilkes-Barre, Pa., which had been reported from the Committee on the Judiciary with an amendment to add a section at the end of the bill, so as to make the bill read:

Be it enacted, etc., That terms of the United States District Court for the Middle District of Pennsylvania shall be held at Wilkes-Barre, Pa., on the second Monday of April and second Monday of September of each year: Provided, however, That all writs, precepts, and processes shall be returnable to the terms at Scranton and all court papers shall be kept in the clerk's office at Scranton unless otherwise specially ordered by the court, and the terms at Scranton shall not be terminated or affected by the terms herein provided for at Wilkes-Barre: Provided further, That this authority shall continue only during such time as suitable accommodations for holding court at Wilkes-Barre are furnished free of expense to the United States.

SEC. 2. That the President of the United States be, and he

SEC. 2. That the President of the United States be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, two additional judges of the District Court of the United States for the Southern District of New York.

#### INSPECTION AND ALLEGED SEIZURE OF TELEGRAMS, ETC.

Mr. STEIWER. Mr. President, I desire for a few minutes to present another question to the Senate. In response to Senate Resolution No. 245 the Federal Communications Commission some days ago made its report in writing, and in its report set forth certain transactions which have been had in connection with the taking of telegraphic messages from certain telegraph companies. There seems to be some misunderstanding concerning the purport and effect of this response. Certainly there is more than one interpretation which may be placed upon it. There are those who believe that the report in its effect is a general and sweeping acquittal of all those concerned; that it tends to or actually does exonerate all concerned from the charges which have been made against them.

In view of this apparent interpretation of the report, I desire to call attention very briefly to three or four of the facts which are stated in the report.

In the first place, on page 3 we find reference to an agreement between the Communications Commission and the Senate committee, or the agents of the committee. I read at that point only one sentence, as follows:

In order to secure information with the least possible disruption of the business of the telegraph companies it was agreed that the separate studies of the Commission and of the committee, to be made in Washington, should be coordinated.

I make no point of this particular part of the response except to call attention to the fact that the report does disclose that an agreement was entered into. It is then further stated as follows:

The Commission formally authorized this procedure in the following minute entry of September 26, 1935, which has been a matter of public record from the date on which the action was taken.

And there is set out the entry referred to, and I should also like to read that entry. It is as follows:

The Commission authorized Commissioner Stewart to detail a member of the Commission's staff to work with examiners from Senator Black's investigating committee in an examination of the messages and records in the Washington offices of the telegraph companies, relating to lobbying activities which are being investigated by the Senate committee, the records and messages to be made available in the name of the Federal Communications Commission.

I make no comment upon that entry, Mr. President, except to say that it evidently was made in furtherance of the agreement and in order to effectuate the understanding that had been had. The significant fact about the entry is the indication, clearly there recited, that the records and messages which were to be obtained by the agents of the Commission were to be made available in the name of the Commission, and I take it that phrase "to be made available" means that such messages were to be made available to the Senate's investigating committee.

The third recital to which I would call attention is the statement on the same page to the effect that the investigators of the committee and the agents of the Commission—I now quote again:

entered the Washington offices of the telegraph companies at the same time.

Thus we find reference to the agreement to the entry made in order to effectuate the agreement establishing the fact that the Commission was undertaking to obtain telegrams in its own right and then to turn them over to the committee and we find also that the agents of the two bodies were proceeding at the same time in quest of the various messages which were in controversy.

It has been said in effect that it was a mere coincidence that the two investigations went on simultaneously. A rare coincidence! But this report indicates that there was not even the first hint of coincidence, because these two groups of investigators, by the authority of those by whom they were employed and under an agreement in pursuance of the entry made in the records of the Federal Communications Commission went together to the office of the telegraph companies. And on page 4 we find further significant language.

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

Mr. JOHNSON. May I call to the Senator's attention the sentence immediately following that which he read:

There, messages were called for by the Commission's employees, who inspected them for irregularities under the Communications

I call that to the Senator's attention because it is rather a singular statement in view of what has gone before.

Mr. STEIWER. That is true, Mr. President. I thank the Senator from California for reminding me of that sentence. I had not read it, because to my mind it is or may be a little equivocal, and I did not know what interpretation to place upon it.

Now let me read from the language that I have in mind on page 4, this paragraph:

After the Commission's employees had completed their inspection, the telegrams were examined by the Senate committee investigators pursuant to the Senate committee's subpenas. The Senate committee investigators desired for the use of the Senate committee copies of certain telegrams, the originals of which were covered by their subpenas. At the request of the Commission's employees, copies of these telegrams, covered by the Senate committee's subpenas, were made by the telegraph companies, and the copies so made were turned over to the Senate committee's investigators by the Commission's employees.

The significance of that recital, as I understand the recital, is that, although there were subpenas issued, no messages were turned over to the Senate committee under the order of the subpenas. I concede that this statement may be erroneous. It may be contrary to the understanding of our own committee. I have no knowledge of the facts outside of this report, but, basing my understanding upon the report itself, I am justified in the statement made, namely, that the messages demanded by the subpenas were not produced in accordance with the order of the subpenas.

Everyone knows that a subpena duces tecum requires, first, the appearance of a witness; and, second, that the witness produce and bring to court such documents or exhibits as may be contemplated by those who have issued the subpena. Apparently, this procedure was not followed. No employee of the telegraph companies, in response to the subpena, appeared before the committee. No employee of the telegraph companies, in response to a subpena, brought to the committee messages, the production of which were commanded by the subpena.

In lieu of that regular and normal procedure, if we may rely upon the report of our Federal Communications Commission, the thing that was substituted was, in brief, this: That the Communications Commission, carrying out the desire of the Senate investigators, requested employees of the telegraph companies to abstract or copy certain information. I do not know whether the telegrams were copied in whole or in part; nor do I believe that to be a matter of importance. But they extracted certain information from the face of the telegrams, the production of which had been

demanded by the subpena; and after they had obtained that information, after the telegraph company, through its agents, had divulged that information, the agents of the Communications Commission took that information into their possession and then, pursuant, I presume, to agreement and to the entry that had been made by the Commission in its minutes on September 26, 1935, they turned the information over to the employees of the Senate committee.

I make no further comment upon that phase of the matter, Mr. President. I have no desire to draw deductions from the facts stated in this report further than I have already done in this brief statement to the Senate. I have no desire to make any unpleasant characterization of any agent or employee of either group that is involved in this controversy. It is my desire that the facts shall speak for themselves. If, however, there are Senators who feel that this report discloses something other than a normal, orderly, good-faith compliance with the subpena, they will find considerable interest in the provisions of the law which governs the disclosure of information by the agents of the telegraph companies. In section 605—and this section is from the act of June 19, 1934—we find the prohibition against divulging the contents of messages. I will read a portion of the section:

No person receiving or assisting in receiving, or transmitting, or assisting in transmitting, any interstate or foreign communication by wire or radio shall divulge or publish the existence, contents, substance, purport, effect, or meaning thereof, except through authorized channels of transmission or reception, to any person other than the addressee, his agent, or attorney, or to a person employed or authorized to forward such communication to its destination, or to proper accounting or distributing officers of the various communicating centers over which the communication may be passed, or to the master of a ship under whom he is serving, or in response to a subpena issued by a court of competent jurisdiction, or on demand of other lawful authority.

I will ask that the remainder of the section be included in my remarks at this point, but I will not read it.

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

The remainder of the section is as follows:

And no person not being authorized by the sender shall intercept any communication and divulge or publish the existence, contents, substance, purport, effect, or meaning of such intercepted communication to any person; and no person not being entitled thereto shall receive or assist in receiving any interstate or foreign communication by wire or radio and use the same or any information therein contained for his own benefit or for the benefit of another not entitled thereto; and no person having received such intercepted communication or having become acquainted with the contents, substance, purport, effect, or meaning of the same or any part thereof, knowing that such information was so obtained, shall divulge or publish the existence, contents, substance, purport, effect, or meaning of the same or any part thereof, or use the same or any information therein contained for his own benefit or for the benefit of another not entitled thereto: Provided, That this section shall not apply to the receiving, divulging, publishing, or utilizing the contents of any radio communication broadcast, or transmitted by amateurs or others for the use of the general public, or relating to ships in distress.

Mr. STEIWER. For violation of the section just read an appropriate penalty is provided in section 501. That section is short and I will read it:

SEC. 501. Any person who willfully and knowingly does or causes or suffers to be done any act, matter, or thing, in this act prohibited or declared to be unlawful, or who willfully and knowingly omits or fails to do any act, matter, or thing in this act required to be done, or willfully or knowingly causes or suffers such omission or failure, shall, upon conviction thereof, be punished for such offense, for which penalty (other than a forfeiture) is provided herein, by a fine of not more than \$10,000 or by imprisonment for a term of not more than 2 years, or both.

I shall not at this time detain the Senate to discuss the meaning and purposes of the Communications Act of 1934, from which these excerpts are taken, but I think it will be understood everywhere by those who give careful and thoughtful consideration to the act that the authority of the Federal Communications Commission and its agents is to make examinations of the records of the telegraph companies for the purpose of performing the duties of the Commission under the terms of that act. I think it will be conceded that the Commission has no further authority,

and that there is no theory upon which it may usurp or arrogate unto itself an authority to examine communications for the purpose of learning what is included therein, and then to divulge that information either to the agents of a Senate committee or anyone else.

It probably is worth while, in considering the procedure to which resort was had by the Commission, to go back to the proposition of inquiring exactly what was done. Obviously, from the face of the report, the Senate committee was not content to issue a subpena and by the force of that subpena to command the production of the records. Evidently there was something else desired. Obviously, the Communications Commission was not content to examine messages for the purpose of ascertaining whether there had been forgeries or whether messages had been destroyed by burning or otherwise. Obviously, the purpose of the Communications Commission was to find means to make delivery to our committee of the contents or information contained in the telegrams.

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

Mr. STEIWER. Yes.

Mr. MINTON. Does not the Senator think that the Senate committee had as much power or more than the Federal Communications Commission had?

Mr. STEIWER. I conceive that under valid process the Senate committee might have far greater power than has the Commission.

Mr. MINTON. Then, why should we resort to the aid of the Federal Communications Commission—

Mr. STEIWER. I do not know.

Mr. MINTON. Or enter into any conspiracy with them to get things that we ourselves have authority to get?

Mr. STEIWER. I have charged the Senate committee with conspiracy. I am frank to say that the Senator's question raises a speculation that might be invoked for the purpose of exculpating employees of the Commission or the committee's agents. I cannot answer the question. I am merely dealing with the report itself, and I deal with the report because there are those who have drawn the inference and arrived at the understanding that this report acquits everybody concerned. I am trying to show that, so far as the face of the report is concerned, it recites affirmatively that there was an agreement; it recites also that the entry which shows that information was to be taken in the name of the Commission and delivered to the committee. It discloses that the agents of both bodies went to the offices of the telegraph companies together. It discloses that the Commission, at the request of the agents of the committee, requested the copying of telegrams and that the telegrams were copied by agents of the telegraph company, and that the information thus derived was turned over to the agents of the Commission, and it was then turned over by the agents of the Commission to the agents of the committee. I merely wish to stress the fact, which I think cannot be escaped unless the Commission's report is to be impeached, a fact that cannot be escaped if we are to be guided by this report, namely, that messages were not taken by process of law under subpena; original messages were not taken at all; the physical message, the paper on which it was written, was never taken apparently. The thing that was taken was information. It was abstracted from the messages. The process that was had was not one of delivery under a subpena but it was one of divulging contents and apparently divulging contents in violation of the statute.

Mr. MINTON. Mr. President, will the Senator yield?
Mr. STEIWER. I will yield in a moment; I wish to finish one more sentence.

I do not rise, Mr. President, to characterize anyone; I do not rise to attempt to fix blame. I concede that I do not know where the blame should be fixed. I cheerfully admit that there may be a complete defense to the implications that grow so forcefully out of this report. I hope there is such a defense. I accuse no one. I merely say that, in my judgment, the report may not be used in and of itself to acquit anybody of anything.

TERMS OF DISTRICT COURT, MIDDLE DISTRICT OF PENNSYLVANIA

The Senate resumed the consideration of the bill (H. R. 11098) to provide for terms of the United States District Court for the Middle District of Pennsylvania to be held at Wilkes-Barre, Pa.

The VICE PRESIDENT. The question is on the amendment reported by the Committee on the Judiciary.

Mr. COPELAND. Mr. President, on that I should like to have a roll call.

The VICE PRESIDENT. Does the Senator from New York ask for the yeas and nays?

Mr. COPELAND. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

Mr. BLACK. Mr. President-

Mr. COPELAND. I withhold the suggestion for a moment and yield to the Senator from Alabama [Mr. Black].

INSPECTION AND ALLEGED SEIZURE OF TELEGRAMS, ETC.

Mr. BLACK. Mr. President, I wish to say just a few words in connection with the remarks made by the Senator from Oregon [Mr. Sterwer]. What he has said today reminds me of the discussion on the floor a few days ago in which he wanted to accuse nobody of anything; but today he does not want to acquit anyone of anything; he does not want to exculpate anyone from anything; he does not know where the blame rests. He accuses no one in direct language. Certainly not! That is not his method. It is quite a different method which is adopted by the Senator from Oregon. His method is to use many words, expressing his entire innocence of wanting to say anyone has done anything wrong or just who did it, whose agent it was that committed some horrible crime, and yet he says enough so that the newspapers which are representing the cause which the Senator from Oregon was representing on this floor can take what he said, with their usual distortion, because he knows how valuable it will be for that purpose.

Mr. President, the statement has been made that it is a very abnormal and unusual thing to go into an office and get the copies instead of the original papers; that it is a very unusual thing to serve a subpena without having the papers brought to the Senate. The Senator should have known there is nothing unusual about it because the very committee on which he sat adopted exactly that system from day to day. They sent subpenas into the offices of various people engaged in business, and the service of the subpenas was accepted. He knows that. If he does not, it is very strange that he does not. After the subpenas were accepted the agents of the committee on which he was serving went through the papers in that office and brought back copies of those papers to the committee on which the Senator was serving.

Not only did that committee do that, but that is the regular method adopted by all the committees which have been engaged in investigations. In other words, a subpena duces tecum is served or service is accepted. When that is done, by agreements—that is the word the Senator mentioned—which agreements were made by representatives of the Banking and Currency Committee and those whose papers were being examined, they then looked over the records in order that they might determine just which they desired. They then returned the copies to the committee room and there they used the copies of the books, of memoranda, of the letters, of the telegrams. It is exactly the system and the method that was used by the committee on which the Senator from Oregon served and to which he referred a few days ago.

Mr. STEIWER. Mr. President, will the Senator yield?
The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Oregon?

Mr. BLACK. Certainly.

Mr. STEIWER. Cannot the Senator from Alabama conceive any difference between the thing he is now outlining and the procedure which is referred to and outlined in the report of the Federal Communications Commission?

Mr. BLACK. No; and I do not expect the Senator to see it.

Mr. STEIWER. I ask if the Senator from Alabama can I see it. I do see it.

Mr. BLACK. I think the Senator is in such frame of mind that for some reason nothing this committee has done or can do or will do will meet with his meticulous taste.

Mr. STEIWER. Is the Senator going to attempt to an-

swer my question?

Mr. BLACK, I have answered the Senator's question. I do not intend to try to answer it to the satisfaction of the Senator, because I do not think anyone who believes that we should conduct this investigation can satisfy the Senator.

Mr. STEIWER. I merely ask the Senator if he did not see the difference between the procedure he just outlined and the procedure referred to and outlined in the report of the Federal Communications Commission.

Mr. BLACK. I said I did not, because there is no difference. The parts of the report which the Senator did not read, which he was very careful not to read, state repeatedly that the Senate committee went into that office with a subpena. The Senate committee went into that office with a subpena of exactly the same type as that used by the representatives of the Banking and Currency Committee when they went into the other office.

Mr. STEIWER. What I wanted to suggest to the Senator is that in the case to which he is referring-I assume he is referring to the procedure of the Banking and Currency Committee? In that case the evidence was actually secured under subpena.

Mr. BLACK. So was this.

Mr. STEIWER. Possibly it was, but so far as the report of the Federal Communications Commission is concerned the information was not obtained under subpena, but was obtained under the vicarious practice of getting the contents of the telegrams copied or abstracted and turned over to the Communications Commission, and then the Communications Commission delivered them to the agents of the Senate committee. There is the difference.

Mr. BLACK. The Senator should be perfectly familiar with the facts if he has read the remainder of the report, which he did not.

Mr. STEIWER. I have read it all.

Mr. BLACK. Certainly, but the Senator was careful not to read it all to the Senate in the remarks which he was making. He withheld it. He did not abstract it. He

Mr. STEIWER. Will not the Senator add that this report was delivered to the Senate and printed and a copy placed upon each Senator's desk? I assume every Senator is familiar with it. There is no necessity for me to read the whole report.

Mr. BLACK. If the Senator thought every Senator was familiar with it, why did he read any of it into the RECORD?

Mr. STEIWER. The report has not been printed in the RECORD; I read it to call attention to the points I was trying to make.

Mr. BLACK. And to leave out the parts which the Senator did not want called to the attention of the public and to leave it out in such a way that the paper the Senator was reading the other day when he made his remarks, the Chicago Tribune, could utilize it as the Senator's statement without putting in the remainder of the report.

Mr. STEIWER. The Senator is not justified in making that statement. I would be glad to print the whole report in the RECORD.

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

Mr. BLACK. I yield.

Mr. SCHWELLENBACH. If the Senator was making his remarks for the benefit of the Members of the Senate, there might be some excuse for the method he is using, because of his statement that Senators have had an opportunity to read the report; but every Member of the Senate knows that the Senator from Oregon is making these speeches not for the benefit of the Senate but for the benefit of the Hearst papers, so they can publish his remarks in the papers.

Mr. STEIWER. Why do the two Senators rise and question the motives of the Senator from Oregon? Does not the

Senator remember that my colleague the senior Senator from Oregon [Mr. McNary] asked for order and that we were endeavoring to get the attention of Members of the Senate? I cannot help it if Senators were not listening to the presentation I was making.

Mr. BLACK. Mr. President, the facts remain that this report shows that the Senate committee obtained its messages by a subpena. The fact is the subpena was exactly the same type as the subpenas to which the Senator from Oregon paid such high tribute, issued by the Banking and Currency Committee, of which he was a member. I assume he was vitally interested in that investigation. I assume he actively and aggressively assisted Mr. Pecora and the others who wanted to obtain the truth. Therefore I assume he was sympathetic with their subpenas and the methods they adopted.

Mr. STEIWER. May I help the Senator from Alabama on that point? That investigation was conducted by a subcommittee, of which the Senator from Oregon was not a member except during the period when the senior Senator from Michigan [Mr. Couzens] was abroad on official business. During that time I served in his stead. During the time I was on the subcommittee I took a very close and active interest in the proceedings of the subcommittee.

Mr. BLACK. Mr. President, the fact still remains that the Senate committee, a committee of this body, followed this procedure. If the Senator from Oregon does not like the way the committee has proceeded, let him cite the committee to come before this body. Let him present his accusations and not with "whys" and "whereases" and "buts" in the newspapers. Let him join issue face to face like a man and let the country know to whose defense he has sprung in this body-who it is behind the attacks which are being made. We know who it is.

Let us determine whether or not the time has come when a small group of lobbyists and a small group of men, including a newspaper owner who has a great deal of power, who want to control this country, can control it. Let it be determined whether any man can rise to such fame that he can secure the Presidential nomination upon a rotten issue like this, an issue honeycombed with the efforts of people to conceal the truth; people who are afraid of the truth, who dare not let the truth come out; people who are adopting every conceivable plan in court, in the Senate or elsewhere, to conceal from the Nation the nefarious practices in which they have been engaging.

Let it be determined whether or not a man can hide behind the Constitution, when as a matter of fact he is an enemy of the Constitution. Let it be determined once and for all whether or not this country believes, as I believe it does, that the safety of the Republic does not depend upon concealment and secrecy and atempting to hide behind veiled insinuations and veiled threats and veiled chargespractices which are contrary to the best interests of the people of the Nation.

Mr. President, this committee is serving as a part of the Senate. It is a little strange that Members of the Senate choose as their method to rise and say, "We do not know just exactly what is the fact, but we make no charges, and we would not exculpate anyone, and we are not going to try to prove the defense."

This committee has acted in accordance with the rules of the Senate and the rules of law. It has obtained evidence. It has obtained evidence which some persons wish to conceal. That is the trouble. Some persons do not desire to have this evidence exposed. They wish to keep it buried. They desire, if possible, to prevent any more committees investigating the truth and exposing the corruption seeping through certain groups in this country. Therefore, their method is the same old method: "Well, let us see if we cannot, by insinuation or otherwise, place some charges around those who wish to expose the truth. If we can keep doing this from day to day, and keep the subject in the press; if we can just say enough so that that part of the press which is tied up with this group can seize on it, perhaps the people will forget the destruction of evidence. Perhaps they will forget that one man in this country seeks to direct the destinies of the people of the Nation from greed. Perhaps they will forget that one

man having far-flung possessions over America, South and North, interested in various activities, is, perhaps, interested in activities which might cause profits to roll into his pocket if war should be declared with foreign nations. Conceal, hide, do anything, just so that you create a smoke screen in order that the truth may be concealed."

Mr. SCHWELLENBACH. Mr. President, the Senator from Oregon [Mr. Steiwer] spoke upon this question last Friday. It had been my intention to reply this week to the remarks of the Senator from Oregon. I have been detained from the Senate this week on account of illness. I do not feel like discussing the question at length today. I doubt whether I shall feel so on Monday.

However, I do wish at this time to serve notice that on Tuesday next, as soon after the convening of the Senate as it is possible for me to obtain the floor, I shall discuss the subject, Shall the Senate Permit Mr. William Randolph Hearst to Prevent a Committee of the Senate From Uncovering Fraudulent and Corrupt Lobbying Activities by Hiding Behind the Shield of Legal Technicality?

Mr. STEIWER. Mr. President, I merely wish to express my regret that the distinguished Senator from Alabama [Mr. Black] and the others who are defending the course of our committee in this matter have not seen fit to deal with the affirmative recitals contained in the report of the Communications Commission nor to explain away the apparent violation of law which is there recorded.

To me it is regrettable that when we need light we get only heat, and that the members of the committee who seek to defend the methods which have been employed resort only to insinuation, to veiled and unveiled accusation, to an unfounded questioning of motives, and then permit the report to remain unexplained and the arguments to go entirely unanswered.

TERMS OF DISTRICT COURT, MIDDLE DISTRICT OF PENNSYLVANIA

The Senate resumed the consideration of the bill (H. R. 11098) to provide for terms of the United States District Court for the Middle District of Pennsylvania to be held at Wilkes-Barre, Pa.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee. On that amendment the Senator from New York [Mr. COPELAND] has demanded the year and nays.

Mr. COPELAND obtained the floor.

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

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

Mr. VANDENBERG. The Senator from New York is discussing a question which it seems to me a full Senate should hear. We apparently confront the amazing proposition that the Senate is being asked to force two United States judges upon a State whose own Senators do not wish the legislation to pass. Will the Senator permit me to ask for a quorum?

Mr. COPELAND. I yield for that purpose.

Mr. VANDENBERG. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Chavez	Keves	Pittman
Ashurst	Clark	King	Pope
Austin	Connally	La Follette	Radcliffe
Bachman	Copeland	Lewis	Robinson
Bailey	Couzens	Logan	Russell
Barbour	Davis	Lonergan	Schwellenbach
Barkley	Donahey	Long	Sheppard
Bilbo	Duffy	McGill	Shipstead
Black	Fletcher	McKellar	Steiwer
Bone	Frazier	McNary	Thomas, Utah
Borah	George	Metcalf	Truman
Brown	Gibson	Minton	Tydings
Bulkley	Gore	Murphy	Vandenberg
Bulow	Guffey	Murray	Van Nuys
Burke	Hale	Neely	Wagner
Byrd	Harrison	Norris	Walsh
Byrnes	Hatch	Nye	Wheeler
Capper	Hayden	O'Mahoney	White
Caraway	Johnson	Overton	11 - 11 - 11 - 11 - 11 - 11 - 11 - 11

The PRESIDING OFFICER (Mr. Bone in the chair). Seventy-five Senators having answered to their names, a quorum is present.

Mr. COPELAND. Mr. President, this afternoon the able and genial senior Senator from Arizona [Mr. Ashurst], my long-time friend, who will be my friend regardless of any differences we might have in the Senate, called attention to what he called the break-down of law and justice. I think the average citizen fails to recognize the fundamental difference between the State courts and those courts known as the Federal courts, which in their highest branches have to do with the interpretation of the Constitution of the United States, and in their lower branches with the effective dealing with interstate crime.

In my opinion, so far as the Federal courts and all their branches are concerned, we have a very effective system. Sometimes fault is found with the decisions of the Supreme Court of the United States; attention is called to 5-to-4 opinions and other divided opinions. As a matter of fact, in the entire history of our country, as I recall, there have been only about fifty 5-to-4 decisions. Dissenting opinions have been filed in a great number of cases, of course, but so far as close decisions are concerned, there have been very few. I had occasion to ask the Clerk of the Supreme Court some years ago for a list of the 5-to-4 decisions. and up to that time there had been only 38 in the entire history of the country. I think a few have been handed down since that time. Sometimes fault is found with the Supreme Court; yet the rank and file of the people of the country are firm believers in the Supreme Court, and in all the higher Federal courts.

As I said a little while ago, in connection with the work of the crime committee, we recommended a number of changes in Federal laws, and widened powers of the Federal courts in dealing with new forms of crime incident to the use of the automobile and the telegraph and the telephone. We recommended giving the courts new powers. But by and large there has been no complaint of the lack of judges or prompt action in the Federal courts, no piling up of work such as we sometimes see in the lower courts. There have been few complaints of that sort.

With the great economic depression we have experienced and the increased numbers of bankruptcies and other legal proceedings which have to do with the problems which are to be dealt with by the Federal courts, there may have been some delay, but, so far as the normal operations are concerned, I think there is little cause for complaint.

Our study of crime brought to me a firm conviction that the greatest social problem with which the United States has to deal is the problem of juvenile delinquency. It is a sad commentary upon American civilization that at this very time in the jails of the United States and in all the penal institutions, the average age of the criminal is 23 years, the largest group being those of 19 years of age and the next largest group those of 18 years—just misguided boys and girls. How can it happen that in a country which has spent billions of dollars for education, and every year spends millions of dollars to maintain its churches and schools and other institutions having to do with the formation of character, there is such a break-down and that such conditions can exist as those indicated by the figures I have stated?

It would be interesting to give consideration to this great problem. I think we would all agree that the first responsibility for character and behavior rests upon the home. There has been a great change in the American home since the days of the founding of the Republic. The American home is not today what it was. Perhaps it is useless to discuss why that is so, but it is true, in my judgment. The first responsibility for character is in the home. I do not know any way to reach the home except through the churches and various social organizations.

Naturally, we ask about the church. Judge Marcus A. Kavanagh, of Chicago, in a remarkable book, The Criminal and His Allies, makes a statement, in effect, something like this: In 1850 religion in America was at high tide, and in all the prisons in the United States there were only 7,000 inmates. Discussing the matter at some length, he decides

that when the churches are full the prisons are empty. He does not undertake to discuss the question at all from the standpoint of a religionist, or as one who is interested in a denomination, or a special branch of the church. He simply makes the statement that when the churches are full the prisons are empty.

In the average city community today, if on one Sunday all the citizens should strangely want to go to church, there would not be pews enough to take care of one-tenth of those who desired to enter. There are attractive forms of amusement and entertainment outside the church and outside the

There no longer seems to be the impulse to go to church which characterized the Nation in 1850. I do not know how to reach the church. I have no right to criticize any church but my own. I do not hesitate to do that; but the church is failing of its high purpose. It is not doing for youth today what it did in olden times. As I dismiss the home as being impossible to reach by any method that I know except through the church, and as it is impossible to give strength to the church, I go to the third agency in character building; that is the school.

I have a right as a citizen, as a taxpayer, to inquire whether the school is doing its part in the development of character, whether it is doing its part in the prevention of juvenile delinquency. I do not think it is. In saying that, I do not reflect upon the public-school teacher. No one honest with himself, who will search his mind, can fail to find memories of this and that teacher who had much to do with molding thought and character. Every man knows that to be true. I have no fault to find, Mr. President, with the teachers. It is the system of which I complain.

In my judgment, the objectives of education must be revised. When that statement is made, someone may ask, "Well, what are the objectives of education? What should be the objectives of education?"

The objectives of education are clear to me: In the first place, to fit for parenthood. That means a clean body and a clean mind. Second, so far as possible, to fit for a livelihood. Third, to give every child a sense of social responsibility, and make him understand that he belongs to a country, to make him a patriotic citizen, to make him a lover of the flag, to give him an appreciation of the necessity of the recognition of authority.

The trouble with the schools, as I see it-and all this has a bearing on the question before us-is the fact that mass instruction is the rule. Every child is made to conform to a conventional standard. A yardstick is laid down, and every child must measure up to that yardstick. The differences of the individual child as compared with the mass of children are utterly disregarded. The result is that many a child is a retarded child. He does not progress. He becomes a hindrance and a nuisance to the rest of the children, and to the teachers, and to the system. Then what happens? Pretty soon the teacher, in the language of the street, "gets sore" on the child. She "picks" on the child; and the poor little humiliated youngster, resentful of his surroundings and of the treatment accorded him, does the perfectly human thing; he runs away from school. He is an occasional truant, and it is not long before he becomes an habitual truant. The boy meets with other bad boys. That is the beginning of a gang. It is not long before there are pilferings and burglaries and even murders in that community. That is the way gangs begin.

Mr. President, as I see the matter, the hope of the country lies in the school. The prevention of crime lies in the school. The development of what we should like to know as American character depends upon the school. Failure there means that very soon the youngsters are brought to the attention of the police; they are arrested and taken to court; and that is the beginning of the outrageous treatment of youth by the machinery of the courts.

Upon the wall in the office of Mr. Sanford Bates, the Director of the Bureau of Prisons of the United States—a very able man, a great credit to his country—is a great map of

the United States, as large as two panels on the wall before me; and in this map are stuck pins. The face of the map looks like the face of a man who has had virulent small-pox, so pitted is it, so marked is it. I said, "Mr. Bates, what is that map?" He replied, "Every pin in that map marks the location of a county jail. There are 35,000 of them in the United States, every one of them a breeding-place for crime."

We do not deal intelligently with our youth who fall on evil ways. Instead of preventing the tendency to crime or antisocial conduct in the first place, when youths are arrested for one cause or another they are taken before a court, found guilty, and sent to some kind of a custodial institution. Older youths are sent to jails where hardened criminals are incarcerated. Certainly such jails are breeding places of crime. The youngsters may have been simply nonsocial at the time of their admission. They come out against society, and ready to carry on depredations against organized society.

Mr. HATCH. Mr. President, will the Senator yield? Mr. COPELAND. I yield.

Mr. HATCH. I am quite interested in the subject which the Senator is discussing. I have had some little experience with the matter. I was wondering whether the Senator intended to say that there is a custom prevailing in the United States today under which first offenders are sent to jail.

Mr. COPELAND. Many first offenders, I am sorry to say, are sent to jail. That is an indecent thing, an unthinkable thing; but, due to the inertia of our people, we can become more excited over the question whether there shall be two new Federal judges in the southern district of New York than over the question how we are going to deal with wayward children.

If I had my way, I should not permit a judge who deals with a case involving a child, to pass sentence, unless it were a juvenile-court judge operating under laws which are humane, and which give consideration to all the things we are discussing.

A child taken to court for a misdemeanor or a crime should be fairly tried; and then, if found guilty, the question is, what is going to be done with him? I would have another body of equal dignity with a court. I would have a doctor on that board; I would have a psychologist or a psychiatrist; I would have another specialist who could test the eyesight and the hearing; I would have a sociologist and a social worker; and I would have one fine, motherly woman on that board.

Mr. President, in response to the question of the able Senator from New Mexico [Mr. Hatch], who, himself, served for years as a juvenile-court judge—and I should like to say in passing that I have no doubt he used the degree of kindliness and good judgment that a man in that important position should use—I will say that undoubtedly the laws of his State made it possible for him to exercise his judgment; but there are places in these great United States where conviction is automatically followed by a sentence to a jail, a prison, or some other custodial institution. It is cruel beyond words. I am sure the Senator will agree with me as to that.

I said I would have upon that board which would examine the child a doctor. I presume I will be accused of thinking of the doctor first because I, myself, used to be one, but we have learned much in the medical profession about health and the relationship of health to the mental processes.

There is an insane asylum in this country where the discharges are 78 percent of the admissions; that is to say, there are 78 chances out of a hundred that recovery will be brought about. Mr. President, when I tell you that the average discharges in this country from certain institutions amount to only 35 percent you naturally inquire, Why is it possible that in this particular institution proportionately twice as many are restored to health as in the average institution? The answer is because every person admitted to that insane asylum is regarded as a patient. The question is in every instance, "What is wrong with this patient?"

They do not have bars and shackles and chains. This institution is operated as a hospital, and a careful physical examination is given to find out what is wrong with the patient. Is there an infection, a bad gall bladder or bad teeth or bad tonsils or an infected intestinal tract or an infection somewhere else?

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

Mr. COPELAND. I will yield in just a moment. Then the doctor proceeds to get rid of the infection, and, strange as it may seem, when the source of the poison is removed, and the poisons already absorbed have been eliminated, then the mental processes are restored and sanity is given to the person who theretofore was insane. Now I yield to the Senator from Arizona.

Mr. ASHURST. Mr. President, there may be implied in the question I am about to ask, some thought that I am listening with impatience to the able Senator from New York. On the contrary, I always gladly listen to him. He speaks with very cool locution and without excitement. I have learned much from his speeches, and when I ask this question of him it is not because I think he should desist, for I assure him I am glad to hear him and he is one of the rare wise men we see. If, however, it be the purpose of the able Senator to prevent a vote-and he has the intellectual power and the laryngeal activity to prevent a vote if he wishes to do so [laughter]; and he is always frank-I certainly have no comment to make, and I have no criticism, but, if that be his purpose, I think the Senate has other business to which it could turn its attention at this

Now I am exploring to ascertain if we can agree upon a time to vote, say, next Tuesday or next Wednesday, or some other time, with the understanding that the bill which is in charge of the Senator from Kansas [Mr. CAPPER], shall be restored Monday morning to its status as the unfinished business. Would the Senator from New York have the kindness to enlighten me as to his views as to when we may fix a time for a vote?

Mr. COPELAND: I think I would have no objection to that: in fact, I would rather welcome it.

Mr. ASHURST. Will the Senator himself fix a time?

Mr. COPELAND. I would welcome it, because I find myself at the moment without certain material which fully demonstrates the fact that these judges are not needed, and I will be glad to have a few days in order to gather the material together.

Mr. ASHURST. Would the Senator object to a final vote at 3 o'clock 1 week from today?

Mr. COPELAND. Will that be Friday?

Mr. ASHURST. Say Thursday next at 3 o'clock.

Mr. COPELAND. When would the measure be taken up for consideration?

Mr. ASHURST. The Senator from New York may choose the time, but, as men of honor, we are bound to restore the unfinished business to its place on Monday morning.

Much as I want this bill passed, I would help to defeat it rather than break my word that I have given the Senator from Kansas. So I feel on Monday morning the unfinished business, being Senate bill 1424, should be restored to its place. That, however, would leave the Senator from New York or any other Senator at full liberty at any time to talk on the judgeship bill, because, as we all know, there is in the Senate no rule of germaneness, and a Senator, if he obtains recognition, may speak at any time he chooses.

Mr. COPELAND. Mr. President, will the Senator yield for a moment?

Mr. ASHURST. Certainly. The Senator from New York has the floor, and I am speaking by his indulgence.

Mr. COPELAND. The Senator, of course, realizes that I have spoken with germaneness. I am discussing penal institutions.

Mr. ASHURST. While the Senator's discussion may not have been germane, it has been very enlightening to me. So, Mr. President, may we not agree that a vote on the judgeship from Arizona [Mr. Ashurst].

bill, House bill 11098, be taken at 3 o'clock on Thursday next?

Mr. COPELAND. I think we may do that. Could it not be made a special order under the rules?

Mr. ASHURST. I doubt it. I fear that might be inconvenient

Mr. ROBINSON. I think that could be done, if there were no objection to it.

Mr. COPELAND. Suppose we make it a special order for 1 o'clock on Thursday and vote not later than 3 o'clock on

Mr. ASHURST. Very good. Mr. ROBINSON. Mr. President, I ask unanimous consent that on next Thursday at not later than 1 o'clock the unfinished business be laid aside temporarily; that at that hour the Senate proceed to the consideration of House bill 11098; and that at not later than 3 o'clock a vote be taken on the bill and all amendments that may be pending or that may be offered.

The VICE PRESIDENT. Does the Senator want a quorum

Mr. ROBINSON. Action on the request would require a quorum. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	King	Pope
Ashurst	Clark	La Follette	Radcliffe
Austin	Connally	Lewis	Robinson
Bachman	Copeland	Logan	Russell
Bailey	Couzens	Lonergan	Schwellenbach
Barbour	Davis	Long	Sheppard
Barkley	Donahey	McGill	Shipstead
Bilbo	Duffy	McKellar	Steiwer
Black	Fletcher	McNary	Thomas, Utah
Bone	Frazier	Metcalf	Truman
Borah	George	Minton	Tydings
Brown	Gibson	Murphy	Vandenberg
Bulkley	Guffey	Murray	Van Nuys
Bulow	Hale	Neely	Wagner
Burke	Harrison	Norris	Walsh
Byrd	Hatch	Nye	Wheeler
Byrnes	Havden	O'Mahoney	White
Capper	Johnson	Overton	The state of the s
Caraway	Keves	Pittman	

The VICE PRESIDENT. Seventy-four Senators having answered to their names, a quorum is present. Is there objection to the unanimous-consent request submitted by the Senator from Arkansas? The Chair hears none, and it is so ordered.

Mr. COPELAND. Mr. President, I merely wish to say that I had not finished what I wanted to say about juvenile delinquency. The hour is late. I want to make one statement about the bill itself, and I hope Senators will bear it in mind

The Senate passed a bill which I introduced nearly a year ago. That bill is now before a committee of the House. It has seemed to me a very unusual thing, with a bill being in the House upon which the House has not chosen to act, that another bill for the same purpose should be sent to the House in the form of a rider. I do not think it is quite fair to the other body. We certainly have no desire and no right to interfere here with the orderly processes of the operation of legislation in the other House.

I believe Senators do not quite realize that this bill is already in the House. It is there to be acted upon whenever the House chooses to do so. Yet, in our anxiety to pass this particular bill, we propose now to hitch it on to another bill. We will dispose of this one next Thursday, and then, I suppose, if the House fails to act, in 3 or 4 weeks' time we will put it on another bill, hoping some time to give it wings sufficient to carry it through the House on its way to ultimate passage.

#### STOCKYARDS AND MEAT PACKING

Mr. ROBINSON. Mr. President, I ask unanimous consent that the bill (S. 1424) to amend the Packers and Stockyards Act. 1921, be proceeded with. The reason for that is that it was displaced by the motion submitted by the Senator

The VICE PRESIDENT. The Senator from Arkansas asks unanimous consent that the bill known as the stock-yards bill, in charge of the Senator from Kansas [Mr. Capper], be restored to the parliamentary status which it occupied before the motion of the Senator from Arizona was adopted. Is there objection?

There being no objection, the Senate resumed consideration of the bill (S. 1424) to amend the Packers and Stock-

yards Act, 1921.

The VICE PRESIDENT. Let the Chair state the parliamentary situation. The motion of the Senator from Texas [Mr. Connally] to recommit the bill is the pending question before the Senate at this time.

#### 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 REPORTS OF COMMITTEES

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

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of several officers for appointment, or appointment by transfer, in the Regular Army.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar. If there be no further reports of committees, the first nomination in order on the calendar will be stated.

#### THE JUDICIARY

The legislative clerk read the nomination of Lamar Hardy to be United States attorney for the southern district of New York.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

# NATIONAL EMERGENCY COUNCIL

The legislative clerk read the nomination of Richard B. O'Connell, of Connecticut, to be State director, National Emergency Council, from Connecticut.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

# PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of Thomas Parran, of New York, to be Surgeon General, Public Health Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

#### DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. ROBINSON. I ask that nominations in the Diplomatic and Foreign Service be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters may be confirmed en bloc.

The VICE PRESIDENT. Without objection, the post-office nominations are confirmed en bloc.

That completes the calendar.

#### THE JUDICIARY-LAMAR HARDY

Mr. NORRIS. Mr. President, I have just come into the Chamber. Were any nominations from the Judiciary Committee acted upon?

Mr. ROBINSON. All nominations on the calendar have been disposed of. There was one nomination on the calendar from the Judiciary Committee—the nomination of Lamar Hardy to be United States attorney for the southern district of New York.

Mr. NORRIS. Has it been disposed of?

Mr. ROBINSON. That nomination was confirmed.

Mr. NORRIS. Mr. President, I think it has been known that I desired to oppose the confirmation of this nomination. I now understand that it has been disposed of. I will ask the chairman of the committee about it.

Mr. ASHURST. Mr. President, does the Senator refer to the Hardy nomination?

Mr. NORRIS. I do.

Mr. ASHURST. Frankness and candor require me to say that the Senator told me yesterday that he wished to speak in opposition to the confirmation of this nomination.

Mr. NORRIS. Yes; and I am informed that it has been disposed of.

Mr. ASHURST. It is on the calendar.

Mr. NORRIS. Mr. President, if the nomination has been confirmed, I ask unanimous consent that the vote by which the nomination was confirmed be reconsidered. I desire to be heard on the nomination.

Mr. ROBINSON. I make no objection to that. I had no information that the Senator opposed the confirmation of the nomination.

Mr. NORRIS. I know that. I told the chairman of the committee about it.

The VICE PRESIDENT. The Senator from Nebraska asks unanimous consent that the action of the Senate in confirming the nomination of Mr. Hardy be rescinded. Is there objection? The Chair hears none.

Mr. NORRIS. Now I wonder if we cannot arrange for a definite time to take up the nomination. Some time will be occupied on the nomination, I think.

Mr. ROBINSON. Mr. President, it is my intention to move a recess until Monday.

Mr. NORRIS. I am not anxious to fix the time now; but in any event, we could not take up the nomination at this time of the day. I am willing to let it stand just as it is.

Mr. ROBINSON. Very well.

The VICE PRESIDENT. The nomination will go over.

Mr. ROBINSON. I ask unanimous consent that on next Tuesday, at the hour of 3:30 p. m., the Senate proceed to the consideration of this nomination in executive session.

Mr. NORRIS. I have no objection to that; but I suggest that the hour be fixed at 2:30, in anticipation of considerable debate.

Mr. ROBINSON. Very well; I modify the request to that effect.

The VICE PRESIDENT. The Senator from Arkansas asks unanimous consent that, at 2:30 o'clock p. m., on Tuesday next, the Senate resolve itself into executive session, and that the nomination of Mr. Lamar Hardy to be United States attorney for the southern district of New York be then taken up for consideration. Is there objection? The Chair hears none, and it is so ordered.

#### RECESS TO MONDAY

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 4 o'clock and 22 minutes p. m.) the Senate took a recess until Monday, March 30, 1936, at 12 o'clock meridian.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate March 27 (legislative day of Feb. 24), 1936

#### NATIONAL EMERGENCY COUNCIL

Richard D. O'Connell to be State director, National Emergency Council, for Connecticut.

SURGEON GENERAL, PUBLIC HEALTH SERVICE

Thomas Parran to be Surgeon General, Public Health Service.

# PROMOTIONS IN THE FOREIGN SERVICE

Thomas H. Bevan to be Foreign Service officer of class 2. Cornelius Van H. Engert to be Foreign Service officer of class 2. Herbert S. Goold to be Foreign Service officer of class 2.

Kenneth S. Patton to be Foreign Service officer of class 2.

James B. Young to be Foreign Service officer of class 2.

Harry E. Carlson to be Foreign Service officer of class 4.

Jefferson Patterson to be Foreign Service officer of class 4.

Harold L. Williamson to be Foreign Service officer of class 4.

David C. Berger to be Foreign Service officer of class 5. Ellis O. Briggs to be Foreign Service officer of class 5. Allan Dawson to be Foreign Service officer of class 5. William E. DeCourcy to be Foreign Service officer of class 5. Robert F. Fernald to be Foreign Service officer of class 5. John J. Muccio to be Foreign Service officer of class 5. Christian T. Steger to be Foreign Service officer of class 5. William H. Beach to be Foreign Service officer of class 6. George H. Butler to be Foreign Service officer of class 6. Leo J. Callanan to be Foreign Service officer of class 6. Selden Chapin to be Foreign Service officer of class 6. Prescott Childs to be Foreign Service officer of class 6. Winthrop S. Greene to be Foreign Service officer of class 6. William M. Gwynn to be Foreign Service officer of class 6. Julian F. Harrington to be Foreign Service officer of class 6.

George F. Kennan to be Foreign Service officer of class 6. Edward P. Lawton to be Foreign Service officer of class 6. Dale W. Maher to be Foreign Service officer of class 6. Gordon P. Merriam to be Foreign Service officer of class 6. C. Warwick Perkins, Jr., to be Foreign Service officer of class 6.

Samuel Reber to be Foreign Service officer of class 6.

Joseph C. Satterthwaite to be Foreign Service officer of class 6.

George Tait to be Foreign Service officer of class 6.

Angus I. Ward to be Foreign Service officer of class 6.

S. Walter Washington to be Foreign Service officer of class 6.

LaVerne Baldwin to be Foreign Service officer of class 7. William W. Butterworth, Jr., to be Foreign Service officer of class 7.

Warren M. Chase to be Foreign Service officer of class 7. Oliver Edmund Clubb to be Foreign Service officer of class 7. Paul C. Daniels to be Foreign Service officer of class 7. Cecil Wayne Gray to be Foreign Service officer of class 7. Raymond A. Hare to be Foreign Service officer of class 7. Gerald Keith to be Foreign Service officer of class 7. Bertel E. Kuniholm to be Foreign Service officer of class 7. James S. Moose, Jr., to be Foreign Service officer of class 7. Henry S. Villard to be Foreign Service officer of class 7. George H. Winters to be Foreign Service officer of class 7.

#### POSTMASTERS

COLORADO

Will Van Engen, Crawford.
James M. Faricy, Florence.
Mathias J. Schmitz, Gunnison.
James H. Parker, Julesburg.
Cyril Edward Taylor, Spivak.
James L. Allison, Woodmen.

CONNECTICUT

Charles J. Fields, Norfolk.

FLORIDA

Robert L. Horsman, Lake Worth. William H. Cox, Palmetto.

GEORGIA

Lois Horton, Guyton. Henry C. Hightower, McDonough.

INDIANA

Francis P. Gavagan, Chesterton.

LOUISIANA

Joseph J. Ferguson, New Orleans. LXXX—285 MAINE

Norman E. Willis, Harmony. Lula E. Crockett, North Haven. Spellman C. Marshall, Oakland. Ferdinand H. Parady, Orono. Edward C. Moran, Rockland.

MASSACHUSETTS

John J. O'Brien, Bridgewater.
John J. Pendergast, Centerville.
John F. Kennedy, Chicopee.
Isabelle Crocker, Cotuit.
Mary T. Harrington, Holden.
Louis H. Chase, Norfolk.
James L. Sullivan, Peabody.
Philip Morris, Siasconset.
Frank M. Merrigan, South Deerfield.
Walter P. Cook, Yarmouth Port.

NEBRASKA

Oda D. Adkins, Arthur.

NEW HAMPSHIRE

Mina S. Roberge, Cascade. Harriet O. Harriman, Jackson.

NEW JERSEY

Rachel E. Berger, Ringoes. Susan L. Kenworthy, Wanaque.

NEW MEXICO

Irwin C. Floersheim, Springer.

NEW YORK

John H. Quinlan, Pavilion. Timothy V. O'Shea, Rome. Clarence A. Lockwood, Schroon Lake.

NORTH CAROLINA

Brevard E. Harris, Concord.
Edgar S. Woodley, Creswell.
Grady L. Friday, Dallas.
Robert B. Mewborn, Grifton.
William W. Fleming, Hot Springs.
John P. LeGrand, Mocksville.
James H. Ledbetter, Mount Gilead.
Spurgeon K. Yelton, Spindale,

OHIO

Rollo C. Witwer, Akron.
Francis P. Frebault, Athens.
Leo V. Walsh, Barberton.
Charles Wassman, Bellaire.
Walter M. Dill, Fredericktown.
May C. Eldridge, North Olmsted.
Lawrence J. Heiner, Rutland.
Harry L. Hines, Williamsburg.

OREGON

Floyd B. Willert, Dayton. Lemuel T. McPheeters, Hillsboro. Vinnie B. Lay, Powers. Von D. Seaton, Yamhill.

PUERTO RICO

Nicolas Ortiz Lebron, Aibonito. Carlos F. Torregrosa, Aguadilla. Cristina G. Sandoval, Hato Rey. Jose Monserrate, Salinas.

SOUTH DAKOTA

Kelsey R. Highsaw, Belle Fourche. Joseph H. Ryan, Madison. Thomas R. Mickelson, Wilmot. Edd A. Sinkler, Wood.

VIRGINIA

Harold W. Hale, Jr., Narrows.

WISCONSIN

Charles G. Pagel, Brandon. George B. Meulemans, Greenleaf. Anal E. Lennon, Hurley.