Also, a bill (H. R. 12569) for the relief of W. C. Stringer; to the Committee on Claims.

Also, a bill (H. R. 12570) authorizing the Secretary of the Navy to reappoint Arthur E. Koch as a chaplain in the Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 12571) granting a pension to Caleb J. Ledford; to the Committee on Invalid Pensions.

By Mr. GINGERY: A bill (H. R. 12572) for the relief of Albert W. Chase; to the Committee on Military Affairs.

By Mr. LAMNECK: A bill (H. R. 12573) for the relief of Dr. E. T. Kirkendall; to the Committee on Claims.

By Mr. McLEOD: A bill (H. R. 12574) for the relief of the Michigan Valve & Foundry Co.; to the Committee on Claims.

By Mr. MERRITT of New York: A bill (H. R. 12575) to confer jurisdiction on the Court of Claims of the United States to hear and determine the claims of George Cabot et al., and for other purposes; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10816. By Mr. McCORMACK: Resolution of the Army and Navy Union, United States of America, John J. Crim, national legislative chairman, 1314 Vermont Avenue NW., Washington, D. C., unanimously endorsing the Kramer and McCormack bills on un-American activities; to the Committee on Rules.

10817. By Mr. MERRITT of New York: Resolution of the New York City Housing Authority, endorsing the bill to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes, introduced in the Senate by the Honorable ROBERT F. WAGNER, United States Senator from New York, and in the House of Representatives by the Honorable HENRY ELLENBOGEN, Congressman from Pennsylvania; to the Committee on Banking and Currency.

10818. By Mr. MOTT: Petition signed by Mary F. Needham and 36 other citizens of Eugene, Oreg., urging the enactment of House bill 8739; to the Committee on the District of Columbia.

10819. By the SPEAKER: Petition of the Rotary Club of Somerset, Ky.; to the Committee on Rivers and Harbors.

10820. Also, petition of the Housing Authorities of the State of New York; to the Committee on Banking and Currency.

SENATE

MONDAY, MAY 4, 1936

(Legislative day of Friday, Apr. 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, April 30, 1936, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the bill (S. 1432) to amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Statutes.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 10193) to amend the act to fix the hours of duty of postal employees.

The message further announced that the House had passed 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, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 8599) to provide for a change in the designation of the Bureau of Navigation and Steamboat Inspection, to create a marine casualty investigation board, and increase efficiency in administration of the steamboat inspection laws, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BLAND, Mr. SIROVICH, Mr. RAMSPECK, Mr. LEHLBACH, and Mr. WELCH were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 10267) to provide for adjusting the compensation of division superintendents, assistant division superintendents, assistant superintendents at large, assistant superintendents in charge of car construction, chief clerks, assistant chief clerks, and clerks in charge of sections in offices of division superintendents in the Railway Mail Service, to correspond to the rates established by the Classification Act of 1923, as amended, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BURCH, Mr. HILDEBRANDT, Mr. ROBERTSON, Mr. DOUTRICH, and Mr. GOODWIN were appointed managers on the part of the House at the conference.

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

H. R. 11688. An act providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union; and

H. R. 12527. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1937, and for other purposes.

ENROLLED BILLS SIGNED

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

H. R. 9244. An act providing for the establishment of a term of the District Court of the United States for the Northern District of Florida at Panama City, Fla.; and

H. R. 10193. An act to amend the act to fix the hours of duty of postal employees.

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	Copeland	La Follette	Overton
Ashurst	Couzens	Lewis	Pittman
Austin	Davis	Logan	Pope
Bachman	Dieterich	Lonergan	Reynolds
Barbour	Donahey	Long	Robinson
Barkley	Duffy	McAdoo	Russell
Black	Frazier	McGill	Schwellenbach
Bone	George	McKellar	Sheppard
Bulkley	Gerry	McNary	Shipstead
Bulow	Gibson	Maloney	Steiwer
Burke	Glass	Metcalf	Thomas, Okla.
Byrd	Guffey	Minton	Thomas, Utah
Byrnes	Hale	Moore	Townsend
Capper	Harrison	Murphy	Vandenberg
Caraway	Hatch	Murray	Van Nuys
Carey	Hayden	Neely	Wagner
Chavez	Johnson	Norris	Walsh
Connally	Keyes	Nye	Wheeler
Coolidge	King	O'Mahoney	White

Mr. LEWIS. I announce for the RECORD, and ask that the announcement stand for the day, the absence of the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Nevada [Mr. MCCARRAN], and the junior Senator from Florida [Mr. TRAMMELL], caused by illness.

I further announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Minnesota [Mr. BENSON], the Senator from Mississippi [Mr. BILBO], the Senator from New Hampshire [Mr. BROWN], the senior Senator from Missouri [Mr. CLARK], the senior Senator from Florida [Mr. FLETCHER], the Senator from Oklahoma [Mr. GORE], the Senator from West Virginia [Mr. HOLT], the Senator from Connecticut [Mr. MALONEY], the Senator from Maryland [Mr. RADCLIFFE], the junior Senator from Missouri [Mr. TRUMAN], and the Senator from South Carolina [Mr. SMITH] are necessarily detained from the Senate.

The Senator from Maryland [Mr. TYDINGS] is absent because of a death in his family.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. DICKINSON] and the Senator from Delaware [Mr. HASTINGS] are necessarily absent.

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

OPINION OF SENATOR JOHNSON IN RITTER IMPEACHMENT CASE

Pursuant to the order entered on the calendar day of Thursday, April 16, 1936, allowing each Senator 4 days after final vote on the articles of impeachment against Halsted L. Ritter, United States district judge for the southern district of Florida, within which to file his individual opinion, the order having been modified subsequently to extent the time limit, the following opinion, signed by Mr. JOHNSON, was filed and ordered to be printed in the RECORD:

MEMORANDUM OPINION OF HON. HIRAM W. JOHNSON IN THE MATTER OF THE IMPEACHMENT OF HALSTED L. RITTER

It is quite true that impeachment proceedings are cumbersome and archaic. The method of conducting them could readily be simplified, and without difficulty the procedure could be modernized. To create additional courts or to put within the jurisdiction of those now existing the impeachment of judicial officials or others would be of doubtful value, and the ills which we would suffer from such a change would likely be worse than those from which we would flee. A very cursory study of the provisions of the Constitution, in the light of the debates of our formative period, will demonstrate that there is scarcely a suggestion now made which wasn't presented when the Constitution was first written. We can read the hallowed words of the men who prepared the Constitution about the danger of a judicial oligarchy, we can observe the care with which finally they provided for the removal of recalcitrant officials, and in the light of the discussions then indulged, we may well conclude that the system prescribed and which now obtains is perhaps the best that could be devised. What faults exist in the mode we now have are not because of that mode but because those who are called upon to render judgment violate its spirit and with too little knowledge and study permit inadvertently the purpose of the Constitution to be submerged in their anxiety to construe as their unrestrained wills dictate. To me it is a dreadful thing, and one scarcely to be condoned, that men sit upon an impeachment court and subsequently vote guilty or not guilty, as the case may be, when they have heard little or none of the testimony and have seen few or any of the witnesses. And if Senators are unable to listen to the testimony and observe the demeanor of the witnesses, some rule should be devised under which, if they themselves would not voluntarily step aside they could be challenged upon the ultimate vote and be made to retire. Of course, to temporary and brief absences no such rule should apply, but how the iron must enter the soul of one upon whom Senators are passing judgment when he suddenly sees strangers to him whom he has not observed during the long impeachment trial, strangers, too, to the testimony that has been given, and who cannot possibly have observed the demeanor of witnesses, depriving him of what is more precious than life itself. If reforms of impeachment trials are to be discussed, I respectfully submit that instead of entrusting impeachment of a judge to judicial officers or newly created courts we reform the impeachers themselves and require substantially what is required in any jury trial—the attendance of those in whose hands the fate of a fellow human being is placed. Moreover, the mode of trial, including rules of evidence, should be definitely established, so that the trial may be judicial in character. This could be and should be determined in advance. These are but suggestions, of little consequence perhaps, but more important than establishing new tribunals.

There were seven counts in the articles of impeachment in the recent Ritter trial. Six of these counts were of definite and specific character, and the seventh a sort of résumé or catch-all of the six. Upon the first six counts Ritter was acquitted. Upon the seventh he was convicted by exactly the necessary two-thirds vote—56 to 28. Under ordinary circumstances such a decision would be wholly paradoxical, and in an ordinary proceeding, if appellate jurisdiction rested anywhere, it would be instantly set aside. It is very forcefully argued that a Federal judge who, under the Constitution, holds office during good behavior, may be impeached for misbehavior even though misbehavior is without definition and may rest entirely upon the mental whim or caprice of individual Senators. Perhaps this may be so, and it may be that the framers of the Constitution intended to leave the scope of the unknown offense of "misbehavior", although never mentioning it, as broad and illimitable as the minds of individual Senators. This might be doubted in so high an offense with a penalty which carries ignominy, shame, and disgrace and inflicts the severest mental anguish. But for argument's sake, conceding this hazy construction, it would seem to be stretching even the rule for which some distinguished Senators contend to unwarrantable lengths, when solemnly the Court has acquitted upon all the specific charges and then those same specific charges are utilized to justify conviction upon the loose generality of "misbehavior."

CONFUSION OF THOUGHT

The confusion of thought prevailing among Senators is evidenced by their varying expressions. One group eloquently argued any gift to a judge, under any circumstances, constituted misbehavior, for which he should be removed from office, and moreover that neither corrupt motive nor evil intent need be shown in the acceptance of a gift or in any so-called misbehavior. Another prefaced his opinion with the statement: "I do not take the view that an impeachment proceeding of a judge of the inferior Federal courts under the Constitution of the United States is a criminal proceeding. The Constitution itself has expressly denuded impeachment proceedings of every aspect or characteristic of a criminal proceeding."

And yet another flatly takes a contrary view, and states although finding the defendant guilty on the seventh count: "The procedure is criminal in its nature, for, upon conviction, requires the removal of a judge, which is the highest punishment that could be administered such an officer. The Senate, sitting as a Court, is required to conduct its proceedings and reach its decisions in accordance with the customs of our law. In all criminal cases the defendant comes into court enjoying the presumption of innocence, which presumption continues until he is proven guilty beyond a reasonable doubt."

And again we find this: "Impeachment, though, must be considered as a criminal proceeding."

The foregoing quotations are made not in criticism of the makers, or even of their expressions, but to indicate the contrariety of opinion that existed among the members of the Court as to the character of the proceeding and the quantum of proof required. Indeed, the very able chief manager on the part of the House, Mr. SUMNERS, in his argument made perfectly plain his theory. He said: "When a judge on the bench, by his own conduct, arouses a substantial doubt as to his judicial integrity he commits the highest crime that a judge can commit under the Constitution. It is not essential to prove such conduct beyond a reasonable doubt. The doubt is the other way. Do I make that clear? There is nothing in the Constitution and nothing in the philosophy of a free government that holds that a man shall continue to occupy office until it can be established beyond a reasonable doubt that he is not fit for the office. It is the other way."

With such loose procedure, with a court, whose members are insisting upon wholly different views of the character of the proceeding and the measure of proof required, with absolutely divergent opinions of the meaning of a word not written in the Constitution, but interpolated for the purposes of the trial, it is not surprising the decision was reached in confusion and perplexity by utterly irreconciliable processes.

What a novel proposition if impeachment is a criminal proceeding, and if the presumption of innocence attaches to the respondent, and the proof against him must convince the Court beyond a reasonable doubt that neither evil intent, nor illegality, nor corruption need be either alleged or proved. And how much more novel and, indeed, startling that a respondent may be not guilty of every substantive charge brought against him and yet should be impeached.

A BRIEF RÉSUMÉ OF THE AUTHORITIES

Of course, it would be presumptuous for any humble member of the Impeachment Court to disagree with the few profound constitutional expounders of the Senate who hold the course pursued by the Senate to have been both logical and justified; but that the record may be preserved we may be pardoned a very brief examination of one or two of the few existing judicial constructions of impeachment proceedings.

The three provisions of the Constitution relating to impeachment are as follows:

Section 4, article II: "The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors."

Section 3, article I: "Judgment in cases of impeachment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust, or profit under the United States; but the party convicted shall, nevertheless, be liable

and subject to indictment, trial, judgment, and punishment according to law."

Section 1, article III: "The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior, * * *."

It will be observed from these sections that there can be no impeachment save for treason, bribery, or other high crimes and misdemeanors.

Endless has been the discussion as to what are "high crimes and misdemeanors." It will serve no useful purpose here to quote the various authorities and precedents holding the one way or the other. The respondent in this case upon the first six counts was tried for "high crimes and misdemeanors", criminal and penal in their character. Of these he was acquitted, but it is asserted, because the tenure of office of a judge is during good behavior, the causes of impeachment may be not only what the Constitution says, "Treason, bribery, or other high crimes and misdemeanors", but also the antithesis of good behavior—misbehavior. Of course, if the judge were guilty of any of the specifications against him, which constituted "treason, bribery, or other high crimes and misdemeanors", his punishment should have been the severest that could have been inflicted upon him; and yet, the Senate, after its paradoxical determination of his guilt for misbehavior when he had been acquitted of the very offenses constituting this misbehavior, unanimously voted to eliminate from the judgment the second portion of the penalty provided by the Constitution: "Disqualification to hold and enjoy any office of honor, trust, or profit in the United States." We have, therefore, the singular picture here of the impeaching court solemnly acquitting the judge of all the substantive charges, then writing into the Constitution "misbehavior", or making that term synonomous with "misdemeanor", and just as solemnly holding him guilty under the generic and mystic term of "misbehavior" of the very matters upon which they had just said he was not guilty.

I would not be so bold as dogmatically to insist that the great constitutional expounders of the Senate wholly erred in their construction of the Constitution; but the proposition that the discretion vested in the Senate in impeachment proceedings is absolute and unrestrained I cannot for an instant subscribe to. It would be a sad travesty, a reflection upon the founders of the Constitution, and a denial, in some instances, of justice itself, if in a case of transcendant importance, caprice, prejudice, or the untrammeled will of the judges held sway and our usual boasted safeguards of the law were denied. I challenge the production of any case of impeachment, either of judge or inferior official, where an acquittal of all the charges separately was transmuted into a shotgun decision of guilty upon some of them collectively. In this case presumably those voting guilty on the seventh count held the reasonable and probable consequences of the actions of Ritter specified in the charges on which they acquitted him, brought his court into scandal and disrepute "to the prejudice of said court and public confidence in the administration of justice therein and to the prejudice of public respect for and confidence in the Federal judiciary and to render him unfit to continue to serve as such judge." There was not one word of testimony upon scandal or disrepute, lack of public confidence, or the prejudice of public respect for and confidence in the Federal judiciary in all the days of the trial, and not a single witness testified to a single thing of that kind or character. All of the evidence was, indeed, to the contrary; and while a division existed as to the specific acts, the conduct of Ritter's court as high, decorous, and efficient was nowhere denied; and the years through which he served, save for these specific instances, no human being questions.

The very lapse of time since the occurrence of the acts asserted against him negatives the allegations of the seventh count, and during the period subsequent to the alleged misconduct the record shows affirmatively not only that he had the confidence of his fellow member of the Federal judiciary but that he had before him some thousands of cases and proceedings of which there is not even the suggestion of a complaint by litigant or lawyer. When we recall that the specific charges related to a time many years before the impeachment proceedings, and the period and character of his services upon the bench, that no witness questions, his acquittal by the Senate of the long-ago specified acts, it almost passes comprehension that the verdict recorded in this case should have been rendered.

Who accurately can describe misbehavior? Supposititious cases, revolting in character, may perhaps be conjured up by a vivid imagination, but it is sufficient answer to say there are no such instances in the Ritter case.

To the differing minds of 96 senatorial judges what might be held as misbehavior by some would seem wholly unsubstantial and trivial to others. Less than 5 years ago, if it could have been proven in an impeachment proceeding that a judge served wine upon his table, or committed the egregious sin of sipping a cocktail before his dinner, a large number of our people, perhaps a majority, would have thought him guilty of the grossest misbehavior, which should have condemned him to the most condign punishment. Some in this case boldly and emphatically proclaim, as has been stated, that a judge who received a gift of any kind, under any circumstances, should immediately be impeached. It requires neither fertility of imagination nor facility of expression to suggest innumerable acts which, to some of us, would seem wholly innocent but concerning which others would shake their heads in sorrowful negation and darkly say, in their self-righteous intensity to protect the morals of all the rest of us, that there had been misbehavior which should instantly remove from office the guilty one.

Misbehavior may be akin to maladministration, and some light is shed upon the constitutional provision by the proceedings and debates during the adoption of that great instrument. We have in his work upon the Constitution by Mr. Foster, beginning at page 508, the following of the Constitutional Convention proceedings upon impeachment:

"8. 'The clause referring to the Senate the trial of impeachments against the President for treason and bribery was taken up.

" 'Colonel MASON. Why is the provision restrained to treason and bribery only? Treason, as defined by the Constitution, will not reach many great and dangerous offenses. Hastings is not guilty of treason. Attempts to subvert the Constitution may not be treason, as above defined. As bills of attainder, which have saved the British Constitution, are forbidden, it is the more necessary to extend the power of impeachments. He moved to add after " bribery", "or maladministration." Mr. Gerry seconded him.

" 'Mr. MADISON. So vague a term will be equivalent to a tenure during the pleasure of the Senate.

" 'Mr. GOUVERNEUR MORRIS. It will not be put in force and can do no harm. An election of every 4 years will prevent maladministration.

" 'Colonel Mason withdrew "maladministration" and substituted "other high crimes and misdemeanors against the state." ' "

The objection of Mr. Madison to Colonel Mason's word "maladministration" is singularly apt here because of the arguments that are made about the tenure of office of a Federal judge. Maladministration was designated by Mr. Madison as vague, and its use, he said, would be equivalent to a tenure of office during the pleasure of the Senate. What could be more vague than "misbehavior"? In the text of Foster, page 510, we find related the discussion concerning the constitutional provision:

"A short discussion took place as to what should constitute an impeachable offense. The first definition was malpractice or neglect of duty.' The report of the committee on detail said that the President might be removed on impeachment and conviction 'of treason, bribery, or corruption.' When the report was discussed. Colonel Mason first moved to insert, after 'bribery', 'or maladministration'; then substituted 'other high crimes and misdemeanors against the state'; and finally 'United States' for 'state', in which form his amendment was adopted. A similar provision as to the impeachment of other officers was added. The committee on style dropped the words 'against the United States.' Their report in this respect passed without criticism."

There will be found quoted, section 89, page 512, of Foster, the reasons for trial of impeachment by the Senate in the language of Hamilton, Story, and Rawle. This may be interesting to the gentlemen who want to change the method. But the quotation is made from the proceedings of the Convention to indicate that the very vague and indefinite term so beloved by impeachers was apparently in the minds of the framers of the Constitution when that document was written, and the idea of the tenure of judges at the pleasure of the Senate, so ably argued by some today, was rejected by our forefathers.

Judge Story, in his monumental work on the Constitution, thus states:

"It would be a most extraordinary anomaly that while every citizen of every State originally composing the Union would be entitled to the common law as his birthright, and at once his protector and guide, as a citizen of the Union, or an officer of the Union, he would be subjected to no law, to no principles, to no rules of evidence. It is the boast of English jurisprudence, and without it the power of impeachment would be an intolerable grievance, that in trials by impeachment the law differs not in essentials from criminal prosecutions before inferior courts. The same rules of evidence, the same legal notions of crimes and punishments prevail" (Story on the Constitution, fifth edition, p. 582).

Whatever may be said of the attitude or the views of those who laid such stress upon misbehavior, it is clear from the record that upon the seventh count, which it was claimed came within that category, Ritter was "subjected to no law, to no principles, to no rules of evidence." He was judged, not by the essentials of the law but by the varying contradictory and irreconcilable theories of the individuals, each a law unto himself.

Senator Davis, in Johnson's impeachment, scathingly answered the suggestion that the Senate was absolute and restrained by no judicial rules thus:

"But the position that the Senate, when trying an impeachment, is a law to itself, is bound by no law, may decide the case as it wills, is illimitable and absolute in the performance of certain restricted judicial fuctions, in a limited government, is revoltingly absurd."

In *State* v. *Hastings* (55 N. W., p. 780) is a very able discussion of the words of the Constitution, "high crimes and misdemeanors." The conclusion of the Court was as follows:

"It may be safely asserted that where the act of official delinquency consists in the violation of some provision of the Constitution or statute which, if denounced as a crime or misdemeanor, or where it is a mere neglect of duty, willfully done, with a corrupt intention, or where the negligence is so gross, and the disregard of duty so flagrant, as to warrant the inference that it was willful and corrupt, it is within the definition of a misdemeanor in office. But where it consists of a mere error of judgment, or omission of duty, without the element of fraud, and where the negligence is attributable to a misconception of duty, rather than a willful disregard thereof, it is not impeachable,

although it may be highly prejudicial to the interests of the State."

It is obvious from this and other authorities that an act, even of misbehavior, to constitute an impeachable offense must be willfully done with a corrupt intention. To hold otherwise would mean that every decision of a court must meet with universal favor, that judicial discretion would be destroyed, and that it would be quite sufficient ground of impeachment that any decision which roused the passion of any litigant, who could gather to himself adherents, would at once subject the judge to the horror and the ignominy of trial; and if enough of the Senate agreed with the disappointed litigant concerning the decision, conviction and ouster from office. As the Nebraska court well says, a mere error of judgment or omission of duty without the element of fraud is not impeachable, "although it may be highly prejudicial to the interests of the State."

In a well-considered Alabama case, after the quotation of authorities, it is said: "The authorities above hold that removal from office and disqualification to hold office are criminal punishment, but the doctrine has been carried much further"; and then, after other quotations, says: "We feel constrained to hold that impeachment under our Constitution is a criminal prosecution."

I cannot refrain from quoting, upon the character of the proceeding and the quantum of proof required to warrant conviction, the case already referred to, *State* v. *Hastings* (55 N. W. Reporter, p. 781). I commend this to the consciences of those who claim for the Senate in impeachment unlimited discretion and a freedom from all law and judicial concepts. The learned court in the Hastings case said:

"Another question which is suggested in this connection is the character of this proceeding, viz, whether it is to be regarded as a civic action or as a criminal prosecution for the purpose of the production and the quantum of proof to warrant a conviction. It may be safely asserted that the decided weight of authority in this country and England—if, indeed, there exists a diversity of opinion on the subject—is that impeachment in that respect must be classed as a criminal prosecution, in which the state is required to establish the essential elements of the charge beyond a reasonable doubt. Blackstone (4 Comm. 259) thus defines the proceeding: 'But an impeachment before the Lords by the Commons of Great Britain in Parliament is a prosecution of the already known and established law, and has been frequently put in practice, being a presentment to the most high and supreme court of criminal jurisdiction by the most solemn grand interest of the whole kingdom.' In the impeachment of Belknap, Senator Wright used the following language: 'Because it does not satisfy me upon this point beyond a reasonable doubt, and because it is quite wanting in everything like directness and force, * * * I feel bound to vote "Not guilty."' Language of similar import was used by Senators Christiancy, Booth, Oglesby, and others. But we are fortunately not without judicial authority on the subject. In the impeachment of Barnard (1872) the judges of the court of appeals of New York sat with the senators, and appear to have been consulted upon all doubtful questions. Chief Justice Church (p. 2070), speaking upon the subject under consideration, said: 'If I felt warranted in balancing the evidence and in determining that question in a civil action, I might come to the conclusion that the evidence of payment was not reliable; but we are here in a criminal case, where the respondent is entitled to the benefit of every reasonable doubt, both upon the facts and the law, and I cannot say that the evidence which has been produced is not sufficient to create some doubt.' Judge Andrew (p. 2071) said: 'I shall vote "Not guilty" upon this article, upon the principle that this defendant is entitled to every reasonable doubt, and that that doubt as to his guilt, according to the charge, exists in my mind upon the evidence in the case.' Like views were expressed by other judges, but there was no dissent from the opinions above quoted. And, in *State* v. *Buckley* (54 Ala. 599), impeachment is defined as a criminal proceeding without the right of trial by jury. It is not alone in form, but also in substance, a criminal prosecution. As said by Senator Sargent in Belknap's case (p. 87): 'A sentence of disqualification is a humiliating badge affixed to high crimes and misdemeanors in office.' While we have in this country no technical attainder working a corruption of blood, the sentence of disqualification to hold or enjoy any office of honor, profit, or trust which is provided by our Constitution in case of conviction by impeachment is within the primary definition of the term. It is the extinction of civil rghts and capacities; a mark of infamy by means of which the offender becomes attinctus or blackened (Rap. & L. Dict., tit. 'Attainder'; 1 Bish. Crim. Law, 966, 970, and notes). The allegation that the respondents acted willfully and corruptly being without support, it follows that there is a failure of proof with respect to specification no. 3."

The case of Barnard referred to was the impeachment of a judge under the procedure of the State of New York.

There are many authorities other than what have been cited; but those herein referred to, with the later Nebraska cases following *State* v. *Hasings*, the Alabama cases, the cases in Kansas, Utah, and Texas, which are fet forth in the brief of Senator AUSTIN, sufficiently state what should be the procedure and the rule in impeachment proceedings. In *Andrews* v. *King* (77 Maine, 235) a question somewhat akin to that in the instant case arose, and the reasoning of the Maine court would seem to be apt upon the six acquittals by the Senate and the subsequent vote of guilty upon those acquittals. It is but fair that the case of Judge Archbald, who was impeached by the Senate, and in which there was a blanket count somewhat similar to that in the case of Judge Ritter, should be cited here in order that the student of impeachment and the procedure thereon may be fully informed. A very able article by Mr. Wrisley Brown, who was special assistant to the Attorney General and conducted the original investigation, may be found in Twenty-sixth Harvard Law Review, page 684. The position taken by Mr. Brown is not different from that which some members of the impeachment court took in relation to the seventh count in the case of Judge Ritter. Archbald was convicted upon the blanket count, but it may be remarked that he was convicted by an overwhelming vote on the first, third, fourth, and fifth articles of impeachment. The difference in the two cases, therefore, will be obvious; and while it may be asserted that there is no difference in principle, the fact that on numerous counts Archbald was convicted, then upon the final count, which restated his offenses, was likewise convicted, presents a very different picture from the Ritter case, where there was acquittal upon all counts where there were substantive charges.

CONCLUSION

I have refrained from a detailed discussion of the evidence because upon the charges that were factual, as set forth in the first six counts, Judge Ritter was found "not guilty", and, of course, logically it follows from his acquittal that the number of Senators required to impeach were not convinced they were proven. A word or two, however, may not be amiss concerning some incidents which were stressed during the trial. The gravamen of the charge against the judge, stripped of all incidental matters, was that he had deliberately conspired to allow an extravagant and exorbitant fee to his former partner and had been given by that partner of that fee $5,000. He insisted that when he and his partner separated after his appointment to the bench he sold his interest in the firm for that sum, and that an honest debt existed, which had been liquidated by its payment to him. To an ordinary man weighing the testimony it would seem infinitely more probable that the judge's interest in the partnership had been sold for that sum rather than the judge had sold his soul and jeopardized his entire career by the acceptance of that paltry amount out of fees aggregating $90,000. The facts in the case as to the fees demonstrate that when first an allowance was to be made, the judge, with meticulous care, addressed a letter to a fellow Federal judge asking him to preside and award what sum was deemed appropriate.

Certainly his conduct at that time has the approval of all. Subsequently, another allowance for attorneys' fees was presented in the pending proceeding. The judge declined to act upon the decree then presented to him in the litigation or the allowance of attorneys' fees, until every interest involved, however conflicting, and every attorney, and there were many in the case, in writing, agreed, both to the decree and to the allowance of attorneys' fees, and it was then that Judge Ritter signed the decree and made the allowance of $75,000 to his former partner, out of which, it was understood, all the attorneys in the case were to be compensated. A consent decree under the circumstances that we detail is by no means unusual in our court procedure, and with the litigants and all the attorneys consenting, and consenting in writing, a corrupt act on the part of the judge can scarcely be predicated. With the conspiracy and corruption charges disposed of there is little that remains to warrant any verdict of impeachment.

If we are to be guided by the law and to decide judicially, the acquittal of the charges of conspiracy and corruption should be sufficient to warrant upon the whole bill of impeachment a verdict of not guilty. And let it ever be remembered the wrongdoing, the illegality, and the corruption were alleged to have occurred in 1929 and 1930 in reality. Judge Ritter sat upon his bench until 1936. In that time the evidence shows 7,000 proceedings and cases were before him, and during that period the evidence does not show complaint of any character nor a single attempt to disqualify him, nor even dissatisfaction of any kind regarding his character nor of him personally. It passes belief how it could be held that a court against which there was neither complaint nor accusation for many years in past, concerning which no witness suggested scandal or disrepute, where none claimed public confidence in the administration of justice or public respect for the judiciary had been prejudiced, and where there was not an atom of evidence in respect to any of these allegations could be found by a verdict of impeachment afflicted with all.

It must not be overlooked, even by the most suspicious, that after all, the high Court of Impeachment is a court bound by rules of evidence and judicial decision. It is not a haphazard tribunal to be swayed by suspicion or moved by vengeance. While not, of course, criticizing my brethren for the decision, which, undoubtedly, they conscientiously rendered, I could not go their way. I would not have branded the most inconspicuous citizen nor the most contemptible or detestable individual upon the evidence as I saw it. I voted, therefore, "not guilty", and the brief lapse of time since the verdict has confirmed me in the justice of my decision.

HIRAM W. JOHNSON.

MAY 1, 1936.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the Board of Commissioners of the town of West New York, N. Y., requesting a full and complete investigation of the administration of the W. P. A. as it affects West New York, N. Y., which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the city commission of the city of Phoenix, Ariz., favoring the enactment of the so-called Wagner-Ellenbogen low-cost housing bill, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the State Bar of Nevada, favoring the enactment of the joint resolution (H. J. Res. 237) for the establishment of a trust fund to be known as the Oliver Wendell Holmes Memorial Fund, which was referred to the Committee on the Library.

Mr. WAGNER presented a resolution of the New York (N. Y.) Adult Blind Aid Association, Inc., praying for the enactment of House bill 7122, providing for pensions to blind persons who are 21 years of age and upward, which was referred to the Committee on Pensions.

Mr. COPELAND presented resolutions adopted by the Syracuse Housing Authority, of Syracuse; the Municipal Housing Authorities of the State of New York; the Consolidated Tenants' League of New York City; and the congregation of the Good Shepherd Presbyterian Church, of New York City, all in the State of New York, favoring the enactment of Senate bill 4424, the so-called Wagner low-cost housing bill, which were referred to the Committee on Education and Labor.

He also presented a resolution of the New York Commandery, Naval and Military Order of the Spanish War, favoring the enactment of Senate bill 4011, relating to the deportation of undesirable aliens, which was referred to the Committee on Immigration.

He also presented a letter in the nature of a petition from the National Commandery, Naval and Military Order of the Spanish-American War, praying for the enactment of Senate bill 4011, relating to the deportation of undesirable aliens, which was referred to the Committee on Immigration.

He also presented the memorial of R. S. Beatty Lodge, No. 910, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, of Buffalo, N. Y., remonstrating against the alleged usurpation by the United States Supreme Court of powers granted to Congress, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by Riverdale Branch (N. Y.) American League Against War and Fascism, protesting against the passage of legislation to suppress attempts to incite disobedience of orders by the enlisted forces of the Army and Navy, which was referred to the Committee on Military Affairs.

He also presented a resolution adopted by students of James Madison High School, of Brooklyn, N. Y., favoring reduction in armaments, the principle of arbitration, and international economic agreements, and protesting against war, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by John Reed Branch 514, I. W. O., of Brooklyn, N. Y., favoring the passage of the so-called workers' social-insurance bill, which was referred to the Committee on Finance.

He also presented a resolution adopted by Local No. 44, United Upholsterers' Union, of New York, N. Y., favoring the enactment of legislation to create a court of appeals for civil-service employees, which was referred to the Committee on Civil Service.

He also presented the petition of the Larchmont (N. Y.) League of Women Voters, praying for the enactment of legislation to place all first-, second-, and third-class postal officials under the classified civil service, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the National Executive Board of the American Newspaper Guild, of New York City, favoring the continuation of Federal art projects under the Works Progress Administration, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Student Council of the Adult Educational Courses, of New York City, favoring the continuation of adult education under the Works Progress Administration on a permanent basis, which was referred to the Committee on Appropriations.

He also presented petitions of sundry citizens of the State of New York, praying for the enactment of House bill 7122, providing pensions to blind persons who are 21 years of age and upward, which were referred to the Committee on Pensions.

IMPROVEMENT OF HOUSING CONDITIONS

Mr. WAGNER. Mr. President, I present and ask to have printed in the RECORD and appropriately referred, two resolutions, one adopted by the Housing Authority of the city of Syracuse, N. Y., and the other by the Board of Public Land Commissioners of the City of Milwaukee, Wis., favoring the enactment of housing legislation, being Senate bill 4424, introduced by me.

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

Whereas there are now before the Congress of the United States a bill introduced by Senator ROBERT F. WAGNER, of New York (Senate bill No. 4424), and an identical bill introduced by Congressman HENRY ELLENBOGEN, of Pennsylvania (H. R. 12124); and

Whereas the Syracuse Housing Authority considers that the above bills constitute a constructive step toward the realization of a program of improvement of housing conditions in the United States: Be it

Resolved, That Senator ROYAL S. COPELAND, of New York, Congressman CLARENCE E. HANCOCK, of the Thirty-fifth Congressional District, as Representatives of the territory served by the Syracuse Housing Authority in the Congress of the United States, are requested to give the above-mentioned bills their favorable consideration and support; and be it further

Resolved, That copies of this resolution be forwarded to Hon. Senator WAGNER and to Congressman HENRY ELLENBOGEN.

CITY OF MILWAUKEE,
BOARD OF PUBLIC LAND COMMISSIONERS,
April 30, 1936.

Senator ROBERT F. WAGNER,
United States Senate, Washington, D. C.

DEAR SENATOR WAGNER: At a regular meeting of the Board of Public Land Commissioners, which board functions as the Milwaukee Housing Authority, held April 29, 1936, the following resolution was adopted:

"Whereas housing conditions in slum and blighted areas of urban centers are a recognized economic and social detriment to community life; and

"Whereas the tenants in such housing districts are forced to live in these intolerable conditions because private enterprise cannot and will not provide low-rent housing facilities; and

"Whereas it is necessary for the Government to bear a certain portion of the burden of financing the clearance of slums and the construction of low-rent housing if these conditions are to be eliminated: Therefore be it

"*Resolved*, That the Board of Public Land Commissioners (Milwaukee Housing Authority) endorses a bill introduced in the Senate by the Honorable ROBERT F. WAGNER, United States Senator from New York, and in the House of Representatives by the Honorable HENRY ELLENBOGEN, Congressman from Pennsylvania, which reads as follows:

" 'A bill to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.'

"Be it further

"*Resolved*, That a copy of this resolution be forwarded to President Franklin D. Roosevelt, Senator Robert M. La Follette, Jr., Senator F. Ryan Duffy, Senator Robert F. Wagner, Congressman Raymond J. Cannon, Congressman Thomas O'Malley, and Congressman Henry Ellenbogen."

Respectfully,

BOARD OF PUBLIC LAND COMMISSIONERS,
C. B. WHITNALL, *Secretary.*

REFUND OF CERTAIN PROCESSING TAXES

Mr. OVERTON presented a resolution adopted by the New Orleans (La.) Flour Club, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas the Agricultural Adjustment Act of the United States was declared unconstitutional by the Supreme Court of the United States on January 6, 1936; and

Whereas by a further order of the Supreme Court of the United States the millers were refunded all impounded process taxes accumulated from about June 1, 1935, until January 6, 1936; and

Whereas the bakers and macaroni manufacturers in the State of Louisiana and vicinity absorbed the process tax and did not pass it on to the consumer, which fact can be easily proved; and

Whereas the bakers of the State of Louisiana have suffered in a business way more than any other class of business, and are ur-

gently in need of the process taxes which they paid and absorbed from June 1, 1935, until January 6, 1936, and which they are rightfully and legally entitled to; and

Whereas the flour millers operating in the United States have failed and/or refused to refund to bakers the process taxes collected by said millers from June 1, 1935, until January 6, 1936, and they further refuse to commit themselves in any manner with regard to refunding these taxes to the bakers and macaroni manufacturers: Be it

Resolved, That the Congress of the United States be petitioned and urged to enact some legislation which will force and compel the flour millers of the United States to return and refund to the bakers and macaroni manufacturers of the State of Louisiana, and of other States, the process taxes which they received and collected and now have in hand and which accumulated during the period commencing about June 1, 1935, and ending January 6, 1936, to the end that the bakers and macaroni manufacturers, who absorbed said tax, shall be reimbursed the millions of dollars which they have paid, and which funds are now in the hands of the flour millers of the United States.

Whereas the Congress of the United States is now in the process of enacting a revenue bill, including a "windfall" tax, in an effort to recapture process taxes on flour and other commodities, which were impounded through injunctions by the various flour millers and returned to them by reason of the decision of the Supreme Court of the United States declaring the Agricultural Adjustment Act to be unconstitutional; and

Whereas the revenue act as now proposed fails to protect brokers, jobbers, wholesalers, bakers, and macaroni manufacturers with respect to floor taxes on merchandise in the possession of these merchants at the time said act was declared unconstitutional; that said protection is ineffective without a proper appropriation to cover refund of floor taxes to said merchants: Be it

Resolved, That the Congress of the United States is hereby petitioned to amend its present revenue act containing the "windfall" taxes in order that proper provision be made to return to the brokers, jobbers, wholesalers, bakers, and macaroni manufacturers the floor tax on flour in their possession on January 6, 1936, and that a proper appropriation be stipulated in said revenue bill to properly refund the floor tax to said merchants.

NEW ORLEANS FLOUR CLUB,
A. J. PALERMO, *Secretary-Treasurer*.

INVESTIGATION OF COSTS OF CANVAS RUBBER-SOLED AND WATERPROOF FOOTWEAR

Mr. WALSH. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred copy of a letter, together with a memorandum, addressed to the chairman of the Senate Finance Committee by the chairman of the United States Tariff Commission, in response to Senate Resolution 283, which I submitted and which directs the Tariff Commission to investigate, under sections 332 and 336 of the Tariff Act of 1930, differences in costs of production in the United States and in the Philippine Islands of all types of "canvas rubber-soled footwear and waterproof footwear."

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

UNITED STATES TARIFF COMMISSION,
Washington, April 27, 1936.

Hon. PAT HARRISON,
United States Senate, Washington, D. C.

MY DEAR SENATOR HARRISON: I have your letter of April 18, enclosing a copy of Senate Resolution 283, which directs the Tariff Commission to investigate, under sections 332 and 336 of the Tariff Act of 1930, difference in costs of production in the United States and in the Philippine Islands of all types of "canvas rubber-soled footwear and waterproof footwear."

In response to your request, I have had incorporated in a memorandum, which I am enclosing, pertinent information with respect to the footwear covered by the resolution.

It has been held, for the purposes of section 336, that production costs in the Philippine Islands cannot be taken into consideration in adjusting rates of duty. Furthermore, all footwear and other articles wholly produced in the Philippine Islands and all products of those islands which do not contain foreign materials to the value of more than 20 percent of their total value are entitled to free entry when coming therefrom to the United States. Dutiable canvas rubber-soled and waterproof footwear was the subject of an investigation under section 336, as a result of which the duties were increased the maximum amount permissible under the law. Another investigation under that section with respect to these products could result only in confirming or reducing the present duties on them.

There have been no shipments into the United States from the Philippine Islands of the types of footwear covered in the resolution. Therefore, an investigation under section 332 does not appear warranted upon the basis of present conditions, nor is it believed that an investigation could be justified on the basis of probable future developments. Furthermore, any action at this time would involve possible conflict with the obligations implied in the Philippine Independence Act.

It therefore appears that an investigation under section 336 looking toward an increase in the rate of duty on this footwear would not be possible and that an investigation under section 332 at this time could serve no useful purpose.

Very sincerely yours,

ROBERT L. O'BRIEN, *Chairman*.

MEMORANDUM REGARDING SENATE RESOLUTION 283, SEVENTY-FOURTH CONGRESS, SECOND SESSION

UNITED STATES TARIFF COMMISSION,
Washington, April 23, 1936.

Senate Resolution 283, now pending before the Finance Committee, provides for investigation by the Tariff Commission, under sections 332 and 336 of the Tariff Act of 1930, of the differences in costs of production of "all types of canvas rubber-soled footwear and waterproof footwear" in the United States and in the Philippines.

The basis of assessing duties on footwear of this type was changed from foreign value to American selling price by Presidential proclamation (effective Mar. 3, 1933) following an investigation by the Tariff Commission under section 336 of the Tariff Act of 1930. The effect of the proclamation was to increase, by the maximum allowed by law, the duties on imported canvas rubber-soled footwear and all kinds of waterproof footwear in chief value of rubber.

Official statistics show that the Philippines shipped no footwear of the types covered by the resolution to the United States in 1932, 1933, 1934, 1935, and the first two months of 1936, and that exports of these products from the islands to other countries are negligible.

On the other hand, the attached table shows that shipments of rubber footwear from the United States to the Philippines amounted to 1,503,000 pairs, valued at $1,171,000 in 1929, to 14,000 pairs, valued at $10,000 in 1932, and to 278,000 pairs, valued at $121,000 in 1935. The great bulk of these exports consisted of canvas rubber-soled footwear.

According to data obtained from the Department of Commerce there is a small production of canvas rubber-soled footwear in the Philippines, which probably amounted to around 1,500,000 pairs in 1935. There is also some all-rubber footwear produced in the islands, but the output of this type amounts to considerably less than the output of canvas rubber-soled footwear. Since the Philippines receive substantial quantities of rubber footwear from the United States and other countries and exports only negligible quantities, it is apparent that the production in the islands falls considerably short of supplying the local consumption.

Production of canvas rubber-soled footwear in the United States in 1933, the last year for which statistics are available, amounted to over 26,000,000 pairs and the production of other rubber footwear amounted to 34,000,000 pairs.

Information obtained from the Department of Commerce indicates that there are four small companies in the Philippines manufacturing rubber footwear (both canvas rubber-soled and all rubber). Almost all the rubber used by three of the companies is produced in the Philippines; the fourth company uses some Philippine rubber but also uses ready-made rubber soles imported from Japan. The canvas used for uppers by all the companies comes chiefly from Japan, most of it cut and some of it sewn, ready to be attached to the soles. The flannel comes from Japan and the laces from Japan and China, while small findings come mainly from the United States.

As already stated, the bill as now drawn directs the Tariff Commission to make investigations of differences in costs of production of "canvas rubber-soled footwear and waterproof footwear" under sections 332 and 336 of the Tariff Act of 1930. It should be pointed out, however, that the Tariff Commission would have no authority (aside from the legal status of the islands as part of the United States) to investigate these products with the object of increasing the duty under section 336 for the following reasons: (1) Footwear made in the Philippines, containing not less than 80 percent (by value) of materials, the growth or product of the Philippine Islands or of the United States, is accorded free entry under the provisions of section 301 of the Tariff Act of 1930, and section 336 does not apply to products now on the free list; and (2) the duty on rubber footwear from the Philippines not meeting the 80-percent requirements would be dutiable, if entered, on the same basis as imports from foreign countries and, as indicated above, the duty has been increased by the maximum allowed by law as the result of a previous investigation under section 336; therefore, further action under this section could only result in confirming or decreasing the present duties.

In an investigation of costs of production in the United States and in the Philippines under section 332, the lack of receipts from those islands would prevent the Commission from following the procedure, otherwise open to it, of using invoice prices or values as evidence of foreign costs. It would be necessary, therefore, for the Commission to send experts to the Philippines for the purpose of such an investigation which would involve considerable time and expense. It should also be pointed out that owing to the much lower quality of the Philippine product, as compared with the footwear produced in the United States, it is doubtful whether satisfactory cost comparisons could be made.

No opinion is herein expressed regarding possible conflict between Senate Resolution 283 and obligations which may be implied from the Philippine Independence Act.

Rubber footwear: Shipments from the United States to the Philippine Islands

[Source: Commerce and Navigation of the United States]

	1929	1930	1931	1932	1933	1934	1935[1]
	Quantity (pairs)						
Rubber boots	6,813	4,824	5,160	2,720	1,090	676	3,110
Rubber shoes	57,563	7,640	10,834	2,745	993	1,132	1,552
Canvas shoes with rubber soles	1,438,544	278,109	198,325	8,212	95,047	71,329	273,441
Total	1,502,920	290,573	214,319	13,677	97,130	73,137	278,103
	Value						
Rubber boots	$12,280	$9,310	$9,756	$3,657	$1,214	$1,099	$5,491
Rubber shoes	52,180	7,081	7,311	1,737	416	509	2,136
Canvas shoes with rubber soles	1,106,433	229,659	124,693	4,809	34,286	35,883	113,323
Total	1,170,893	246,050	141,760	10,203	35,916	37,491	120,950
	Unit value						
Rubber boots	$1.80	$1.93	$1.89	$1.34	$1.11	$1.63	$1.77
Rubber shoes	.91	.93	.67	.63	.42	.45	1.38
Canvas shoes with rubber soles	.77	.83	.63	.59	.36	.50	.41
Average	.78	.85	.66	.75	.37	.51	.43

[1] Preliminary.

NATIONAL INDUSTRIAL POLICIES

Mr. WALSH. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a letter addressed to me jointly by John G. Paine, chairman, management group, and William Green, chairman, labor group, the Council for Industrial Progress, embodying the specific recommendations made to the Senate Committee on Education and Labor by the Committee on National Industrial Policy.

The recommendations relate to production control, hours and wages, trade practices, and permanent advisory council.

Seven interesting and valuable reports submitted by seven different committees were made to the council, namely:

Report of the committee on national industrial policy;

Report of the committee on maximum work week, general wage, and child labor;

Report of the minority management group of the council for industrial progress dissenting from the adopted report of the committee of the council regarding maximum work week, child labor, and wages;

Report of the committee on fair trade practices;

Progress report of the committee on internal and external competition (Pt. I: Internal Competition);

Report of the committee on internal and external competition (Pt. II: External Competition);

Report of the committee on antitrust laws (including the Federal Trade Commission Act);

Report of the committee on financial aid to small enterprise; and

Report of the committee on Government competition with private enterprise.

These reports, together with council resolutions, resolution of the United Mine Workers of America, letter from the American Federation of Labor, resolution of the National Association of Tobacco Distributors, Inc., were adopted by the council in session on March 12, 1936, and were submitted to the President.

In connection with the specific recommendations referred to, I request that there be printed also in the RECORD report of the committee on maximum workweek, general wage, and child labor, report of the minority management group of the council for industrial progress dissenting from the adopted report of the committee of the council regarding maximum workweek, child labor, and wages.

There being no objection, the letter and the reports were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

COORDINATOR FOR INDUSTRIAL COOPERATION,
Washington, D. C., April 8, 1936.

Hon. DAVID I. WALSH,
Chairman, Committee on Education and Labor,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: The Council for Industrial Progress, at its meeting on March 12, 1936, unanimously approved the report of its committee on national industrial policy. It is felt desirable to invite the attention of the members of the Committee on Education and Labor to the specific recommendations because of the possibility that legislation upon some of these matters might be proposed. The recommendations are as follows:

"Production control: The committee declares its belief in an economy of abundance and therefore considers unwise and ineffective any attempt to solve unemployment by the limitation of production, whether imposed by Government or accomplished through voluntary agreements in industry. The committee recognizes the need, under emergency conditions, of instituting production control when that may be necessary to prevent the destruction of socially useful values.

"Hours and wages: While recognizing the need to maintain the respective fields of State and Federal authority, the committee advocates the policy of a minimum wage in industry and the payment of substantial overtime rates for hours worked in excess of a reasonable workweek, believing this to be an advisable national policy tending to increase the purchasing power of wage earners, and make for reemployment in an age of continuous technological improvement.

"Trade practices: The committee believes that our national industrial policy should give proper recognition to the need for curbing those unfair competitive practices which are destructive of the public interest in the maintenance of a free and open market for the sale and distribution of goods.

"Permanent advisory council: The committee believes there should be instituted by the National Government a continuing study of the national income, the source from which it springs, the channels through which it flows, the uses to which it is put, and the forces which cause it to periodically form and freeze into vast pools of disuse, causing the stagnation and paralysis of industry and bringing unemployment and suffering to the people."

Very truly yours,

JOHN G. PAINE,
Chairman, Management Group.
WILLIAM GREEN,
Chairman, Labor Group.

REPORT OF THE COMMITTEE ON MAXIMUM WORKWEEK, GENERAL WAGE, AND CHILD LABOR, AS ADOPTED BY THE COUNCIL FOR INDUSTRIAL PROGRESS MARCH 12, 1936

To the Council for Industrial Progress:

Your committee was directed to make a study of—

1. The effect upon the free flow of commerce of free competition in the three major subjects of productive processes in industry, namely, wages, hours, and child labor, by those engaged in and who compete in interstate commerce.

2. The effect upon the economic stability and purchasing power of the Nation of free competition within and between the several States in the three major productive processes in industry, namely, wages, hours, and child labor.

3. The effect upon the free flow of commerce from the free competition within and between the several States created by a minority of industry, (a) where labor is paid wages below the concept of American living standards, (b) where the hours worked in a factory are much in excess of the hours prevailing in a given industry, (c) where a minority in an industry operate to the disadvantage of the rest of the industry because of local low age child-labor requirements.

4. The effect of substitution of noncompetition from free competition in the three major productive processes, to wit, wages, hours, and child labor, in order to create competitive equality between manufacturers who compete within and between the several States, by establishing a minimum wage, a maximum-hour week, and by regulating child labor.

Your committee, dealing with the general subject of wages, maximum workweek, and child labor submits for the consideration of the council our recommendations and conclusions based on findings after due consideration.

The flow of raw materials, supplies, and products of industry within and between the several States of the United States constitutes a continuous stream of commerce.

Employment and wages of labor are vital factors contributing to the economic stability and purchasing power of our Nation.

While your committee in its recommendations deals specifically with minimum wages, it feels called upon to state that general wages should have a sound foundation above which employees should, through initiative, ability, training, and organization, be able to individually or collectively obtain wages commensurate with their worth.

Accordingly, it is the opinion of the committee that findings and considerations of the problems assigned to this committee justify the following conclusions:

That wages of labor constitute a vital factor of the national income.

That wages are a major factor, in the productive processes, contributing to fair competition.

That hours of employment are a major factor in the productive process, contributing to fair competition.

That approximately 25 percent of the employable persons are unemployed at the present time. This constitutes a most serious obstacle to the economic stability and industrial tranquillity within these United States.

That in view of the present tendency toward lengthening the working hours and reducing wages, your committee believes that these conditions create unfair competition, unemployment, and low consuming power.

That unregulated employment of children in industry is conducive of unfair competition and harmful to the general welfare of the Nation.

That recent records showing that, following the abolition of Nation-wide prohibition of child labor under the National Recovery Administration, child labor has increased by a considerable percentage, indicating a trend definitely toward employment of children, which denies to adults the opportunity for employment: Now therefore

The committee finds that long working hours, inadequate wages, and employment of children in industry create unfair competition in the flow of commerce in and between the several States of the United States and is detrimental to the general welfare of industry and the Nation, and that Congress should create commissions empowered to regulate such unfair and detrimental practices; it is

Resolved, That Congress be requested to enact legislation creating a commission which shall, after findings, have authority to determine a minimum wage rate to be paid by each of the several industries, the commission to determine the field covered by each industry; it is further

Resolved, That Congress be requested to enact legislation creating a commission which shall, after findings, have authority to determine the maximum number of hours per week to be worked in each of the several industries, the commission to determine the field to be covered. That in any instance where the hour-week shall have been greater than the hour-week established by the commission for that industry an adjustment in the wage rates shall be made, so that there shall be no reduction in the earnings of the worker; it is also further

Resolved, That Congress be requested to enact legislation creating a commission which shall, after findings, regulate the minimum ages at which children may be employed in commerce, manufacturing, mines, or agriculture; it is also further

Resolved, That in the appointment of a commission Congress shall provide for a personnel giving equal representation of management and labor.

REPORT OF THE MINORITY MANAGEMENT GROUP OF THE COUNCIL FOR INDUSTRIAL PROGRESS DISSENTING FROM THE ADOPTED REPORT OF THE COMMITTEE OF THE COUNCIL REGARDING MAXIMUM WORK WEEK, CHILD LABOR, AND WAGES

Dissenting minority report

We believe that the report should, but does not, give due consideration to the constitutional limitations on Federal and State legislative power.

(Signed) TOM GLASGOW.
F. A. JENKINS.
A. E. SAWYER.
D. G. SHERWIN.
S. F. VOORHEES.

Further dissenting minority report

While concurring in the dissenting report set forth above I feel that the report is inadequate. Although I sincerely regret that portion of the decision of the Supreme Court in the recent N. R. A. case having to do with interstate commerce, the fact remains that, in plain and unequivocal terms, the Court, by unanimous action, declared that the Congress could not legislate on matters indirectly affecting interstate commerce such as (page 16 of the decision) "building, * * *, mining, manufacturing, or growing crops."

I definitely endorse action by the several States creating a reasonable minimum wage and the prohibition of abusive hours of labor and child labor.

I feel, however, the council, in approving the committee's report requesting congressional action at this time, specifically recommended that the Congress enact legislation definitely and obviously unconstitutional in the light of the clear and unusually specific language of the Court in this case and the former child-labor cases.

Such action by the council is reasonably calculated to seriously discount its usefulness, discredit the worthy aims for which the council was formed and embarrass both the Congress and the administration.

Respectfully submitted.

TOM GLASGOW.

HOME OWNERS' LOAN CORPORATION

Mr. WHEELER. I ask unanimous consent to have printed in the RECORD and referred to the Committee on Banking and Currency an editorial from the Great Falls (Mont.) Tribune of April 21, 1936, the leading newspaper of the State of Montana, entitled "The Job Completed."

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

[From the Great Falls (Mont.) Tribune, Apr. 21, 1936]

THE JOB COMPLETED

Within a few days now the Home Owners' Loan Corporation will finish its big job. On May 7 making of loans to home owners to refinance old indebtedness on their property will cease entirely. The agency will then have only the work of collecting the installments and interest on the outstanding loans.

The Montana agency of the H. O. L. C. has only 10 or less applications pending for disposal before that time. In the period of 2½ years it has loaned $7,450,000 to Montana home owners and has brought relief to several thousand home owners.

This emergency effort of the Federal Government is generally praised, even by opponents of the administration that established it. It was created to do a very important job and has creditably performed that task. One of the most serious situations on March 4, 1933, was that of the home owner with a burdensome debt. Private institutions making loans on residence properties were also in distress quite generally. They were unable to make new loans and in many cases to carry further those already made. Borrowers were everywhere unable to make payments on their indebtedness, and wholesale foreclosures of home properties seemed inevitable.

This agency furnished funds to refinance those debts, lowered the annual interest charge materially, made compromises possible in many cases between debtor and creditor as to the principal of the debt. The home owner was enabled to make needed repairs on his place, to clear up delinquent taxes, and to look ahead with new hope because he could save his home.

Those who criticized the policy on the start are much less inclined to do so now. Apparently the Corporation will secure the repayment of the capital put into the loans and the necessary step of restoring the morale of the home owners was a most important factor in starting the processes of recovery.

The Home Owners' Loan System is distinct from the Federal housing program, and has been under a different agency at Washington. The housing problem is one that has not been adequately met as yet and it is of pressing importance. There has been considerable sentiment to the effect that the Federal housing activities should have been placed in the H. O. L. C. administration, in view of the results obtained by the latter.

But that is a debated question which does not affect the general statement that the Home Owners' Loan Corporation has completed a very important job in a very creditable manner.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

H. R. 11302. A bill to authorize the Secretary of War to lend to the reunion committee of the United Confederate Veterans 3,000 blankets, olive drab, no. 4, 1,500 convas cots, to be used at their annual encampment to be held at Shreveport, La., in June 1936 (Rept. No. 1977); and

S. J. Res. 257. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Acadamy at West Point Maximo Mariano Pruna y Hernandez, a citizen of Cuba (Rept. No. 1978).

Mr. SCHWELLENBACH, from the Committee on Military Affairs, to which was referred the bill (S. 3220) to authorize the Secretary of War or the Secretary of the Navy to withhold the pay of officers, warrant officers, enlisted men, and nurses of the Army, Navy, or Marine Corps to cover indebtedness to the United States under certain conditions, reported it with amendments and submitted a report (No. 1979) thereon.

He also, from the same committee, to which was referred the bill (S. 3736) authorizing and directing the appointment of Joseph W. Harrison as a captain in the Chaplain Reserve Corps, reported it without amendment and submitted a report (No. 1980) thereon.

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 115) designating the last Sunday in September as Gold Star Mother's Day, and for other purposes, reported it without amendment and submitted a report (No. 1981) thereon.

Mr. O'MAHONEY, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 5058) to

convey certain lands to Clackamas County, Oreg., for public-park purposes, reported it without amendment and submitted a report (No. 1982) thereon.

He also, from the same committee, to which was referred the bill (H. R. 8431) to provide for the establishment of the Fort Frederica National Monument, at St. Simon Island, Ga., and for other purposes, reported it with an amendment and submitted a report (No. 1983) thereon.

Mr. VAN NUYS, from the Committee on the Judiciary, to which was referred the bill (S. 3841) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, reported it without amendment, and submitted a report (No. 1985) thereon.

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

S. 4297. A bill to amend section 80 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended (Rept. No. 1986); and

H. R. 8940. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto (Rept. No. 1984).

COTTON COOPERATIVES—MINORITY VIEWS OF SENATOR BANKHEAD

Mr. McKELLAR. Mr. President, some time ago I filed a report, under the authority of Senate Resolution 185, regarding the investigation of cotton cooperatives. One of the members of the committee, the Senator from Alabama [Mr. BANKHEAD], who was ill at the time the report was filed, desires to file a dissenting report, and I ask unanimous consent in his absence that his report be filed, printed, and printed in the RECORD.

There being no objection, the report (No. 1819, pt. 2) was received, ordered to be printed, and to be printed in the RECORD, as follows:

My approval is withheld from the report submitted by Senator McKELLAR pursuant to the authority of Senate Resolution No. 185, authorizing an investigation into the expenditures by the Federal Government for cotton cooperatives.

The testimony taken comprises 654 printed pages. Therefore a detailed analysis of this testimony would unnecessarily prolong this report, but the following conclusions seem to me to be warranted:

1. The American Cotton Cooperative Association and its affiliates are farmer owned and farmer controlled, and that they are organized and operated in accordance with the letter and spirit of cooperative marketing laws.

2. The Government twice attempted efforts in the nature of stabilization operations, once in the 1929–30 cotton season, when an advance of 16 cents per pound was made on cotton delivered through the cooperatives, and again in the 1930–31 cotton season, when 90 percent of the market value of cotton was advanced to growers through the cooperatives. The Government has assumed and paid some of the losses incident to these stabilization operations, but has not paid all losses.

3. The record shows that in performing the ordinary functions of cooperative marketing associations, exclusive of stabilization operations, American Cotton Cooperative Association and its affiliates on the whole have rendered satisfactory service. Out of over a quarter of a million producer members less than 20 appeared to protest any grievance or criticism.

The evidence does show that the cotton cooperatives lost certain reserves and were put in debt to the Federal Government as a direct result of stabilization efforts conducted at the instance and under the direction of the Federal Government acting through the Federal Farm Board. The record further shows that since the cessation of these stabilization activities by the Government, the operation of the cotton cooperatives as a whole have been conducted in accordance with sound business and cooperative principles. As illustrative of this the evidence conclusively shows the following facts: American Cotton Cooperative Association was organized in 1930 by 13 State and regional cotton cooperative associations with a paid-up capital of only $76,950. This association has accumulated a substantial capital and surplus reserve through earnings. At the close of the 1933–34 season the capital and surplus amounted to $2,355,658.59, and all of this, except the original $76,950, was a result of earnings. These earnings are held for the benefit of the producers whose patronage has contributed to it. At the close of the 1933–34 season $480,058.20 was distributed by this association as patronage dividends. These results have been accomplished in spite of some testimony by the cotton trade to the effect that the American Cotton Cooperative Association and its affiliates were paying more to producers than the trade could afford to pay and were selling cotton to the mills at lower prices than the trade could afford to take.

I am impelled to the conclusion that during these years the operations of the cooperatives have reduced the spread between the producer and the consumer to the benefit of both.

4. The record does not justify the assumption that capital loans to the cooperatives are worthless, or that the Government will ultimately lose thereby. I find no basis for reflecting upon the officials of Farm Credit Administration appointed by the President pursuant to the law passed by Congress. None of these officials were called by the subcommittee; and certainly there is no evidence indicating that these capital loans were recklessly, improvidently, or illegally made. I see no reason to believe that the Government's loans are likely to be lost in whole or in part.

5. As to membership relations, the element of coercion is absent. The membership contracts introduced in the record give the members the right to withdraw from membership and cancel the contract. Hence I am unable to join in the view that the cooperatives retain their membership by coercion or duress.

6. The record shows that the cooperatives have rendered a noteworthy service. Through means of local offices and receiving agents, classing service is widely provided to the end that farmers who do not know the grade or staple of their cotton, and may not understand its value, are advised in these respects.

A basis sheet is made available throughout the Cotton Belt and every producer of cotton in the South can ascertain what the cooperatives will pay for his cotton on any date.

Various sales options are provided, including the seasonal pool, the daily fixation pool, and other pools. In the seasonal pool, cotton is sought to be sold in an orderly manner at the average seasonal price received from sales rendered to growers. In the daily fixation pool the current day's price is given to the farmer. Under the marketing contracts he has exclusive option control in determining whether to sell through a daily pool or seasonal pool. There is no evidence that the judgment of the association's officials is substituted for his judgment in these particulars.

7. The immediate fixation or daily pool is a natural development of cooperative marketing. If only seasonal pool were offered, financed on a basis of advancing 60 percent of the market value at time of delivery, with subsequent distribution as sales are made from this pool, the effect would be to deny the advantages of cooperative marketing associations and their facilities to the weakest and neediest of the producers. With more than one-half of the American cotton crop produced under landlord's lien, crop mortgage, or furnishers' lien, the immediate fixation or daily pool is a necessity.

8. The evidence warrants the conclusion that the cooperatives have rendered noteworthy services in the marketing of cotton. To mention only a few, they have eliminated in large areas the purchase of cotton without taking into consideration in price fixing the grade and staple of cotton. The old method is commonly referred to as hog-round buying; they have narrowed the differentials between interior country points and central marketing points; they have contributed to cutting down the spread between the price paid to the producer and the price paid by the mills; and they seek to make the marketing of cotton as direct as can be economically done. The record supports the conclusion that the cooperatives aim to pay to the producers the highest price possible, not to buy his cotton at the lowest price and sell it for the highest price.

9. The record shows that in the operation of the cotton cooperatives there have been mistakes made. Handling never less than 1,000,000 bales per year since the organization of American Cotton Cooperative Association, it would be well-nigh impossible to market so large a volume of cotton without errors and perhaps injustice. But occasional errors should not call for a sweeping condemnation of the entire cooperative marketing system in cotton.

The public policy of the United States is committed to cooperative marketing. It was endorsed in the platform of both political parties in the last Presidential campaign. The cooperatives are seeking, to their credit, out of their own reserves, to build a solid financial structure. To expect the cotton producers immediately to contribute all of the capital needed to finance their operations is vain; and, therefore, both major political parties pledged financial aid of the Government to the cooperatives.

It does not appear, as stated, that capital loans to American Cotton Cooperative Association and its affiliates have been recklessly or wantonly made, or that those whom the President has entrusted with responsibility for the affairs of the Farm Credit Administration have been recreant to their trust.

It is a fair deduction, as heretofore pointed out, that the cooperatives lost reserves, which they held for their farmer members, as a direct result of stabilization operations initiated by the Federal Government. The former chairman of the Federal Farm Board, who was responsible, in part, for the policy initiated and the conduct of the operations, testified that the cooperatives and their members were penalized as a result of these operations. He frankly stated that the Federal Farm Board, at the close of the operation, was compelled to make a harsh and unfair settlement with the cooperatives based upon a legal interpretation of existing statutes. I am forced to the conclusion that the Congress, who alone can right the wrong, should by appropriate legislation, restore to the cotton cooperatives and to their producer members the reserves which were thus appropriated.

J. H. BANKHEAD.

ENROLLED JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on April 30, 1936, that committee presented to the President of the United States the enrolled joint resolution (S. J. Res. 247) authorizing the recognition of the three hundredth anniversary of the founding of Harvard College and the beginning of higher education in the United States and providing for the representation of the Government and people of the United States in the observance of the anniversary.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. WAGNER:

A bill (S. 4581) authorizing the payment of certain salaries and expenses of employees of the General Land Office; to the Committee on Public Lands and Surveys.

By Mr. McNARY:

A bill (S. 4582) for the relief of M. Seller & Co.; to the Committee on Claims.

By Mr. BACHMAN:

A bill (S. 4583) granting a pension to Thomas A. Yadon; to the Committee on Pensions.

By Mr. PITTMAN:

A bill (S. 4584) to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), to extend and adapt its provisions to the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded at the city of Mexico, February 7, 1936, and for other purposes; to the Committee on Foreign Relations.

By Mr. BULKLEY:

A bill (S. 4585) extending the benefits of the Emergency Officers' Retirement Act to Walter Conner; to the Committee on Military Affairs.

By Mr. KING:

A joint resolution (S. J. Res. 259) to amend the joint resolution of July 18, 1935, relating to the Seventieth National Encampment of the Grand Army of the Republic, to be held in the District of Columbia in September 1936; to the Committee on the District of Columbia.

CHANGES OF REFERENCE

On motion of Mr. KING, the Committee on Banking and Currency was discharged from the further consideration of the following bills, and they were referred to the Committee on the District of Columbia:

S. 4511. A bill to amend the act entitled "An act to provide for the incorporation of credit unions within the District of Columbia", approved June 23, 1932; and

S. 4512. A bill to amend the act entitled "An act to establish a code of laws for the District of Columbia", approved March 3, 1901.

AMENDMENT TO NAVAL APPROPRIATION BILL

Mr. McNARY submitted an amendment intended to be proposed by him to House bill 12527, the Navy Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill insert the following:

"There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,500,000, to be used for the further development of the naval base at Tongue Point, Oreg.

"The Secretary of the Navy is authorized and directed to expend the appropriation of $1,500,000, made pursuant to this act, for the following purposes:

"For constructing hangars, ramps, barracks, shops, storehouses, and any other facilities required for the use and maintenance of naval aviation squadrons and their personnel.

"For dredging.

"For maintaining existing piers and shore facilities heretofore constructed.

"For enlarging existing piers and shore facilities heretofore constructed if found necessary and desirable by the Secretary of the Navy."

THE MERCHANT MARINE—AMENDMENTS

Mr. GUFFEY. Mr. President, I submit amendments which I intend to offer to the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes. I wish to call attention to the one difference between the committee print which was made available Saturday and the amendments which I send to the desk. The change appears in section 53.

I ask that the amendments be printed and lie on the table.

The VICE PRESIDENT. Without objection, the amendments will be received, printed, and lie on the table.

AMENDMENT OF INTERSTATE COMMERCE ACT

Mr. WHEELER. Mr. President, some days ago the Committee on Interstate Commerce reported the bill (S. 1636) to amend the Interstate Commerce Act, which had been recommended by the Interstate Commerce Commission. The first part of the bill as introduced would have given the Interstate Commerce Commission the right to fix minimum joint rail and water rates. The second part of the bill referred to the power of the Commission to establish and maintain joint routes and rates.

When hearings were had on the bill it was agreed that the committee should not take action on the provision giving the Commission power to fix minimum rail and water rates, but by reason of clerical oversight this provision was not taken out of the bill as reported. I desire to introduce now an amendment in the nature of a substitute for the bill previously reported, and ask that it lie on the table, be printed, and be printed in the RECORD.

There being no objection, the amendment in the nature of a substitute was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Strike out all after the enacting clause and insert the following:

"Paragraph (3) of section 15 of the Interstate Commerce Act, as amended, is further amended by adding the following: 'The elimination of any existing through route or joint rate, fare, charge, or classification without the consent of all carriers, parties thereto or authorization by the Commission shall be deemed prima facie unreasonable and contrary to the public interest.'

"SEC. 2. Paragraph (4) of section 15 of the Interstate Commerce Act is hereby amended to read as follows: 'In time of shortage of equipment, congestion of traffic, or other emergency declared by the Commission it may (either upon complaint or upon its own initiative without complaint, at once, if it so orders without answer or other formal pleadings by the interested carrier or carriers, and with or without notice, hearing, or the making or filing of a report, according as the Commission may determine) establish temporarily such through routes as in its opinion are necessary or desirable in the public interest.'"

AMENDMENT OF RIVER AND HARBOR BILL

Mr. CAPPER submitted an amendment intended to be proposed by him to the bill (H. R. 8455) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which was ordered to lie on the table and to be printed.

INTERNAL-REVENUE TAXATION—AMENDMENT

Mr. WAGNER submitted an amendment intended to be proposed by him to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes, which was referred to the Committee on Finance, ordered to be printed, and to be printed in the RECORD, as follows:

On page 3, in the table of contents, strike out the following: "Sec. 120. Unlimited deduction for charitable and other contributions"; and strike out "Sec. 121" and in lieu thereof insert "Sec. 120."

On page 40, line 16, strike out "animals;" and insert "animals."; and in lines 17 to 19, strike out the following: "to an amount which in all the above cases combined does not exceed 15 percent of the taxpayer's net income as computed without the benefit of this subsection"; and in lines 22 to 24, strike out the following: "(For unlimited deduction if contributions and gifts exceed 90 percent of the net income, see section 120.)"

On page 42, lines 13 to 15, strike out the following: "; to an amount which does not exceed 5 percent of the taxpayer's net income as computed without the benefit of this subsection."

On page 42, line 20, strike out "section 121" and in lieu thereof insert "section 120."

On page 127, beginning with line 16, strike out down to and including line 2, on page 128.

On page 128, line 3, strike out "Sec. 121" and in lieu thereof insert "Sec. 120."

HOUSE BILL REFERRED

The bill (H. R. 12527) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1937, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ALLEGED UNDERCOVER OPERATIONS BY GOVERNMENT AGENTS

Mr. BONE. Mr. President, my attention has been directed to an article recently appearing in one of the local papers which condemns certain alleged practices of so-called undercover men employed by some Government departments and who are charged with a low form of spying and general all-around espionage.

I have been advised of at least one such instance, which seemed an utterly indefensible case of this very thing. I am concerned over the fact that such practices may exist. If they are not checked by the salutary force of public opinion, they might readily lend themselves to the most odious form of oppression and coercion and easily become the basis of what might amount to political blackmail.

What is to prevent such practices from being used to coerce Members of Congress into attitudes favorable to the ends sought by the people who control these undercover operators? If the activities of these men are not brought to light, what is to prevent them from becoming instruments of tyranny in the hands of ambitious men?

In the near future I shall have something to say about this matter, and probably offer a resolution looking to an investigation by the Senate to determine the extent to which its own Members may have been the object of attention at the hands of this nascent and budding O. G. P. U. If there be nothing to this now so frequently repeated charge, it might be well to lay this ghost of gossip by the heels and have an end to the undercurrent of charges and cross-charges now so freely indulged in when Members of Congress meet for frank, private discussion of what is going on. I think that an official investigation would be a healthy thing, and it would give an opportunity to the supersleuths to come before the committee where the bright light of publicity could and would be turned on their work.

EXPENSES OF COMMITTEES OF HOUSE OF REPRESENTATIVES

Mr. GLASS. Mr. President, I ask unanimous consent for the present consideration of House Joint Resolution 567, Calendar No. 1992, being a joint resolution to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936.

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

There being no objection, the Senate proceeded to consider the joint resolution, which was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That for expenses of special and select committees authorized by the House of Representatitves there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $75,000 for the fiscal year 1936: *Provided*, That no person shall be employed under this appropriation at a rate of compensation in excess of $3,600 per annum.

EVERYBODY'S RELIEF—ADDRESS BY SENATOR BARBOUR

Mr. AUSTIN. Mr. President, I ask unanimous consent to have inserted in the RECORD a radio address entitled "Everybody's Relief", delivered by the senior Senator from New Jersey [Mr. BARBOUR] on the Columbia chain Sunday, May 3.

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

It seems to me everyone needs relief. The unemployed need relief until they can secure regular jobs. The taxpayer needs relief from the growing burden of taxation. The American people in general need relief from an overdose of costly governmental experiments.

I am convinced that we can give relief to everybody right now. I think we could take adequate care of the unemployed during the coming year by using money already authorized. This would help the unemployed, and it would help the taxpayer too.

It means, in figures, that we would not need that extra $1,500,000,000 authorization which the New Deal wants to take from our pockets now. It also means that the Budget would be nearer a balance.

The New Deal relief administrators have simply got into a revolving door. They keep going round and round, hopefully trying this and that, and always coming out where they went in. There are just as many unemployed in this country as when they started. There is the same old waste and inefficiency in relief administration, and every turn of the door takes a few more billions out of the American pocketbook.

Unemployment relief is necessary so long as people are out of work. But it ought to be conducted with as little expense as possible. It is just as bad for the United States Government to squander part of the relief money intended for the unemployed as it is for a man to gamble away part of his weekly pay when his wife and children need the money for food and clothing. That is just what is happening now, however, and that is the reason why our unemployment-relief program is so expensive.

The money that finally reaches the unemployed is only a portion of the relief funds which the President has at his disposal. Part of it goes toward maintaining huge offices and large armies of bureaucrats in Washington. Part of it goes for bales of blanks and forms that have to be filled out and shuttled back and forth between Washington and the local relief projects. Part of it goes for land, materials, transportation, and all the other things that go into Federal work relief. Finally, and most unfortunately, part of it gets into the hands of purely partisan politicians.

You probably remember the C. W. A. of 2 years ago, which spent, roughly, $834,000,000 in 5 months to provide boondoggling projects for an average of less than 3,000,000 unemployed. C. W. A. so reeked with inefficiency and incompetence that even its Administrator, Harry L. Hopkins, could not stand the smell of it. C. W. A. was disbanded as soon as possible and Mr. Hopkins said at the time:

"I am perfectly frank to say that when this enterprise was started it did not occur to me that people would do this kind of petty chiseling."

C. W. A. took an average of about $167,000,000 per month of the taxpayers' money, of which the unemployed finally got a portion after the commissions, bureaus, patronage, and politics had abstracted their share.

Right now the Government is trying to provide unemployment relief by means of a set-up called W. P. A. Personally I can see little difference between the old C. W. A. and this new W. P. A. except in one particular. W. P. A. costs more. It is spending an average of $275,000,000 per month, or 65 percent more than the old C. W. A.

Although costing more, W. P. A. is providing less relief than C. W. A. When the first half of the current fiscal year was over, W. P. A. had given relief to an average of 1,800,000 unemployed persons, which is a little more than half the number that C. W. A. took care of.

They fired C. W. A. without a reference because it was too expensive and open to chiseling and political manipulation. Yet W. P. A. is allowed to meander on its even more costly way.

There is one thing that I wish to make clear before I go further. I do not know of a single person who even suggests that we stop giving relief to the unemployed. Nobody wants the unemployed to go hungry or to be without proper clothing and shelter or medical care. I am only pointing out that much of the relief money is being wasted—needlessly wasted.

This year the Government is spending about $3,000,000,000 for relief.

What is a billion dollars? It is a pretty hard sum to imagine. No one person on earth has ever had that much money.

Yes; a billion dollars is a breath-taking sum; but the Government was given $4,880,000,000 last year for unemployment relief, and $3,300,000,000 the year before for the same purpose. These sums are to past Government appropriations what the Pacific Ocean is to the old swimming hole.

During the year prior to the appropriation of these sums the Government had provided for all kinds of relief cases. It had cared for those whose physical or mental disabilities prevented their being able to work. It had cared for the transients who took to the road to find work, but who had no longer any fixed home anywhere. It had cared for those able and eager to work, but who could not find jobs because of the depression.

Now with more money in the till than ever before, the New Deal changes its relief policy. It washes its hands of the unfortunate who cannot work. They are told that the individual States or the counties or the cities or towns must take care of them. The New Deal also has left the transients to shift for themselves. As these unemployed could not claim any particular State as home, they are denied State or local relief. It is not that the States and communities are hard-hearted; their laws prevent their giving any relief to transients. So many transients are faced with the choice of starving or else getting a precarious living by the humiliating process of panhandling.

The unemployed who are able in body and mind are to be given jobs under W. P. A. It took quite a little while for W. P. A. to get organized. Although the last $4,000,000,000 were available

last July 1, it was not until late in the fall that any appreciable number of unemployed were given jobs.

Of course, everyone is glad when the unemployed are given work and wages. Many of us feel that the only kind of work which will preserve the respect of the worker is work which is useful and of enduring value. How much use or permanent value is there in the Government putting the unemployed to such work as raking leaves, bringing jack rabbits under control, tanning hides by hand, canning sauerkraut, giving pageants and festivals, collecting testimony of ex-slaves, or constructing portable theaters?

For relief, some of it in the form of such trivial projects of little value, the New Deal spent $1,600,000,000 during the first half of the current fiscal year. Only about two-thirds of the money on work-relief projects went to the unemployed. The rest of it went to materials, supplies, and equipment.

According to various estimates, the Government will have spent $3,000,000,000 or a little more for relief when the current fiscal year ends on June 30. That means that there will be $1,500,000,000 left for the unemployed for next year. And there may be more.

The trouble with figures of this kind is that they are only guesses. It is very difficult to get a clear picture of what is going on in New Deal relief because its workings are obscure and definite information is withheld. Here are some of the New Deal agencies connected with unemployment relief: Works Progress Administration, Public Works Administration, Emergency Conservation Work, Resettlement Administration, Bureau of Public Roads, National Youth Administration, Department of Agriculture, Department of Commerce, Department of Labor, Alley Dwelling Authority, Rural Electrification Administration, and lots of others.

In fact, there are so many cooks dishing up relief that it is little wonder it gets spoiled in the dishing.

I have introduced in the United States Senate a resolution calling on the Relief Administrator to advise Congress the sum of money remaining for relief purposes. I think we all ought to have that information. I know I am going to have a difficult time getting that resolution passed over the protests of New Deal Members of Congress, but I am going to keep trying.

The reason I want to know how much money is still left from the nearly five billion given the Relief Administrator last year is because I suspect there is still a lot available. By the same token, I also suspect that we may not need to ask the taxpayers to furnish any more money for next year's relief. We may be able to go along on what we have. Certainly we should find out if we can do so.

Of course, that means cutting down relief costs, too. That does not mean, however, cutting down on payments to the unemployed. It means cutting out the waste and inefficiency of the present system with its Washington bureaucrats and its petty chiselers all along the line.

Why should an unemployed man in your community be hungrily waiting and waiting for word that relief is on its way when all that is holding it up is the decision of some pee-wee potentate in Washington that line 18 of form 86 is improperly filled out? All this shuttling of requisitions, allocations, vouchers, and whatnot back and forth through General Farley's mails keeps the many-headed monster of bureaucracy in Washington well fed, but it doesn't put one penny in the pockets of the unemployed.

Ask yourself this question: How would you administer relief to the unemployed? You know your own community. You know where the people are who are out of work. You know or you can soon find out which are the chiselers and which the deserving. You wouldn't let anyone starve, but you wouldn't go around throwing dollar bills in the air like the "Spirit of Spring" tossing blossoms in a pageant.

That is the answer to the question, "Why is Federal relief so expensive?" It is impossible for persons in Washington, however well meaning, to know local conditions in every urban and rural community in the country. And when Washington sends agents to find out, that only adds to the costs of administering relief and delays it.

Relief should be administered by the States. They understand their own local problems. They will not have to clog the mails with questionnaires. They will not have to employ armies of clerks whose only jobs are to receive papers from the one on the left and pass them on to the one on the right. They will administer relief with a minimum of expense and a maximum of efficiency.

Under such a State-administered relief system, with money supplied by the Federal Government on a grant-in-aid basis, it is estimated that the national relief cost can be cut just about in half.

Instead of a possible $3,000,000,000 a year, it can be done for perhaps $1,500,000,000. Since we shall probably have just about that much left from last year's $4,800,000,000 appropriation, our next year's relief will be in a sense "on the house."

As I said before, these estimates are difficult to arrive at because the relief structure is so complicated. That is why I am asking in my Senate resolution that the Relief Administrator make a report of his past stewardship and furnish estimates from his experience for the future.

I am hoping that this resolution will pass. I hope we shall secure information that will show us the way to relief for everybody—the unemployed, the taxpayer, and Mr. and Mrs. America and their family wherever they are.

AMERICAN FOREIGN-TRADE POLICIES—ADDRESS BY SECRETARY HULL

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered last Thursday, April 30, by Hon. Cordell Hull, Secretary of State, before the general session of the Twenty-fourth Annual Meeting of the Chamber of Commerce of the United States, in Washington.

This is a very able address on our foreign-trade relations, and goes very fully into the whole matter of recovery of our foreign trade. I believe Senators and the public will be greatly interested in reading it. This is the speech of a Cabinet officer, and, under the law, is not required to have an estimate of cost.

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

Mr. President, ladies, and gentlemen: One year ago, when I had the pleasure of addressing the general session of your twenty-third annual meeting, I took occasion to lay before you the basic idea which underlies the foreign commercial policy pursued by the Government of the United States during the gravest economic emergency within our peacetime experience. I described to you the pressing needs of this country and of the world in the domain of international commercial relations; the difficulties that stand in the way of meeting these needs; and the dangers which are inherent in failure to solve the vital problems involved. The 12 months that have elapsed have brought these needs and problems into still sharper relief and, in speaking before you today, I welcome the opportunity to discuss with you once more, especially in the light of the developments and experience of the past eventful year, the purposes and objectives sought by our Government in the field of foreign trade.

As time goes on it becomes increasingly clear that no nation can achieve a full measure of stable economic recovery so long as international trade remains in the state of collapse into which it had been plunged during the years of the depression. The whole postwar period has been characterized by an ever increasing drift toward economic nationalism, which has expressed itself in a constant growth of barriers to international trade. This drift has become enormously intensified during the past 6 years, though responsible statesmen in many countries have never ceased to deplore it. Under its impact, the international economic structure of the world has been all but shattered, and individual nations have sought economic improvement more and more by means of purely domestic measures, on the basis of a greater degree of self-containment than was ever before consciously attempted.

Such a movement toward national economic self-containment is incompatible with the reestablishment of satisfactory prosperity. The basic raw materials needed for modern ways of living and for the development of a higher civilization in the future are not evenly distributed throughout the globe. Similarly, the application of technical skill and the accumulation of financial wealth are more highly developed in some nations than in others. No nation, forced to live in isolation within its own borders, can have everything that it needs. Overabundance of some resources cannot possibly compensate for lack or insufficiency of others. Only through international trade and financial intercourse can locally concentrated natural and man-made resources be utilized in such a way as to afford all nations the indispensable foundations of modern economic well-being.

For generations, humanity has built its life upon a recognition of the primary fact that trade is the lifeblood of economic activity. This is equally true whether within or among nations. Each nation has accordingly developed far beyond domestic requirements those branches of production in which it has special endowment or aptitude. Each nation has come to regard foreign markets as the natural outlets for its surplus output, and the surplus production of other nations as the sources from which to supply its own deficiencies.

A rapid and drastic contraction of international trade of the kind that the world has witnessed during the past few years constitutes a double attack upon the economic well-being of each nation's population. The necessary materials habitually obtained in other parts of the globe become more difficult to secure. The surplus national production habitually shipped to other countries becomes more difficult to sell. Output in the surplus-creating branches of production must be curtailed, or else accumulating surpluses force prices below the level of remunerative return to the producers. In either case, the whole economic structure becomes disrupted. Vast unemployment ensues, not only in the field of production, but also in such lines of activity as transportation, banking, merchandising, and the various avocations and professions. Financial investment and other forms of savings become impaired or are wholly destroyed. Distress spreads throughout the Nation in ever-widening circles.

Economic distress quickly translates itself into social instability and political unrest. It opens the way for the demagogue and the agitator, foments internal strife, and frequently leads to the supplanting of orderly democratic government by tyrannical dictatorships. It breeds international friction, fear, envy, and resentment, and destroys the very foundations of world peace. Nations are tempted to seek escape from distress at home in military adventures beyond their frontiers. And as fear of armed conflict spreads, even peace-loving nations are forced to divert their national effort from the creation of wealth and from peaceful well-being to the construction of armaments. Each step in the armament race bristles with new menace of economic disorganization

and destruction, multiplies fear for the future, dislocates normal constructive processes of economic life, and leads to greater and greater impoverishment of the world's population.

In the past few months we have witnessed a swift increase in international political tension; a recrudescence of the military spirit, which sees no goal in life except triumph by force; an expansion of standing armies; a sharp increase of military budgets; and actual warfare in some portions of the globe. Human and material resources are being shifted, on a truly alarming scale, in a military direction rather than one of peace and peace pursuits.

There is no need for me to dwell long upon the appalling implications of this tragic picture. Overwhelming evidence of it is startlingly apparent on every side. I shall rather devote the time which you have so kindly placed at my disposal to a consideration of the possibilities of turning back this rising danger of a new world catastrophe. For myself, I am firmly convinced that such possibilities exist, and that the world has at its disposal adequate remedies for overcoming the virulent disease which is now so widespread.

Only as the world's economic health is restored will individuals and nations develop again adequate resistance to the psychological madness that makes possible internal and external strife. Only as constructive economic effort once more fully engages the energies of mankind, as the machinery of production and distribution regains and expands its scale and speed of operation, as sterile unemployment is replaced by fertile toil, will the nations of the world restore and develop their economic prosperity in full and sound measure and turn their thoughts away from war and toward lasting peace.

The disease is so widespread and so all-pervasive that the attack upon it must be on a wide front. In addition to the break-down of international trade, the economic life of each nation is subjected today to the strain of many maladjustments, both internal and external. Each of the major maladjustments must be corrected, for there is little hope of adequate and stable recovery if any of the more important ones are ignored or neglected.

Many of these maladjustments can yield only to constructive domestic measures, and such measures, looking especially toward the fullest practicable development of the domestic economy, are therefore indispensable to recovery. They are being taken today in many countries. But they cannot be really and permanently effective unless they go hand in hand with appropriate action in the international field. The prospect of full and durable recovery will be bright and hopeful only as each important nation determines to go forward both on a domestic and an international program, in order that an expanding world prosperity may develop to sustain and promote the expansion of domestic recovery.

We in the United States are engaged today upon such a combined economic program. Under the influence of constructive internal measures, we have achieved a substantial recovery in production, employment, and prices. But we are also buttressing this developing economic improvement by a determined effort to reestablish international trade upon a basis that will permit it to regain its volume of a few years ago and to go forward as a process mutually beneficial to all nations.

At the time I addressed you a year ago, our foreign-trade program was still in its beginnings. Since then it has developed into what we, who are daily engaged upon the task of its execution, believe to be an accomplishment of importance and increasing promise. We have now concluded 12 trade agreements, which have opened to larger American exports such markets as those of Canada, Cuba, Brazil, the Netherlands, Belgium, Sweden, and Switzerland.

In the process of preparing and negotiating these agreements, we have been confronted with the need of deciding many questions of method and of policy. If you will bear with me for a few minutes, I should like to describe to you briefly the methods we are employing for the attainment of our objectives, the decisions we have had to make in formulating our policy, and the reasons for choosing the particular methods and decisions.

The foreign-trade program of this Government is based fundamentally upon what to us is an indisputable assumption—namely, that our domestic recovery can be neither complete nor durable unless our surplus-creating branches of production succeed in regaining at least a substantial portion of their lost foreign markets. Our production of cotton, lard, tobacco, fruits, copper, petroleum products, automobiles, machinery, electrical and office appliances, and a host of other specialties is geared to a scale of operation the output of which exceeds domestic consumption by 10 to 50 percent. In his message to Congress recommending the passage of the Trade Agreements Act, the President urged the need of restoring foreign markets in order that our surplus-producing industries may be "spared in part at least, the heartbreaking readjustments that must be necessary if the shrinkage of American foreign commerce remains permanent."

Our exports have shrunk for many reasons, among which two stand out prominently, both because of their effectiveness in reducing the volume of trade and because their removal or mitigation lies within the realm of possible action on our part. These are, first, the increase of trade barriers in those countries which constitute the normal markets for our exports, and second, the development of discriminatory practices on the part of such countries, which place our exporters at a disadvantage with respect to their foreign competitors.

Our needs are clear: We must induce foreign countries to mitigate the obstructions which they place in the way of our shipments to their markets, and we must free our export trade from disruptive discrimination directed against it. In what ways and by what means can we provide for these needs?

As regards the problem of trade barriers, it is not necessary for me to recite how, in recent years, customs duties have been raised to unprecedented heights in nearly all the countries of the world, nor how the use of new, powerfully restrictive devices has become widespread. You, as businessmen, are fully as familiar as I am with the operation of these measures and with their stifling effect upon the exchange of goods among the nations of the world. Nor is it necessary for me to emphasize the fact that our own country has contributed greatly to the rise of these barriers of trade.

Since the end of the World War, we have revised our general tariff structure upward on three different occasions. The third and most drastic of these revisions, embodied in the Smoot-Hawley Tariff Act, occurred at the very outset of the depression, from the devastating effects of which the world is just beginning to recover. Through that ill-starred action, we helped to set into motion a vicious spiral of retaliation and counter-retaliation, and to start a race for a forcible contraction of international trade on a stupendous scale. In this race, some nations have far outstripped us in the scope and effectiveness of restriction action. Our export trade has become the victim of the formidable array of economic armaments created by other nations, just as the export trade of other nations has likewise become the victim of our thrust into the heights of superprotectionism.

If international trade is to function again on an adequate scale, and if we are to regain our fair share of that trade, the nations of the world must retrace their steps from this supreme folly. As I said at the London Economic Conference in 1933, the nations, in the matter of tariffs, must embark upon a sound middle course between extreme economic internationalism and extreme economic nationalism. All excesses in the matter of trade barriers should be removed and all unfair trade methods and practices should be abandoned.

When we were formulating our basic policy there were two ways open to us to make our vital contribution to the process of economic demobilization. We could undertake a downward revision of our tariff by unilateral and autonomous action, in the hope that other nations would as a result also begin to move away from their present suicidal policies in the field of foreign trade. Or else we could, by the negotiation of bilateral trade agreements, attempt a mitigation of trade barriers on a reciprocal basis.

We chose the second course as offering by far the better promise of trade improvement. An autonomous reduction of our tariff would provide no assurance that our example would be followed by other nations or, if it would be followed, that the resulting mitigation of trade barriers would, in fact, apply to those commodities which are of the greatest interest to us. On the other hand, the bilateral method, combined with the principle of equality of treatment, which I shall presently discuss, contemplates simultaneous action by many countries and in its effects operates to drive down excessive trade barriers throughout the world. Moreover, it affords us an opportunity to secure in each country the relaxation of restrictions with respect to those of our export commodities, the sale of which in that country's markets is either of special importance to us or else has been particularly hard hit by recently established restrictions. It was in order to make possible the securing of such concessions for our export trade by negotiation with other countries that Congress empowered the President for a 3-year period to conclude reciprocal-trade agreements and, in connection with such agreements, to modify, within strictly defined limits, customs duties and other import restrictions operative in the United States.

The process of negotiating foreign-trade agreements of this type involves a task of enormous difficulty and complexity. In carrying it out, all appropriate divisions of the Government participate in a series of interdepartmental committees, and thus bring to bear upon the problem their specialized knowledge and judgment.

In addition, the Government seeks the fullest cooperation of the business community and the general public. Any interested person is given full opportunity to present his views to the interdepartmental committee for reciprocity information. In the case of the countries with whom negotiations have been announced, approximately 2,500 briefs and statements have been submitted by interested firms and trade associations. These statements, as well as transcripts of the oral testimony presented to the committee for reciprocity information, are placed in the hands of all the officials of the Government concerned with the preparation and negotiation of trade agreements. They are given careful study and constitute an important part of the material upon which decisions with respect to the requesting or granting of concessions are based.

In entering upon preparatory work with respect to any particular country the experts of the interdepartmental organization of which I spoke a moment ago endeavor to obtain, first of all, a picture, as comprehensive as possible, of the trade relations existing between the United States and the other country. As regards our exports to the country with which negotiations are in progress, the experts make a thorough study of each commodity from the point of view of the customs treatment which it is accorded in that country.

All this and a great deal of other information is embodied in reports dealing with the commodities under review. Together with the representations made through the committee for reciprocity information, the reports constitute the foundation upon which the

decision is made as to what sort of concessions we should seek from the other country as regards duties, quotas, exchange controls, and other trade-obstructing devices. A schedule is then made up comprising our requests and is presented to the government of the other country for its consideration.

At the same time the representatives of the other country transmit to our Government a schedule of concessions which they would like to receive from us. These requests are immediately subjected to a close scrutiny by the experts of our Government, comprising the interdepartmental organization. Previously to that, these experts had already made a thorough investigation of the principal commodities imported into the United States from the other country, and they are, therefore, prepared to give early and thorough consideration to the requests made by the other country.

In connection with each request, an examination is made of our recent tariff treatment of that commodity; of the status and development of the domestic production of that or similar commodities; of the competitive factors operating as between our domestic production and the production, not only in the country with which we are negotiating but in all other countries which are actual or potential suppliers of the same commodity; of the effects—so far as they can be determined—of the present customs treatment upon trade in the particular commodity; of the probable effects of any change in the existing tariff rates; and of many other factors. The influence of possible tariff changes upon both producers and consumers in the United States is given careful consideration.

After all these studies are completed by our Government and the government of the other country, the negotiators come together, and the process of adjusting differences begins. It is inevitable, of course, that some differences of view are bound to exist and that many features of the schedule originally exchanged should become modified and adjusted.

The general aim of our negotiators is to secure concessions for those American exports the marketing of which in the other country offers the best opportunity of development and, at the same time, promises the greatest degree of revival in our export industries; and to grant the other country concessions with respect to commodities the possible increased importation of which would be beneficial to our country. The representatives of the other country are, naturally, actuated by very much the same motives. In the actual experience of negotiation it has been found possible to reconcile the desires of both sides in sufficient measure for the final agreements to embody worth-while mutual concessions and thus open the way for an increase of mutually profitable trade.

Our officials, who are concerned with carrying out this complicated process of preparation and negotiation, are actuated by only one purpose: To administer the Trade Agreements Act cautiously, conservatively, and practically, with the best interests of the country as a whole as their sole guide, and thus to carry out, scrupulously and accurately, the instructions and policy of Congress within the limits prescribed in the act. They are free, so far as is humanly possible, from partisan considerations. I do not know the politics of most of the persons engaged in this important task. I only know that some of them have had a long experience in practical business affairs; that some of them have devoted their lives to the study of industry, or agriculture, or trade, or tariffs, or economics in general. I know that each agreement, forged by their combined effort, represents an effective instrument for reopening the channels of international trade on an economic and constructive basis.

Unlike a general revision of the tariff, when Members of Congress are expected to read and digest, usually within a few weeks, many volumes of testimony and to determine how to vote on thousands of rates and classifications, each trade agreement requires the adjustment of a relatively small number of rates. These adjustments are made on the basis of tireless and earnest investigation, of constant checking and rechecking of all essential considerations, by the ablest and most practical and disinterested experts in trade and tariff matters that the State, Treasury, and Agriculture, and Commerce Departments and the Tariff Commission can secure.

These men must, of necessity, work some of the time in executive session, just as committees of Congress do when the task of tariff revision is undertaken. Congresional tariff acts are usually drafted in all their essentials in such executive sessions behind closed doors. Both political parties in Congress have almost invariably pursued this practice for the purpose of necessary deliberation as well as a matter of self-defense from day and night importunities of outsiders. Who would today attempt to label this a star-chamber procedure? Yet there are those who would carelessly apply this epithet to this identical method when practiced in connection with the negotiation of trade agreements. It must be clear to such critics that we have adopted our method on the basis of the long experience of Congress in dealing with questions of this type. It is with Congress, therefore, rather than with us, that necessity of the executive-session practice should be debated.

I come now to our second primary need in the field of foreign commerce—the freezing and safeguarding of our export trade from adverse discrimination on the part of foreign nations. It is clear that the mere mitigation of the tariff, quota, and other burdensome obstructions to our trade is not sufficient to enable us to regain our foreign markets; it is also necessary that the customs treatment accorded to our goods in each such market be at least as favorable as that accorded to the goods of our foreign competitors. In recent years our trade has suffered greatly because some of our competitors have secured in many of our most important markets exclusive advantages which have resulted in serious discrimination against us.

We could have embarked upon a similar line of policy. We, too, could have attempted to negotiate arrangements embodying exclusive advantages for our export trade. But it was clear to us from the outset that such a policy would have provided but a precarious safeguard for our trade. It would merely have served as an incentive for each of our competitors to seek further exclusive advantages, which would have immediately set up new discriminations against our trade—to be overcome by us in turn by means of new negotiations.

Generations of experience with various forms of international commercial relations have demonstrated fully that only the policy of equal treatment can secure for a nation stability of its international trade and freedom from disruptive discrimination, and that such a policy can operate only on the basis of the unconditional most-favored-nation principle. Only if the foreign country with which we enter into a trade agreement assures us the benefit of that principle can we be certain that our exports to that country's market will be able to compete with similar goods coming from other foreign countries on an equal footing, since under the most-favored-nation principle each advantage or concession granted to any other country would immediately and automatically be extended to us.

But if we were to ask of other countries a condition of complete equality for our trade—and, in justice to ourselves, we could accept nothing less—we could clearly offer other nations only a similar kind of treatment. Each exclusive concession granted by us to a foreign country would have constituted an immediate discrimination against 50 or more other countries. It would have involved us in constant negotiation and renegotiation, and would have given rise to retaliation abroad and continuing uncertainty for our business interests engaged in foreign trade. Hence, a provision was written into the Trade Agreements Act directing the President to generalize the duty adjustments effected through any trade agreement to goods coming from other countries, except those which discriminate against our trade or pursue other policies likely to defeat the aims which we seek to accomplish through the act.

Our trade-agreements program is thus a standing offer to all the nations of the world to deal with each of them in commercial matters on a basis of equal treatment. In carrying out the mandate of Congress in this respect, we have, save only in the case of a few well-recognized exceptions, steadfastly refrained from securing or granting preferential or discriminatory treatment. In generalizing the duty reductions negotiated in the individual trade agreements, we have sought to place on an equal footing those nations which, in turn, extend equality of treatment to our commerce, and to refuse such equality to those nations which refuse equality to us. Thus, all phases of our policy are on a reciprocal basis.

Here again, as in the adjustment of duties, we strive to carry out our policy cautiously, conservatively, and practically. Our rule is that the duty reductions granted to each individual country are restricted to those commodities of which the particular country is the chief supplier to the United States. If it should happen, however, that under existing abnormal conditions, some other country at any later stage profits unduly from the benefit of the concession, we retain the right, when such contingency arises, to modify the original grant.

Our interpretation of the most-favored-nation principle is sufficiently flexible to permit the negotiation of multilateral trade arrangements. We welcome such arrangements, provided they have for their object the liberalization and promotion of international trade in general rather than seek to create closed areas of special preference. At the seventh international conference of American States at Montevideo, I proposed an agreement designed to pave the way for such arrangements. This agreement, which is open to adhesion by all countries, has been ratified by our Government.

These and other practical exceptions and safeguards, which existing abnormal conditions render necessary, in no way detract from the force and importance of the unconditional most-favored-nation principle as the foundation of the rule of equality of treatment in international commercial relations. Discrimination and preference can only result in a diversion of trade from channels of economic benefit to channels of political influence and can provide but a weak and unsatisfactory basis for a restricted trade that is constantly at the mercy of political chance and change. Equality of treatment broadens and hastens the process of reduction of trade barriers. It offers the best general basis for restoring and expanding trade as an economically sound and universally beneficial process.

The firm determination on the part of the Government of the United States to reassert the rule of equality of treatment has already gone far to slow down the world's recent drift toward the chaos of discrimination and special advantage. We are doing everything in our power, through the trade-agreements program and through other channels of influence open to us, to induce the other great trading nations of the world to adopt a similar attitude toward the problem of a rehabilitation of world trade. In such rehabilitation lies the greatest single hope that the world may still be spared the tragedy of another destructive upheaval.

In brief, through our present foreign-trade program, we are attempting to increase trade by a mitigation of existing trade barriers and to restore trade to its accustomed economic channels by

the reestablishment of the rule of equality of treatment in commercial relations. This twofold endeavor is directed first and foremost toward overcoming the emergency conditions which have resulted in drastic contraction and diversion of trade. The Trade Agreements Act is a temporary measure which was enacted primarily for the purpose of enabling us to deal effectively with this acute emergency.

Although experience has already demonstrated that, under existing circumstances, the negotiation of reciprocal-trade agreements represents the only constructive approach, in the field of commerce, to the problem of broad and sound economic recovery, there are some in this country who, without waiting for the economic emergency to be brought under control, demand the immediate repeal of the act and the abandonment of the trade agreements negotiated under its authority. Let us face squarely what that would mean. We would automatically go back to the Smoot-Hawley tariff and face once more the vicious discrimination against our trade which it caused and the virtually suicidal effort at economic self-containment which it represented. This futile and fatal course backward would involve a steadily increasing aggravation of regulation and regimentation in our economic life. Yet some of those who voice loudest their opposition to regimentation in general demand, at the same time, a commercial policy that would inevitably lead to such regimentation, and to a permanently increasing dole as well.

This is the real alternative to our present course of action. It would represent an inglorious surrender to the emergency that has overwhelmed us. Far from overcoming that emergency, it would deepen and widen the ravages of the maladjustments that constitute the very foundation of our present economic difficulties and of the existing threat to world peace. Our program, on the other hand, holds increasing promise of success in dealing with the grave exigency that confronts us at this time.

Through its trade-agreements program this country is furnishing its fair share of leadership in the world movement toward a restoration of mutually profitable international trade and, as a consequence, toward an improvement in the employment of labor, a fuller measure of stable domestic prosperity, and the only sound foundation for world peace. And we who are concerned with the execution of the program find special gratification in the fact that our effort in this direction has widespread support in the Nation as a whole. The press of this country, in its vast majority, has been clear-sighted enough to recognize the vital importance of the program. Great business organizations, like yours, have given us invaluable encouragement. With such inspiration to guide us, we shall go forward in our effort to bring peace and prosperity out of political tension and economic distress.

GOVERNOR LANDON—ADDRESS BY HON. GASPAR G. BACON

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD an able and timely address on political subjects, delivered by former Lt. Gov. Gaspar G. Bacon, of Massachusetts, on April 26, 1936.

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

Why is it that Gov. Alfred M. Landon, of Kansas, is the outstanding choice in all parts of the country for the Republican nomination for President? Here are some of the reasons which have impressed me:

(1) Born in a small town in Pennsylvania, Landon went West with his family to seek greater opportunity. They settled in Kansas. There the boy grew up, and under the influence of sturdy environment, made his way in life unaided by anything except his own character. He has made himself what he is. A graduate of the University of Kansas, schooled in law, business, and the experience of life, he represents a fine example of what America can produce.

(2) There is a growing feeling that a man of his direct, straightforward, dependable type, holding fast to the fundamental principles of the American system of government, is the best bet, by way of contrast, to beat Roosevelt.

(3) Landon's friendly personality, genuineness, sound philosophy of government, and unusually successful record, have attracted the attention of a public bewildered and disillusioned by futile and damaging experimentation, and broken promises.

(4) He has captured the imagination of the rank and file. People instinctively trust him. He is not the candidate of any group of politicians. He has no political entanglements. He has no affiliations with any so-called vested interests.

(5) He is a typical product of the Middle West—the battleground of the coming campaign. He is familiar with the problems of the great agricultural section of the country. Almost unsolicited and without making any campaign, he has received the endorsement of the delegations of at least six of his neighboring States. His neighbors have thus manifested their confidence in him.

(6) He is liberal, independent, tolerant, and fair. He does not hesitate to give credit for whatever is good in the New Deal program. He is equally eager to root out the bad. He believes neither in blind partisanship nor in vindictive personalites.

(7) He appeals to youth. He is under 49 years of age himself. He represents new blood in the party, a fresh and invigorating point of view. He is progressive in thought. Young voters like him because he calls a spade a spade, hits straight from the shoulder, says what he means and does not say what he does not mean. He will not promise the millennium. His word is good.

(8) He appeals to the women voters. The women of Kansas flocked to him in his last campaign for Governor. His genuine personality, his charming wife and children and wholesome family life, are powerful political assets.

(9) His public record is unique. Elected Governor in 1932 by a 6,000 plurality, in a year when Roosevelt carried Kansas by 70,000, he was reelected in 1934 by 62,000, after an administration in which he did not hesitate to demand drastic measures of retrenchment. Under his leadership, Kansas has become a model State for sound, nonpolitical, financial management.

(10) For the accomplishments of his businesslike program, Landon has generously apportioned the credit. With the happiness of the people at stake, he has not indulged in partisanship. Politics, he has repeatedly said, have no place in the matter of relief. He has graciously referred to the devoted service rendered by the 8,000 public officials of the various Kansas cities, counties, towns, and school boards, who, under his leadership, and at a time when every unit of government in the country was struggling with increased expenditures, have succeeded in reducing the burdens imposed upon the taxpayers of Kansas.

(11) He is a firm believer in American institutions and American doctrines. He would not substitute them for any European form of centralized state. He has grown up in the school of rugged, self-reliant Americanism. Like Calvin Coolidge, he has learned his politics from the ground up. He has the innate and indispensable capacity not only of dealing with but of getting the best out of his associates and opponents.

(12) He has denounced the wrecking of the civil service under the present national administration. He would rebuild it and strengthen it so that trained and trustworthy and capable employees will feel secure in their jobs and young people offered a public career based upon merit and service.

(13) "The major task ahead", said Governor Landon, "is not more laws, or more programs, or more experimentation, but sound common-sense administration." The laws recently enacted by Congress must be digested and made to work, or amended, or repealed. The bad features must be eliminated, the good preserved. Above all, we must get rid of favoritism, fraud, and Farleyism.

(14) Landon is not a trained speaker. He has never taken lessons in the art of platform artifice. He has had no practice in the game of hyperbole. He believes in analysis rather than abuse; in sincerity rather than subterfuge. His words carry conviction.

(15) He does not pose as an intellectual giant. But, at this critical juncture in our national life, is not practical capacity more needed than intellectual superiority? The American people are looking for a leader of demonstrated ability to cope with the problems of government, and equipped with the character and judgment to choose as his associates and advisers the best talent available.

(16) Landon believes in the common people. Their combined wisdom, so he has stated, often exceeds that of their so-called intellectual superiors.

(17) Political judgment in a President is not different in kind in whatever field it is applied. The art of associating with human beings is fundamentally the same whether in domestic or foreign affairs. Landon has proven himself facile in this art. There is every reason to expect that he would use the same common sense in dealing with international as with home problems.

(18) In this campaign, which far transcends outworn party lines, those who believe in the American system of government as opposed to autocracy, in whatever form the latter may be disguised, are looking for a standard bearer who is broad-minded enough to lead new forces. Men and women of all shades of former political attachment have become impressed by Landon's qualifications.

(19) If we still have faith in a democratic form of government, we must oust those who would put in its place government by swollen bureaucrats. Landon, like Calvin Coolidge, is a champion of local self-government. He has faith in the capacity of the American people to stand on their own feet, to solve their own problems, free from compulsion from above.

(20) Landon has an inborn personal appeal. He has proved his campaigning ability. If given the opportunity, he will relentlessly drive home the truth. Without the tricks of oratory, or the blandishments of the demagogue, he will shoot straight at the target.

(21) To preserve the heritage of fair opportunity for all, and with this objective, to curb the deadening hand of government, we offer a virile leader in Alfred M. Landon, of Kansas.

BUSINESS AND TAXES—ADDRESS BY CLYDE L. KING

Mr. DAVIS. Mr. President, I ask unanimous consent to have inserted in the RECORD an address on the subject Business and Taxes, delivered by Dr. Clyde L. King, professor of political science, University of Pennsylvania, under the auspices of the Pennsylvania Economy League, on April 24, 1936, before the Society for the Advancement of Management.

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

Those who make money from business enterprises also pay Federal personal-income taxes. The present rate of surtaxes is,

therefore, of general interest to all and of real concern to many. The rates run from 4 percent on that share of net income running from $4,000 to $6,000 per year, and runs up to 59 percent on net income over $1,000,000. The man with a net income of $1,000,000 per year pays, in addition to his normal 4 percent, a surtax each year of $553,000, or at the rate of 55.3 percent. He who has a net income of $2,000,000 per year pays $1,123,000 in Federal income surtaxes in addition to the normal tax rate of 4 percent. This is an average rate of 56½ percent on surtaxes only, or about an actual 60-percent tax, counting the normal tax, or an average of 63 percent on all income over $1,000,000. All net incomes of $90,000 or over bear a Federal personal income-tax rate of over 50 percent. These higher rates reflect more of the desire to distribute wealth through tax rates than a desire to levy rates that bring in the best net return.

In addition to these Federal rates the individual must pay personal income taxes levied by the States. The personal income-tax rates of 25 States now average 5.2 percent. Thus to a maximum Federal rate of 63 percent, including the normal 4-percent tax, one must now add 5.2 percent to get the total income tax paid as an average to the Federal Government and to the State governments. This is a total of 68.2 percent on the higher incomes. With certain States the total income tax will run much higher than this. Thus North Dakota levies a rate of 15 percent on all net incomes above $1,500. Hence, in North Dakota the total of State and Federal income taxes would take an average of 78 percent of any incomes over $1,000,000. Montana levies a rate of 25 percent on all incomes over $100,000. In Montana, therefore, the maximum rate for both Federal and State income taxes combined would run to 88 percent on the larger incomes.

The Federal rates are now so high as to make it difficult for the States to levy highly graduated personal-income taxes. The States, therefore, as a rule make lower exemptions than does the Federal Government in order to get some personal-income taxes without duplications. The Federal Government has already so preempted the income-tax field as to drive the States out of real rates on personal-income taxes. Moreover, the Federal surtax rates on the higher income brackets are so high now that future efforts must be at reducing them in order to get maximum tax returns. In any case, tax rates on the larger returns cannot be increased and be collected. Tax rates can be increased on the lower Federal returns, and Federal exemptions can be lowered. This change should have been made in 1934 as one means of advising more people how Federal expenditures were multiplying. But this change will not add over about $300,000,000 yearly to the total Federal returns. Granting higher incomes in the years just ahead, not over $500,000,000 can be secured by taxing lower incomes at higher rates and with lower exemptions. And this increase will in nowise be sufficient to take care of present Federal needs.

Businessmen who make money must also in time pay the Federal estate taxes. The Federal estate law now exempts $40,000 from the net estate subject to tax. The rates then run from 1 percent on estates having net values not in excess of $10,000 up to 60 percent on that share of any estate in excess of $10,000,000. The Federal tax on an estate worth $25,000,000 net is now $13,386,600. The British tax on a $25,000,000 estate is now $12,500,000. The British tax collects $10, or 1 percent, on an estate of $1,000. Moreover, in addition to the Federal tax rate, one must now pay the death taxes levied by the States, which is not the case in Great Britain. Our estate-tax rates total well above those in other countries.

Forty-two of the States now levy death taxes. The rates in most of the States run from 2 percent to 12 percent. The rates for collateral heirs in West Virginia and Wisconsin, however, reach 30 percent; in Arkansas, 40 percent; and in Nebraska, 50 percent. The Federal rates plus the rates in some of the States now take all the estate to pay death taxes. A more complete example of redistributing wealth through the taxing device could not be found. The rates are now confiscatory for the larger estates.

As to future trends, rates in the higher brackets cannot be increased without losing tax moneys. The pressure must be to lower exemptions and increase the rates in the lower values. This increase should have been made in 1934, but was perforce withheld for political reasons until after the next Presidential election. Such a trend in Federal taxes will again make it all the more difficult for the States to get additional income from their death taxes. The Federal Government has now preempted this field, long occupied by the States. Thus Pennsylvania has had an inheritance tax for 100 years. In 1929 one-third of this State's total revenues came from its inheritance taxes.

Many businessmen have carried heavy insurance to provide death taxes without the complete break down of their business estates.

In 1926 the Federal Government permitted any Federal estate-tax payer to deduct from Federal estate taxes due up to but not in excess of 80 percent of the Federal estate tax if so much had been paid to one or more States as death taxes. The States, most of them, at once changed their laws to take advantage of this clause. But this 80-percent clause does not apply to the heavy Federal estate rates passed in 1934. The heavier Federal and State rates now, therefore constitute double taxation.

The Congress in 1934 increased the rates on gifts in excess of $5,000 up to 52½ percent on all gifts in excess of $50,000,000. The actual net tax on a gift of $50,000,000 is now $24,271,950, or about 50 percent. To be exempt from this gift tax the gift must go for educational, charitable, or religious purposes. But to leave a gift to his son or to his widow or to his daughter, a man must now pay a gift tax that will usually run to about three-fourths of the tax on his estate of the same value.

Something could be said for these exorbitant rates as tax rates if Congress at the same time prohibited folks in the same family from dying oftener than 25 years apart. But Congress has not yet assumed jurisdiction over deaths. So a father may die 3 months after his grandfather leaves his estate to him, and his son may die 3 months after the father dies. Settling an estate three times in 6 months under present tax rates is better than a fire. Insurance can alleviate some of the business trouble if taken in time, but insurance cannot underwrite all the risks. Certain businesses must look well to the estate accounts of their major owners if they would maintain solvency.

Businessmen engaged in buying and selling intangibles, such as stocks and bonds; and businessmen engaged in the business of buying and selling tangible properties, such as real estate, before 1934 could have limited the rate on their personal income tax to 12½ percent on capital gains. Now not over $2,000 in losses can be deducted from profit and the personal gains pay the regular normal and the regular surtax rates. I was never for this change myself.

As set up in the Federal income-tax laws, the tax on capital net gains was a sort of an average tax to be levied for one or more of the following five purposes:

1. Tax on unearned increment.
2. Tax on changes in the purchasing power of the dollar.
3. Tax on speculation.
4. Tax on the business of buying or selling securities.
5. Tax on excess profits.

To be sure it was never a fair nor an accurate tax on any one of these five purposes. But it was a fairer tax by far than the piling up of the tax rates to the surtax basis as is now the case. Anyhow, these rates cannot be increased and get more net returns. They are at the maximum. The Federal Government has taken such heavy rates for itself that States have real difficulty now in adding their own rates to these exorbitant Federal rates.

Every corporate business now pays a direct Federal corporation tax on its net income ranging from 12 to 15 percent without any exemptions. Previous to 1934 the rate was a flat rate of 13¾ percent. Moreover, previous to 1932 a net income of $3,000 was exempt for those corporations having a gross income of not over $25,000. This exemption is now denied much to my personal regret, for I believe it better to exempt marginal businesses from such taxes. In addition to the rates of from 12 to 15 percent, depending upon the ratio of net income, corporations in 1934 were required to pay an excess-profits tax of 5 percent on the net income in excess of 12½ percent of the adjusted declared value of their stock.

The Congress is now also considering a proposal to tax heavily the undistributed profits of corporations in excess of stated amounts in order to force corporations to pay heavier dividends, and thus destroy their surplus funds. These dividends in many cases will fall upon individuals required to pay the higher and exorbitant surtax rates on their personal-income taxes. This policy is consistent with the general policies of those now controlling Government to pile ever heavier taxes on business units. A great deal can be said for a graduated corporate income tax in which the high rates of profit pay higher taxes. But in effect to tax out of existence the undivided profits of corporations is a sorry business, hard both on the Government on the one hand, and those who receive wages or dividends on the other. Uncle Sam himself now has on the Federal statute books security legislation which may bring security trust funds up to a total of forty-five to fifty-five billion dollars. The theory back of this Federal security fund is that laborers will put up moneys in advance of great depressions to save higher tax levies on taxpayers at depression times. If it is wise for Uncle Same to raise fifty billions for a reserve fund, to be spent in hard times, why is it wrong for corporations to hold reserve funds to keep up dividends and to maintain higher unit wages than would otherwise be possible in hard times?

Thus the Ford Motor Co. is one of a dozen corporations with a surplus at present of around a half billion dollars. Yet Henry Ford is noted for his efforts at maintaining high average earning rates among his employees. It cost Henry Ford over $200,000,000 to change his plants over from the machines, designs, and practices suitable to his old Model T to those machines, designs, and routing plans suitable to a more modern car. Is it wrong to permit Henry Ford to self-insure against such competitive risks by surplus funds? To my mind, reserve funds in private hands constitute a helpful service in hard times—a service that will make unnecessary the full use of the reserve funds Uncle Sam hopes to hold under the Federal security legislation passed a year ago.

In addition to paying existing Federal taxes on corporate incomes, corporations must now also pay the State corporate taxes. These State corporate taxes now run all the way from 2 percent or 3 percent up to 6 or 8 percent. This makes the total Federal and State corporate income tax amount to, say, 20 to 23 percent. Nearly three-fourths of the States now have such corporate income taxes. As the Federal rates grow higher, increasing of rates by the States grows evermore difficult, if not impossible. Moreover, the higher the tax the smaller amount the corporations can have for maintaining higher wage rates and the greater the pressure to lower wage rates. For under competitive conditions each corporation will not pass on to consumers all its taxes.

Another form of direct tax now levied on corporations is the tax on total pay rolls to provide the Federal funds for guaranteeing State security measures such as unemployment insurance

and old-age pensions. The rate of tax for unemployment insurance is 1 percent on total annual pay rolls (when there are over eight on the pay rolls) for 1936; 2 percent for 1937; and 3 percent for 1938. The base for this tax, it must be remembered, is the total annual pay roll. The ratio of these pay rolls to gross sales differs among different kinds of businesses. Moreover, the only test of the tax is the total amount of pay rolls. Total pay rolls do not measure ability to pay taxes. They measure only the amount of wages paid. The share of total wages paid will be five times as much in the printing-publishing business as in the tobacco business. Moreover, within the same industry the amount of mechanization varies so that one competitor will have to pay a much heavier tax than others of his competitors will pay. And those with the heavier tax will usually be those with the least net income if any.

I have talked with a few folks who feel that this tax will be added to prices and be shifted to consumers. For the life of me I cannot see how that can be. For the burden of the tax is not the same on all competitors in the same industry. I think the tax in most instances will in part at least be absorbed by reducing the number of employees to a point where the total thus saved will about equal the tax. I feel confident others will pass the tax back to all wage earners by reducing wages or by not increasing wages in proportion as prices rise. In either case the burden is shifted to labor, and will be kept on labor.

Two reasons force me to this conclusion. The first reason is that not all competitors pay the same burden with reference to net income. In the corporate net income tax there is no burden unless there is net income. But this is not the case with a tax on pay rolls. If some can pass on all their burdens on pay-roll taxes, others can then pass on to consumers more than they pay out in taxes. That is not the way competition works. Competition gives to the competitor with lowest costs the chance to put his prices down so that his net profit will go up. Thus I know of folks now, and you folks know of many others, who will not reduce wages, cannot increase prices, cannot afford to pay the pay-roll tax but have the ability to borrow money to install more labor-saving machinery. This new labor-saving machinery will permit these businesses to fire enough employees to save the taxes on their pay rolls. The tax, therefore, becomes a means of insuring more unemployment and not primarily a means to provide insurance against unemployment.

My second reason for believing a pay-roll tax cannot be shifted to consumers lies in the fact that we are creditor country. A creditor country is one that loans abroad much more money than it borrows abroad. This flows from the fact that, as now in this country, most industries have plenty of capital already invested to supply domestic needs fully and, also, a surplus to use for supplying goods and services to other countries. Just because a creditor country has plenty of capital to make goods for the citizens of other countries we have a surplus of labor for domestic needs. As a rule, in the years to come labor will, therefore, perforce be on the weaker side of the bargain counter. Taxes not falling equally on the ability of competitors in identical industries to pay will, therefore, rather easily be shifted back to wage earners. What business cannot pay because of the way the tax is levied, labor must itself pay. Hence the plan forces a bitter struggle toward lower wage-earning levels.

The creation of these huge reserve funds will also raise questions of far more serious character in our next major crisis. I have no doubt that seasonal unemployment can be ironed out by reserve funds. But the larger the funds, the greater the disaster when the next big crisis comes. Things will be easier for the first months of the next crisis, possibly for the first 2 or 3 years. But the time may come when not even Federal bonds can be sold in such quantities in hard times to keep up insurance payments. Federal bankruptcy will then again be postponed only, if at all, by ever heavier taxes. But taxes, too, have their limits, though only after great hardships. Then comes the crisis. It comes quickly. It comes hard, just because the great old Federal Government itself can neither sell the bonds nor raise the taxes needed to keep up State payments. The intervening days will be easier, but the ultimate day spells grave hardship on wage earners and the gravest kind of hardship to everyone else. Those who think they have something will wake up to find some morning that they have nothing. Hence the numbers on relief will increase in great bounds, as it has already in other countries in similar crises.

Such are the only Federal taxes time permits me to discuss at this luncheon. Thus far Federal taxes have brought in in cash about half of the total expenditures made by this administration. The Federal taxes are heavy but they must get heavier. They must get heavier in the future just because the surplus of Federal expenditures over Federal income has been made up by borrowing. The total direct Federal debt by June 30 next will be about $35,000,000,000. Before we begin another Federal administration, the direct Federal debt will, under present commitments, be at least $40,000,000,000. But this is only the direct Federal debt.

It does not include other obligations, such as the Federal security reserves that may reach $50,000,000,000. It does not include the funds needed in time of crisis to insure Federal guarantee of 98 percent of all deposits as is now guaranteed by Federal law. The only way to guarantee deposits is to guarantee the income of those businesses in which the banks invest money or from which they buy stocks or bonds. The present direct Federal debt assumes no share of the obligations in underwriting rival and urban mortgages in large sums. Our Federal obligations now vastly exceed our direct Federal debt. And it is the total of obligations of all kinds that will be considered when the next showdown comes.

Some of my friends have said to me that we ought at least to be able to stand a per-capita Federal debt equal to that now being supported in England, and that is about $785 per capita. To our forty billions of direct debt, we must add twenty billions now of State and local debts. When to this $60,000,000,000 of direct debt we now add the indirect obligations already assumed not shared in other countries, we will find that we now have debts and obligations per capita quite the equal of the unprecedented per-capita debt in England.

The usual answer to the rising American debt is that our debt is not as great as that of other countries still solvent. France, we are told, is still on a gold basis. France, however, repudiated 80 percent of both her public and private bonds and stocks but a decade ago. Today she is fighting hard to maintain on a gold basis even that 20 percent. She cannot now, therefore, fight Germany, as everybody knows, without repudiating most, if not all, of both her present public and private debts of all kinds. Great Britain has repudiated, in fact, about 40 percent of her public and private obligations by depreciating the pound by that ratio. She depreciated her pound to save the formal repudiation of her public debts in part.

The United States has taken 41 cents out of the gold dollar, thereby repudiating already in fact 41 percent of the purchasing power of every bond or stock in the United States. And the President still has power to take 9 cents more out of every gold dollar without additional legislation from Congress. Germany repudiated all her public debts and all her private debts a dozen years ago, and now again today has public debts beyond her ability to put into long-term bonds. For one-third of the new Germany debt made under Hitler is still in 3 months' notes. Germany cannot make war now without repudiating in whole or in part all those debts, all her local debts, all her debts abroad, and all her private intangibles, for private debts are payable only in the same legal tender as are public debts. Japan has so inflated her currency that she can now make no substantial war except by repudiation in whole or in part of all her public debts and all her private debts payable in the present currency. Italy has set the limits as to her present war debts by her existing public debts.

Is this country to look forward to the same situation where a new crisis presents claims that cannot be met even by borrowing? Are we to go into the next crisis with public debts so heavy that more moneys can be borrowed if at all only by repudiating the old in part, if not entirely? Are we to stay in a hysteria for public spending so far beyond income that unanchored inflation must follow? Who can now tell how long it will be before faith in the American dollar starts to go down so fast that prices will rise at a rate far beyond the purchasing power of wages or of salaries or of interest or other kinds of fixed income? That is the danger we are now playing with.

The present Congress shows not the faintest evidence of understanding the present dangers. With budgets already long in excess of income, this Congress goes ahead energetically to pass appropriations far beyond any ever heretofore made in a peace year. But 20 short years ago the American people were objecting to what they then called a "billion-dollar Congress." Total Federal expenditures for 10 years before 1914 ran around three-fourths of a billion dollars per year. We now have a Congress that for 3 years has spent $10 in 1 year for every dollar that the whole Federal Government cost before the World War. Then they raise half of that enormous amount by direct long-term public debts! Certainly no one need be told that that cannot be continued forever.

On December 31, 1935, the assets of all member banks of the Federal Reserve System totaled $44,122,000,000. Of this sum 30 billion dollars ($29,984,874,000) were in loans and investments. Over one-third ($10,500,527,000) of these investments were in Federal bonds; that is, in direct Federal obligations only. On December 31, 1930, 5 years before, when the assets of these member banks totaled 47 billion dollars ($47,057,891,000) and when their loans and investments totaled 35 billion dollars ($34,859,500,000) these banks owned $4,124,776,000 in direct Federal obligations, or a little less than 12 percent of their total intangible investments. This is an increase of nearly 300 percent in 5 years in the ratio of Federal bonds held by Reserve banks to their totals in loans and investments. It is obvious that this increase cannot keep up indefinitely without making it inevitable that even a 20-percent decline in the market value of Federal bonds will throw many banks into insolvency. Indeed, it can be said now that the very solvency of the national banks already depends on the solvency of the national credit. As the present ratio of Federal bonds held by banks increases, the banks will shortly be largely dependent for good safety on the market for Federal bonds. Even now Federal bonds are not being marketed to individual owners fast enough to meet current Federal needs. The time must come, therefore, when the market for Federal bonds will be maintained only by increasing taxes or by printing more and more paper money.

The amount of taxes that can be raised will be limited to the political necessity of getting reelected and will not be based on proper principles of public finance. Under such facts inflation soon gets started. Since the real question is the question in the Congressman's mind as to how best to assure election or reelection, the date when inflation starts cannot be definitely fixed by me. But certain it is that that date cannot be indefinitely post-

poned under present practices. Since there is a limit to the amount of taxes a Congressman can vote for and be reelected, public expenditures ought at once to be reduced to known public income. Not to do so is to court complete destruction of all intangibles, both public and private, in the United States. Another Congress like the present one, profligate in expenditures, careless in income, must bring us very close to national bankruptcy.

Germany entered into the first phase of her inflation with moderation and with a determination not to allow inflation. She had many obligations growing out of the World War that required more money annually than the German people could or would pay out in taxes. In 1920 new marks in circulation increased by 50 percent over the marks outstanding at the beginning of the year. In 1921 new marks issued increased the amount outstanding by 50 percent. And so again in 1922. German domestic prices rose slowly during these 3 years, but yet at a rate quite as rapid as this increase in paper currency. Prices started to break away during the last 3 months of 1922. During 1922 they rose almost perpendicularly. During 1923 prices rose so fast that the mark could buy little or nothing. In December of 1923 prices were 1,262,000,000,000 times their 1913 level. By December of 1923 the number of marks issued was 81,810,000,000 times the number outstanding in 1913. In December of 1923 the currency circulation in Germany was 230,000,000 times the amount outstanding in the previous January of that same year. People had plenty of marks, but the marks bought nothing. Once inflation started it went like an old-fashioned prairie fire. To chart the rise in prices in 1923 over previous years would have required a chart 289,000 miles high.

We have as yet had no signs of such unanchored inflation in this country, save in the fact that Federal expenditures for 3 years have vastly exceeded income. Such a trend cannot continue without reaching a point where people doubt that enough taxes will be raised (not can be raised) to pay the interest, retire the bonds and meet expected public expenditures in the future. When that lack of confidence will come I do not know. But that it must come all must agree just so long as total expenditures exceed total public tax income at present rates. And when that day comes prices will rise incredibly fast, as they rose in Germany.

The taxpayer is now the forgotten man, so let me say a few technical words about his payments. Government does not and cannot "create" credit. Expenditures by Government can come only from reducing the income of private individuals. Private individuals give up their power to spend their own income to the extent they pay taxes or loan moneys to the Government by buying public bonds. When a business pays a tax—any tax, corporate or other—it provides the money to pay its taxes by reducing the amount of money it can pay individuals, whether in wages, in dividends, in interest, or in profits. A business does not make more money by paying more taxes. It makes less money by paying part of its income for public services. Those public services may not be worth more even as a public service than the same amount of income devoted to one's own private business might bring. The individual pays taxes by cutting down on his own expenditures by fully the amount of the tax. Taxes always reduce private expenditures to make public expenditures possible. Most folks feel that such collective expenditures as for schools and roads are worth the reduction in their private income made necessary by taxes. But few feel that all of present expenditures are worth more than their own personal expenditures would be to the well-being of their country.

In wartime public expenditures can be used to turn private expenditures into war purposes. Private income must then be reduced either by taxes or by purchasing war bonds so that the national income can more largely be directed toward one given end: victory through war. But such is not the case with borrowing in times of depression to regain prosperity. Private expenditures are just as essential to secure prosperity as are public expenditures, nay, more so. Public expenditures can and should provide a minimum income for those without the means of self-support. But prosperity cannot come, and never did come, from such minimum incomes. This income thus given to those unable or unwilling to work will buy food and necessities. But it cannot provide prosperity. At the very best, public expenditures form a small portion of the total national income, now, say, 15 percent. Prosperity can be best assured, therefore, by keeping down taxes so that individuals can and will spend more.

Neither is it true that present public expenditures add to total income nor will in the future. Neither is it true that present public expenditures have aided prosperity. Most of them, on the contrary, have retarded long-term prosperity. Certain business and private expenditures create the funds to reproduce themselves. Public expenditures, as a rule, do not reproduce themselves. We have the flash of the first expenditure. All following expenditures come only by reducing by an equal amount the income of individuals.

Nor does borrowing in the long run save the taxpayer money. On the contrary, public borrowing at the least costs twice as much as cash payments. For the taxpayer must pay both the interest and the principal. The interest at 4 percent will amount to the principal in 25 years, or at 3 percent will amount to the principal in 33⅓ years.

Interest cannot be less than 3 percent and assure either savings or prosperity. For people will not save at less than 3 percent. And there can be no real prosperity so long as money is worth but 3 percent. Moreover, our present Federal debt alone is already so large that it cannot be repaid in 25 or 30 or even 50 years. The Federal debt by June 1 will amount to $35,000,000,000, and shortly after that to $40,000,000,000. Three-percent interest on $40,000,000,000 is $1,200,000,000. To pay off a debt of $40,000,000,000 in 40 years will mean an average of $1,000,000,000 each year in payment on principal. The Federal debt in interest and in payments on principal will, therefore, take over $2,000,000,000 per year, or 55 percent of our present Federal-tax income of $3,700,000,000. To that we are already committed. We now must raise much heavier taxes at the very time when Congress refuses to increase taxes that may have bad political effect in most of the States at the coming election. We will be fortunate indeed if we get by without taking 60 percent of our present Federal-tax income to pay for Federal debts. The longer we keep on borrowing the greater the share of future Federal taxes that must be devoted to interest and repayments on the public debt. Present borrowing is not saving the taxpayer money. It doubles, trebles, and quadruples the money he must ultimately pay and pay by cutting down on his own purchases. And cutting down on his own purchases reduces correspondingly his own ability to buy and thus delays and decreases the possibility of real and continuing prosperity. It is unfair and inhuman for one generation to burden so heavily the youth of the next.

Two ways have been practiced for assuring communism. One is the method used in Russia. By this method you shoot all owners of property and all with large incomes. Then, through a huge spy system, you find all those who may remotely believe in incomes and those who are even remotely against the Government and kill or exile them. You then set up a despotism that continues every one of the worst methods used in the old czar system.

By the second method you get political power through granting huge sums of taxpayers' money to different groups and then tax away all real semblance of income to pay for the debts thus created. The second method is the inevitable consequence of our present policy of continuing a heavily unbalanced Budget. One does not have to pass upon the present motives of any of those now responsible for such Budgets. But no one who cares for the public interest can fail to realize the economic consequence of present debt-piling methods on the economic well-being of individuals and of public service in this country.

I wish I had time to discuss present expenditures in detail. But I must say that I believe the needs of those hungry and without work or other source of income should be met by Government. I believe that those able and willing to work should have real work in creating needed public works not beyond the future ability of taxpayers to maintain. But such expenditures should take a small part of the present total Budget. There is not a man here who cannot reduce present public expenditures and improve the public welfare by so doing.

This country has had a slower return to normal business than has any other country. The reason for this slothful delay lies in the character of public expenditures we are making. Wanton expenditures for "work" which means no effort only causes those who receive such moneys to think that Uncle Sam can be Santa Claus. Personal responsibility in those folks must be killed for years to come. Expenditures now are made in folly to compete with private business and thus again delay the return of prosperity.

Because of these expenditures and the borrowing to meet them, taxes must mount higher and higher. But higher taxes do not mean economic security; they mean economic insecurity. The only answer is to stop now useless and harmful expenditures. And that should be the first job of all who look to the future well-being of their country.

VAN A. BITTNER

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a self-explanatory letter which I have received from Hon. Van E. Bittner, president of District No. 17, United Mine Workers of America.

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

UNITED MINE WORKERS OF AMERICA,
Charleston, W. Va., April 28, 1936.

Hon. M. M. NEELY,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have read with keen interest and a feeling of humiliation the remarks of Senator RUSH D. HOLT, of West Virginia, beginning on page 5771, of the CONGRESSIONAL RECORD, Tuesday, April 21, 1936. Humiliation, because I gave every ounce of energy and influence that I possessed to nominate and elect Mr. HOLT to the United States Senate. I realize that it is a delicate position for me to answer these charges made by a United States Senator, who has taken advantage of his official position to attack me on the floor of that great legislative body—the Senate. However, I trust that the Senate will parden me in keeping the records clear, and no man can condemn me for defending my loyalty to my union, which is dearer to me than life itself.

I answer these remarks of Senator HOLT as follows:

First. When he states that he met me on five different occasions, and each time I asked him not to fight Walter Thurmond—that statement is absolutely untrue. I talked to Senator HOLT twice on this matter, both times having witnesses to our conversations, and my only request was that he keep his pledge to me and the citizens of West Virginia, that he would support the man

who had appointed Mr. Thurmond, Senator M. M. NEELY, for reelection in 1936. I hold no brief for the activities of Mr. Walter Thurmond during the mine troubles in southern West Virginia, but all I was interested in, when I talked to Senator HOLT, and all I am interested in now, is the reelection of one of the greatest friends our union has ever had in the United States Senate, Hon. M. M. NEELY. Senator HOLT knew that Walter Thurmond was collector of internal revenue during his nomination and election as United States Senator, and he knows that Walter Thurmond donated $500 to defray his campaign expenses. Therefore, it seems to me that it is poor taste for Senator HOLT to attack me over Walter Thurmond, as collector of internal revenue, when he gladly accepted from this same gentleman $500. Senator HOLT or no other man living can ever say that I accepted any money from any coal operator or any coal operator's agent, or any other man living, except that which I receive from my union, the United Mine Workers of America.

Second. Senator HOLT charges me with betraying the interests of the miners when the so-called scrip bill was pending before the last session of the Legislature of West Virginia. This bill did not abolish the issuance of scrip by coal operators, but simply made scrip legal tender. I was against this bill because all my life I have fought for the miners to be paid for their labors in United States currency. Senator HOLT knows this is true, as I explained my position to him when this bill was pending in the Legislature of West Virginia, and he fully agreed with my position.

Third. Senator HOLT attempts to interfere with the internal affairs of my union when he talks about the so-called autonomy of the district organization. The United Mine Workers of America is the most democratic labor union on the face of the earth; delegates are elected by the members of each local union to attend our great international conventions. This congress of the United Mine Workers of America assembled in the city of Washington, D. C., settled all the policies that guide the officers of the organization. The question of autonomy was thoroughly discussed and definitely settled and we resent the intrusion of Senator HOLT, for political reasons, into the affairs of our union after its policies have been settled in our international convention, as prescribed by the laws of our organization. Furthermore, let me say that Senator HOLT made no attacks on me when I was giving my money, my time, and my influence in supporting him as a candidate for the United States Senate, and while I do not want to say it boastingly, Senator HOLT knows that no one man living was more responsible for his nomination and election than I was.

Fourth. Senator HOLT says we supported Mr. C. E. Smith, of Fairmont, W. Va., for a position as member of the National Bituminous Coal Commission. Mr. C. E. Smith also gave of his time and money for the election of RUSH D. HOLT to the United States Senate, and Senator HOLT considered Mr. C. E. Smith one of his most influential supporters and confidential advisers on political matters until Mr. C. E. Smith was proposed as a member of the National Bituminous Coal Commission by Senator M. M. NEELY. Furthermore, the International Convention of the United Mine Workers of American, held in Washington, D. C., at a time when Senator HOLT was opposing the confirmation of Mr. C. E. Smith, by unanimous vote asked the United States Senate to confirm the appointment of Mr. C. E. Smith and all other members of the National Bituminous Coal Commission in order that the great coal stabilization program of our Federal Government could be made effective. If we are charged with betraying the interests of our people by conforming with the unanimous action of the delegates to our international conventions, then all we can say is that as a loyal member and officer of the United Mine Workers of America it shall ever be our purpose to carry out the policies of our international conventions.

Fifth. Senator HOLT also charges that I am trying to sacrifice labor to build up my own selfish and personal career. It seems to me that this is a complete exemplification of man's inhumanity to man. The day Senator HOLT announced his candidacy for the United States Senate I gave him every penny I had, $1,500, to help him in his campaign. If endorsing and working with all the vigor and intelligence I have for the reelection of our great humanitarian President, Franklin D. Roosevelt, is trying to sacrifice labor and build up my own selfish and personal career, then I plead guilty to the charge. If my support of Hon. M. M. NEELY, who has been endorsed by every legitimate labor organization in America for reelection, including the American Federation of Labor, the United Mine Workers of America, the 21 standard railway labor organizations, and the West Virginia State Federation of Labor, is trying to sacrifice labor and build up my own selfish and personal career, then I plead guilty to the charge.

Sixth. On August 26, 1935, just prior to the time that Senator RUSH D. HOLT entered his campaign against Senator M. M. NEELY, I received the following letter, which is self-explanatory and should prove to every Member of the United States Senate and every well-thinking American, that Senator HOLT's tirade against me is nothing but selfish political propaganda, made up of the whole cloth without foundation in fact.

The letter follows:

"UNITED STATES SENATE,
"COMMITTEE ON POST OFFICES AND POST ROADS,
"August 26, 1935.

"Hon. VAN A. BITTNER,
"United Mine Workers of America, Charleston, W. Va.

"DEAR MR. BITTNER: Please express to the United Mine Workers of America meeting on Labor Day my sincere best wishes. It is through organized labor that working conditions have been improved, wages have been increased, and everyone has profited.

"You are indeed fortunate to have with you as your speaker John L. Lewis. He is an outstanding labor leader and his message will be worth hearing. It is with regret that I cannot be with you on this day, but I have already accepted an invitation to speak to the Labor Day celebration held by the trade crafts of Detroit.

"I wish also to say that in Frank Miley and yourself the labor movement has two officials who have fought vigorously and valiantly for their welfare. You are to be congratulated.

"If I can be of service to the organized labor movement, do not hesitate to call upon me.

"Sincerely,
"RUSH D. HOLT."

This is my answer to the charges of Senator RUSH D. HOLT.

Very respectfully yours,

VAN A. BITTNER.

PREVENTION OF UNFAIR PRACTICES AND MISLEADING ADVERTISING

The Senate resumed the consideration of the bill (S. 3744) to amend the act creating the Federal Trade Commission, to define its powers and duties, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee, which the clerk will state.

The Chief Clerk stated the amendment, which was in section 3, on page 12, after line 6, to strike out—

(i) The Congress hereby confers upon the Commission so much of the auxiliary power of Congress to obtain information in aid of legislation as may be necessary to enable the Commission to carry out the provisions of section 6.

So as to make the section read:

SEC. 3. That section 6 of said act be, and the same is hereby, amended to read as follows:

"SEC. 6. That the Commission shall have power—

"(a) Upon the direction of the President or either House of Congress, or upon its own initiative, to gather and compile information concerning, and to investigate from time to time the organization, business conduct, business practices, and business management of any person, partnership, or corporation engaged in commerce, excepting banks, and common carriers subject to the act to regulate commerce, and the relation of such person, partnership, or corporation to other individuals, partnerships, and corporations.

"(b) To require, by general or special orders, persons, partnerships, or corporations engaged in commerce, excepting banks, and common carriers subject to the act to regulate commerce, or any class of them, or any of them, respectively, to file with the Commission in such form as the Commission may prescribe annual or special, or both annual and special, reports or answers in writing to specific questions, furnishing to the Commission such information as it may require as to the organization, business, conduct, practices, management, and relation to other corporations, partnerships, and individuals of the respective persons, partnerships, and corporations filing such reports or answers in writing. Such reports and answers shall be made under oath, or otherwise, as the Commission may prescribe, and shall be filed with the Commission within such reasonable period as the Commission may prescribe, unless additional time be granted in any case by the Commission.

"(c) To investigate, from time to time, trade conditions in and with foreign countries where associations, combinations, or practices of manufacturers, merchants, or traders, or other conditions, may affect the foreign trade of the United States, and to report to Congress thereon, with such recommendations as it deems advisable.

"(d) Upon the direction of the President or either House of Congress, to investigate and report the facts relating to any alleged violations of the antitrust acts by any person, partnership, or corporation.

"(e) Upon the application of the Attorney General, to investigate and make recommendations for the readjustment of the business of any person, partnership, or corporation alleged to be violating the antitrust acts, in order that the corporation may thereafter maintain his or its organization, management, and conduct of business in accordance with law.

"(f) Whenever a final decree has been entered against any defendant person, partnership, or corporation in any suit brought by the United States to prevent and restrain any violation of the antitrust acts, to make investigations, upon its own initiative, of the manner in which the decree has been or is being carried out, and upon the application of the Attorney General it shall be its duty to make such investigation. It shall transmit to the Attorney General a report embodying its findings and recommendations as a result of any such investigation, and the report shall be made public, in the discretion of the Commission.

"(g) To make public from time to time such portions of the information obtained by it hereunder, except trade secrets and names of customers, as it shall deem expedient in the public interest; and to make annual and special reports to the Congress and to submit therewith recommendations for additional legislation; and to provide for the publication of its reports and decisions

in such form and manner as may be best adapted for public information and use.

"(h) From time to time to classify persons, partnerships, or corporations, and to make rules and regulations for the purpose of carrying out the provisions of this act."

The VICE PRESIDENT. Without objection, the amendment is agreed to; and, without objection, the bill will be ordered to be engrossed for a third reading, read the third time, and passed.

Mr. WHEELER. Mr. President, I do not understand what bill it was that was just passed.

The VICE PRESIDENT. The Senate just adopted the committee amendment to Senate bill 3744.

Mr. ROBINSON. Mr. President, I think there should be an explanation of the bill. The Senator from Montana, I believe, is prepared to make a statement regarding it. I know that there are a number of Senators who would like to have the bill considered. So I suggest to the Senator from Montana that he proceed with the discussion.

Mr. JOHNSON. Mr. President, I rise for the purpose of making a parliamentary inquiry. I am fairly rapid on my feet, but I confess as I followed what has happened this morning I was very dilatory. The bill has been passed, I think.

The VICE PRESIDENT. It has not. The committee amendment was agreed to by the Senate.

Mr. JOHNSON. I thought I heard the Chair say that the bill was passed.

The VICE PRESIDENT. The Chair said, without objection, the bill would be ordered engrossed for a third reading, read the third time, and passed; but a number of Senators were on their feet, and, therefore, the bill is now before the Senate.

Mr. JOHNSON. I wanted to make that clear.

The VICE PRESIDENT. The Senator from Montana [Mr. WHEELER] has the floor.

Mr. WHEELER. Mr. President, in view of some statements which have been made in certain newspaper articles and propaganda which has been sent out, I wish to call attention to an article appearing in the Washington Herald of May 1 containing, among others, the following statement:

Virtually making the Commission an arm of Congress, the Wheeler bill provides that "Congress hereby confers upon the Commission so much of the auxiliary power of Congress to obtain information in aid of legislation as may be necessary to enable the Commission to carry out the provisions of section 6."

That provision was stricken from the bill in the committee and is no longer in the bill. That was one of the things to which serious objection was offered, and accordingly the committee took it out of the bill.

The present bill is a reenactment of the present law upon the statute books with comparatively few amendments which the Federal Trade Commission has recommended, not for the purpose of adding to their powers but for the purpose of aiding them in carrying out their present powers.

It should be recalled that when the Federal Trade Commission was established the Federal Government entered an entirely new field of activity and undertook a form of regulation with which it had no previous experience. The legislation which was finally approved was largely a measure of compromises, emerging from a particularly long and bitter legislative controversy. This was over 20 years ago. In those 20 years the courts have examined very carefully all the provisions of the act and have interpreted it in a variety of ways.

In the early years of its existence the Commission fared rather badly in the courts and its work was hampered by many reversals and judicial restrictions. However, in recent years, with improvements in personnel and with accumulating experience, the Commission has been sustained in the circuit courts and the Supreme Court, I believe, in 31 out of 32 cases. This record has been made in spite of the language of the act which has been interpreted to invite complete judicial review not only of the legal questions but of the facts.

In the course of 20 years there are certain to crop up ambiguities and technical difficulties in the administration of such a statute. It is amazing to me that there are not more when I recall the pulling and hauling that attended its enactment. The bill under consideration is solely for the purpose of removing some of these ambiguities and technicalities which made administration difficult and costly. It does not change the fundamentals of the act in the slightest, and with the possible exception of one amendment to section 5, is addressed only to the procedural rights and duties of the Commission.

This is the first time the act has been amended since its enactment, and the bill merely attempts to smooth out a few of the kinks which must inevitably creep into 22 years of administration in a hitherto unfamiliar field.

May I invite the attention of the Senate to an editorial appearing in the Wall Street Journal, with reference to the bill. The Wall Street Journal of Wednesday, April 22, 1936, said:

[From the Wall Street Journal of Apr. 22, 1936]

CUTTING OFF A DIRTY FRINGE

Perhaps the mills of the Federal Trade Commission gods grind slowly, but they grind not only fine but steadily. Not many a sun sets without the Commission having taken action against one to a dozen individuals, partnerships, or corporations accused by their competitors of practicing "unfair methods of competition."

Such complaints come from sources which are palpably interested, but the proportion of them which are followed by the accused's consent to a cease-and-desist order is impressive, to put it mildly. One cannot observe the daily record of this division of the Commission's work without concluding that here the Commission is performing an extremely valuable service in cleaning up some of the alleys and side streets of American business much in need of moral sanitation.

Most of those against whom the Commission is called upon to proceed, though not all, are comparatively small fry. Even so, one cannot see without a feeling of shame how many there are who are willing to profit, if they can, by stealing another's laboriously erected commercial repute, making baseless pretences of large-scale production or distribution and fictitious claims to extraordinarily low selling prices, or deliberately misrepresenting the specific qualities of things offered for sale.

This record is one of individually small-scale but multitudinous attempts at gross and conscious fraud. It is vastly regrettable that American business should have this dirty fringe. Since it has, it is well that the Commission is there to cut off the soiled ravelings as they are disclosed.

That, as a matter of fact, states the situation in connection with the powers of the Commission both under the present law and as proposed under the pending bill. The bill seeks to reach only those instances of misrepresentation and fraud on the part of some business interests which seek to tear down legitimate enterprises and make it necessary oftentimes for legitimate enterprises to turn to tactics to which they would not otherwise resort.

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

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from New York?

Mr. WHEELER. I yield.

Mr. COPELAND. Does the bill confer new powers on the Federal Trade Commission, so that no longer it will be confined in its operations to unfair competitive methods; or does it go beyond that to permit the Commission to deal with any problem where the question of gross deceit is involved?

Mr. WHEELER. I do not know just the extent to which the proponents of the original legislation intended the act to apply. I do know, however, that they anticipated no restrictions as rigid as those the courts have applied to it.

In interpreting the phrase "unfair methods of competition", the Supreme Court held that notwithstanding the fact that the advertisement of some particular thing might result in injury to the general public, nevertheless the Commission was powerless to stop the advertisement or practice unless it could show that some competitor was injured in dollars and cents. Judge Davis, of the Commission, who was formerly a Member of the House of Representatives, stated before the committee that while in many cases an advertisement would be palpably unfair, fraudulent, and bad, and a competitor of the manufacturer would say to the Commission, "The man who is advertising this particular piece of goods is deceiving the public by it; he is lying about his product; as a matter of fact, the product is harmful", yet when the Commission would turn to him and say, "Can

you show that you have lost money in dollars and cents as a result?" he would stand back and say, "Well, that is a pretty difficult thing for me to show. I think I have lost money by it, but to put my finger on it and to say that I have actually lost particular business is a difficult thing."

For instance, in the case of *Federal Trade Commission* v. *Raladam Co.* (283 U. S. 643), the Supreme Court says:

> Findings, supported by evidence, warrant the conclusion that the preparation is one which cannot be used generally with safety to physical health except under medical direction and advice. If the necessity of protecting the public against dangerously misleading advertisements of a remedy sold in interstate commerce were all that is necessary to give the Commission jurisdiction, the order could not successfully be assailed. But this is not all.
>
> By the plain words of the act the power of the Commission to take steps looking to the issue of an order to desist depends upon the existence of three distinct prerequisites: (1) That the methods complained of are unfair; (2) that they are methods of competition in commerce; and (3) that a proceeding by the Commission to prevent the use of the methods appears to be in the interest of the public. We assume the existence of the first and third requisites and pass at once to the consideration of the second.

So the Supreme Court held in that case that notwithstanding it was shown that the use of the product was detrimental and injurious to the health of the general public unless it was used under the orders of a doctor, the Commission was powerless to do anything because it had not been shown that any competitor had actually lost dollars and cents as a result of the sale of the product; and so far as that is concerned, there might not be any competitor. The only change made by this bill is to remedy that condition.

Mr. COPELAND. Then, as a matter of fact, the bill does make it possible for the Commission, on its own initiative, to go further than simply to deal with the question of an unfair competitive practice?

Mr. WHEELER. Yes.

Mr. COPELAND. For example, suppose some concern put out a line of spices. We will say that they were pure, unadulterated spices, but that the package in which a given spice was packed was slack-filled, only half-filled. Suppose the concern put out a great big package, so as to give the housewife the impression that she was getting a whole lot of cinnamon or whatever the spice might be. Under the present law, as I understand, the Federal Trade Commission would be powerless to proceed against the manufacturer or merchandiser of slack-filled packages of that sort, unless some competing concern considered itself damaged by the unfair practices of the concern putting out the slack-filled packages. Under the pending bill could the Federal Trade Commission, on its own initiative, go to the concern putting out slack-filled packages of spices and order it to cease and desist a practice which was contrary to the public welfare?

Mr. WHEELER. Yes; the Commission could do exactly that. They could do it at the present time providing they could show that some competitor had been injured.

Mr. COPELAND. Yes; I understand.

Mr. WHEELER. They could undoubtedly show that some company had been injured in the case the Senator specifies; but the complaint is that they have to spend more time and incur more expense in showing that somebody has been actually injured than in showing that the use of the product is detrimental to the public.

Mr. COPELAND. Will the Senator, at his convenience, point out in the bill where that particular new power is conferred upon the Commission?

Mr. WHEELER. Yes; I am coming to that specifically in the bill.

Mr. COPELAND. Very well.

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

Mr. WHEELER. Yes.

Mr. CONNALLY. Does not the important modification lie in the fact that the original act treated the Federal Commission more as a court between private individuals, whereas the amendment recognizes the interest of the public, and recognizes the public as a party to the proceeding?

Mr. WHEELER. That is correct.

Mr. CONNALLY. Therefore, there need not be shown any private injury in a particular case; but if the use of the product is calculated to injure the public, the Commission may intervene?

Mr. WHEELER. That is correct. Let me say to the Senator that a reading of the earlier debates of Congress shows that Congress, as a matter of fact, thought it was doing the very thing the Senator has just mentioned; but after the fight that was waged over the bill this particular construction was put upon the phrase "unfair methods of competition."

Mr. COPELAND. Mr. President, will the Senator yield for a moment?

Mr. WHEELER. Yes.

Mr. COPELAND. The Senator from Texas [Mr. CONNALLY] has raised exactly the point I have in my mind; and I will frame the question in a different way:

Can the Commission on its own initiative, in the public interest, proceed against a concern because its methods are grossly deceptive?

Mr. WHEELER. It can.

Mr. COPELAND. That is the provision I should like to have the Senator point to in the bill so that we may know where it is found.

Mr. WHEELER. It is section 2 of the present bill. If the Senator will look on page 3, he will see that section 2 reads as follows:

> That section 5 of said act—
>
> The act of September 26, 1914—
>
> be, and the same is hereby, amended to read as follows:
>
> The present law reads as follows:
>
> That unfair methods of competition in commerce are hereby declared unlawful.
>
> The amendment that we put in makes it read:
>
> That unfair methods of competition in commerce, and unfair or deceptive acts and practices in commerce, are hereby declared unlawful.

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

The PRESIDING OFFICER (Mr. JOHNSON in the chair). Does the Senator from Montana yield to the Senator from Arkansas?

Mr. WHEELER. Yes.

Mr. ROBINSON. The new part is "and unfair or deceptive acts and practices in commerce"?

Mr. WHEELER. That is correct.

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

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

Mr. WHEELER. I do.

Mr. VANDENBERG. In connection with the example given by the Senator from New York in his interrogatory, it seemed to me he was dealing with a subject to which we gave great attention in the new Food and Drug Act. May I inquire whether this bill integrates with the Food and Drug Act?

Mr. WHEELER. Exactly. I am glad the Senator called my attention to that, for this reason: In the Food and Drug Act, as I understand, it is provided that if the advertisement on the package contains a misrepresentation or a deceitful and fraudulent statement the offender may be prosecuted criminally. I think I am correct about that. The Food and Drug Act, as I recall, reached only what was on the package or what was included in the package; but the members of the Federal Trade Commission tell me that frequently they find that there is no deceptive advertisement or misrepresentation on the package, but that in some newspaper advertisement—not advertisements in the best newspapers, but in various cheap newspapers in the country—they find all kinds of misrepresentations with reference to that particular product. What happens when that occurs?

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

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Rhode Island?

Mr. WHEELER. Yes.

Mr. GERRY. Would not the manufacturers be liable if they did that?

Mr. WHEELER. Not under the Food and Drug Act.

Mr. GERRY. But would they not be liable under the common law?

Mr. WHEELER. I doubt it.

Mr. GERRY. Why not?

Mr. WHEELER. Because of the fact that there is no common-law criminal statute under which they could be prosecuted. It is necessary to have a Federal statute in order to reach them. The only basis for a common-law fraud action is a "passing off."

Mr. GERRY. Suppose a person suffered injury as a result.

Mr. WHEELER. If he suffered injury, he probably could sue them for damages; but it is a pretty difficult thing for an individual to sue. He may not have any money. He may be located in Rhode Island, and the company which puts out the product may be located in Chicago, and the Senator's constituent in Rhode Island would have to go to Chicago to bring suit against the company. He would have to go to tremendous expense, and he never could recover. He would be tied up in court and could not reach the company.

Mr. GERRY. Would he have to go to Chicago?

Mr. WHEELER. Of course he would, because the only place where he could get service on the company would be in Chicago, where the product was manufactured.

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

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

Mr. WHEELER. Yes.

Mr. COPELAND. I do not think the Senator from Montana has been quite responsive either to the Senator from Michigan or to the Senator from Rhode Island. The distinction between the Food and Drug Act and this measure lies in the fact that the Food and Drug Act as it was passed through the Senate has to do wholly with the matter of health. If a concern is putting out a harmful product, or making fraudulent claims for it, and that product is sold in interstate commerce, the false advertiser may be proceeded against because of the fraudulent claims. This bill goes further than the Food and Drug Act, however, as I understand, because this bill deals with the economic problems involved in the distribution, we will say, of medicines and foods. The reason why the Senate smote the original food and drug bill hip and thigh—when it was called the "Tugwell bill"—was because the bill attempted to deal with economic problems as well as health problems.

Anything that was grossly deceptive carried on the wrapper of the package, or in the making of the bottle, to make it appear that it contained two ounces of an extract instead of one ounce—all those problems were dealt with in the original Food and Drugs Act. But as we passed it, we confined it strictly to those things having to do with public health, and we hardly touched the economic problems.

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

Mr. WHEELER. I yield.

Mr. GERRY. We have been talking about the Food and Drugs Act, and it has been said that it is not workable in relation to some of these unfair practices. It seems to me that if that be the fact, the thing to do is to amend that act, and not amend the Federal Trade Commission Act. That is the way it appears to me from my first reading of the bill.

Mr. WHEELER. Mr. President, the Food and Drugs Act, as the Senator from New York [Mr. COPELAND] has pointed out, merely applies to food and drugs. This bill may apply not only to food and drugs but it may apply, as the Federal Trade Commission law always has applied, to various other things besides food and drugs.

Mr. COPELAND. Textiles, for instance.

Mr. WHEELER. Yes; to textiles and to other things—to most phases of business and industrial life.

Mr. GERRY. I understand that. The Senator is using the Food and Drugs Act as an example?

Mr. WHEELER. Exactly.

Mr. GERRY. What I had in mind, and what I should like to ask, is this: Under the pending bill it would not be necessary to prove damages. Is not that the difference between this amendment and the law, that the Commission would not have to prove there was any damage to anyone in order to start an investigation?

Mr. WHEELER. That is true; except damage to the general public.

Mr. GERRY. I am merely seeking information in my questions. Does not that have this effect: When it is not necessary to prove any damage, the field is left very wide open to any official in the Federal Trade Commission who has charge of a certain section to start an investigation, possibly without very much warrant, because he does not have to prove any damages, and we would be enlarging the field tremendously, would we not?

Mr. WHEELER. I do not think so.

Mr. GERRY. What I have stated might lead to abuses, might it not?

Mr. WHEELER. I do not think there is the slightest ground for fear of that at all. We are supposed to legislate in the public interest and, after all, the courts are the final arbiters. If the Commission issues a cease-and-desist order, they do not fix any penalty, they do not put one in jail, they do not fine a man, they simply say to him, "Stop this particular practice", or "Stop this kind of advertising of these goods." If the party does not think the Federal Trade Commission has done the right thing, he may appeal to the Federal court in his particular district, and the Federal court can pass on the validity of the order, both as to questions of fact and as to questions of law.

Mr. GERRY. Mr. President, may I ask a further question?

Mr. WHEELER. I yield.

Mr. GERRY. Would the Federal courts have to take the findings of fact of the Federal Trade Commission?

Mr. WHEELER. No; they do not have to take the findings of fact of the Federal Trade Commission if they feel that they are not substantially supported by evidence. The bill specifically leaves it up to the court to make findings as to the law. As a matter of fact, I have felt that when the Commission finds facts, the courts should not have the right to overturn the Commission's findings, but shall pass upon the law only. However, as the bill is now drawn, it provides that the court shall pass both upon the law and also shall determine whether the evidence supporting the findings of the Commission is "substantial."

Where the Commission makes findings of fact, the findings must be supported by substantial evidence or they will not be sustained by the courts.

Let me point out the difference between what is done in this country and what is done in England. We hear so many people claim that Great Britain deals much more fairly with the subjects of Great Britain than we deal with our citizens. A case was recently brought to my attention involving unfair and deceptive practices in England. They did not slap the accused on the wrist and say, "Cease and desist from this practice." They sent the accused to jail for a couple of years.

Some of the newspapermen have been afraid this measure might injuriously affect them. Not a single change is proposed in the present law affecting newspapers. If an advertisement appears in a paper which leads to complaint, the Federal Trade Commission calls in the officials of the paper and says to them, "Will you sign a stipulation that in the event the Federal Trade Commission finds this practice to be an unfair practice, or finds the advertisement complained of a misleading advertisement, you will stop it?"

I think in every instance the newspapers of the country have cooperated with the Federal Trade Commission, have signed stipulations, and have agreed to abide by the official decisions of the Federal Trade Commission.

Mr. Elisha Hanson appeared before the committee protesting against the bill, but most of his protests were not against the proposed amendment of the law. What he complained about was in the original law. The Senator from Delaware [Mr. HASTINGS] asked him if he would draw an amendment embodying his views. He said he would, but he has not brought the amendment in, for the reason, I believe, that he must have discovered that he was complaining about something in the present law and that he had been mistaken.

Likewise, one of the leading journalists of the country sent out broadcast a statement, which was published all over the country, condemning the bill. I called him on the telephone and said to him, "What you are complaining about is in the law at the present time, and not what is in the proposed amendment of the law." He did not distinguish between what was in the present law and what was in the proposed amendment. As a result of the article sent out broadcast all over this country, a lot of people got the idea that this bill was proposing something new.

I hold in my hand a letter which is typical of many letters which have been received. It is from the National Association of Retail Meat Dealers, dated at Chicago, Ill. The writer says:

DEAR SENATOR WHEELER: I would appreciate very much receiving a copy of S. B. 3744.

He wrote this letter because he had received the propaganda to which I have referred. He represents the National Association of Retail Meat Dealers, and he thought the bill would have an effect which it really would not have. He said:

Permit me to congratulate you in behalf of this organization in your efforts to strengthen the power of the Federal Trade Commission to investigate unfair and deceptive practices as they relate to the consumer. Unfortunately heretofore the unfairness related to competitors, but you know as well as I do that it is the consumer who pays the bills and should receive first consideration, and any legislation which does not take into consideration the consumer or general public is of little value to the future posterity of our Nation.

With cordial greetings.

Yours very truly, JOHN A. KOTAL, *Secretary*.

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

Mr. WHEELER. I yield.

Mr. COPELAND. I remember that years ago, when I was a medical student doing graduate work in Germany, I used to see the sign, "Das beste in der Welt", "The best in the world." Suppose a manufacturer of rayon in Cleveland, Ohio, should advertise, "My rayon is the best in the world. It is superior to any other rayon." What could the Federal Trade Commission do about that?

Mr. WHEELER. It could do nothing about it.

Mr. COPELAND. Why not?

Mr. WHEELER. If he said in his advertisement that it was the best in the world, and he was honestly of the opinion that it was the best in the world, the Federal Trade Commission could ordinarily not do anything about it, because it would be difficult for the Commission to convince the Supreme Court that "seller's puff" was an unfair practice. The object of the proposed legislation is not to stop the issuing of exaggerated opinions with reference to one's own articles.

Mr. COPELAND. The Senator means "trade puffing"?

Mr. WHEELER. Yes; trade puffing. What the Commission has tried to do is to stop the issuing of a definite statement with reference to a fact which was not true. There is a vast difference between a statement of a concrete fact with reference to some article and the mere puffing of one's own goods.

Mr. COPELAND. There may be, but I fail to see it.

Mr. WHEELER. The law recognizes a vast difference. In my experience in dealing with prosecutions of the use of the mails to defraud, I have found that a man will, for instance, say, "I have the best automobile in the world," or "I have the best something else in the world, and I expect it will do this and that." We could not prosecute him for using the mail to defraud for such a statement as that. But if one went out and misrepresented, made an actual misstatement as to a definite, positive fact, knowing that the statement was incorrect, then we could prosecute him for fraud.

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

Mr. WHEELER. I yield.

Mr. ROBINSON. As I understand the Senator, he suggests there is quite a distinction between the assertion of an alleged fact where differences of opinion may arise and a misrepresentation of facts that are calculated to mislead the uninformed.

Mr. WHEELER. Yes, Mr. President. I thank the Senator for that statement.

Mr. ROBINSON. For instance, if an automobile manufacturer said, "This car is capable of being operated at 225 miles per hour", that would be a statement of fact which could be demonstrated as to its truthfulness or untruthfulness.

Mr. WHEELER. That is true.

Mr. ROBINSON. However, if the automobile manufacturer said, "This is the best automobile at the price for which it is sold", there would be undoubtedly many differences of opinion about it, but it would hardly be calculated to impose upon the public and would perhaps not be such an instance as one in which the Federal Trade Commission would proceed.

Mr. WHEELER. That is correct.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Montana yield to the Senator from New York?

Mr. WHEELER. I yield.

Mr. COPELAND. I should think that if the advertiser of the automobile said, "This is the best automobile sold at the price", he would come directly under the bill, because all his competitors who dealt in automobiles selling at a similar price could say, "That is unfair competition."

Mr. WHEELER. Let me say to the Senator that the courts have recognized the difference between simply puffing one's own product in a general statement by saying, for example, "It is the best car manufactured", and misrepresenting a definite fact with reference to the product. If an automobile manufacturer said, "This automobile has a self-starter on it", when as a matter of fact the automobile did not have a self-starter on it, that statement would be a definite, positive misrepresentation of a provable fact. However, if the manufacturer said, "My car is the best car on the market for the money", there would be a vast difference of opinion in the general public's mind as to whether it was or not, and a great many persons might say it was the best, whereas a great many persons might say it was not. It would be a very difficult thing to prove that the car was not just what the manufacturer said it was. Those are things which are generally recognized by the courts as not capable of being reached by any law.

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

Mr. WHEELER. I yield.

Mr. COPELAND. It would seem to me that the burden of proof is on the Senator in charge of the bill to show why and how the proposed change in the law is going to be of benefit to the public. I am interested in it if it is going to do away with fraudulent and deceptive practices. However, every time we have used an illustration here, the Senator from Montana has said, "No; that case would not come under the bill, because that is 'trade puffing', or it is this, or it is that." Let us now hear exactly how the public would benefit under the proposed law.

Mr. NORRIS. Mr. President, before the Senator answers that question, will he yield?

Mr. WHEELER. I yield.

Mr. NORRIS. I am greatly interested in the questions which have been propounded by the Senator from New York. At first blush they seem to have merit.

Let us take the illustration the Senator has used, of an advertiser saying, "My automobile is the best automobile in the world." The Senator from New York thinks such a statement would clearly bring the automobile manufacturer under

the provisions of the bill. From the viewpoint which the Senator from Montana has been trying to give us, which is a legal viewpoint, it is clear that while such a statement, if it could be disproved, might be a technical violation of the law, yet as a lawyer the Senator from Montana knows that if he were called upon to prosecute a case of that kind he would not commence the action, because of his knowledge of the practical difficulty which would confront him in convicting the defendant and proving that his statement was not true. As a lawyer he knows that one manufacturer could get an unlimited number of witnesses to testify that in their opinion the automobile was not the best car, and probably an unlimited number of witnesses could be obtained who would testify that it was the best car in the world. The result would be that the lawyer never would be able to obtain a conviction under the law.

So I think the statement of the Senator from Montana should be somewhat modified, and it should be agreed that technically the proposition laid down by the Senator from New York may be right. As a practical proposition, however, it is of no consequence, because any man of experience knows that he never could obtain the enforcement of a cease-and-desist order, nor the imposition of a penalty for the making of such a statement as we have been discussing.

Mr. WHEELER. I thank the Senator.

Mr. COPELAND. That is exactly why I am asking these questions, Mr. President. It was my duty for a great many years as commissioner of health in New York to enforce the food and drug law, and I know how extremely difficult it is to sustain such charges of violation in court. I have always believed in the Federal Trade Commission's activity, because there are so many trade practices which are wrong. Many honest concerns have been hurt by unfair competition. However, the new thought in the bill that worries me is just how far the Federal Trade Commission can go on its own initiative in the public interest in dealing with problems which have to do with methods of deception. That is the thing which worries me.

Mr. WHEELER. Mr. President, Judge Davis, whom the Senator knows very well——

Mr. COPELAND. And admires.

Mr. WHEELER. And admires and respects, I am sure—testified before the committee. I introduced the bill at the request of the Federal Trade Commission. Commissioners Davis and Freer appeared before the committee and testified in respect to it, and Commissioner Ferguson wrote a letter concerning it. They said that in most cases which came before the Federal Trade Commission, if they spent enough money and did enough research work, they probably could show that someone had actually been injured.

They said, however, the difficulty was that the Commission spent most of its time and most of the money allotted to it by the Congress, in running down the question of whether or not one man has lost some money by reason of unfair trade practices on the part of another. After all, Congress is not interested in whether John Smith lost some money as the result of the advertising complained of, but the question is whether or not the general public has been deceived or injured by reason of it. We are here to legislate with respect to that question.

The main thing the bill seeks to do is to remedy that situation. I do not believe it should be necessary for the Federal Trade Commission to spend thousands of the few dollars which are appropriated to them in running down a case in order to show that because of certain trade practices on the part of one person, a competitor has lost a few cents. The amount involved does not need to be large in order to establish a case. However, the object of the bill is to obviate the necessity of spending thousands of dollars of Government money in running down a case to see whether or not injury has been done.

I wish to read from the case of *Federal Trade Commission* v. *Raladam Co.* (283 U. S. 645):

> Among the ingredients is "desiccated thyroid", which, it is alleged, cannot be prescribed to act with reasonable uniformity on the bodies of all users, or without impairing the health of a substantial portion of them, etc., or with safety, without previous consultation with, and continuing observation and advice of, a competent medical adviser. The complaint further avers that many persons are seeking obesity remedies, and respondent's advertisements are calculated to mislead and deceive the purchasing public into the belief that the preparation is safe, effective, dependable, and without danger of harmful results.

In that case, the court held that notwithstanding the fact that the product was injurious to the general public, and notwithstanding the fact that the advertisements were misleading, the Federal Trade Commission's order was wrong, because it did not show that someone else engaged in selling that particular kind of thing was injured in dollars and cents.

A few years ago, as the Senator from New York well knows, advertisements appeared all over the country with respect to a preparation called "ginger jake", and thousands of people were affected as the result of its use.

If the Federal Trade Commission had taken action to stop the advertisement and sale of this preparation, the Commission would have had to show not only that the preparation which was advertised in newspapers was dangerous to health, but that somebody else who was engaged in a similar business was injured by reason of the advertisement and sale of the preparation in question. There might not be anyone else who was actually engaged in that business. The Commission then would have to show that the sales of someone selling some other kind of preparation, such as Coca-Cola, had been diminished by reason of the fact that "ginger jake" was sold.

I am at a loss to understand how anyone can seriously object to the bill. Its purpose is merely to remedy a situation which the Federal Trade Commission, over a long period of years, has found to have resulted in great expense to the Government, and which is really against the public interest.

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

Mr. WHEELER. I yield.

Mr. COPELAND. So far as "ginger jake" and other products which fall under the heading of foods and drugs are concerned, if we shall finally pass a food and drug bill such products will be taken care of. However, in the economic world and in the industrial world, outside of foods and drugs, there are many deceptive practices. I have no question about that. But for myself, I want to be sure that this bill really gives the power to the Federal Trade Commission to deal on its own initiative with these deceptions, these fraudulent claims.

As the law is now, it is the damaged competitor who calls the attention of the Federal Trade Commission to the practice complained of by him. There are, however, a great many acts which are so universal in their effect that they do not strike directly at a competitor, and, therefore, there is not any stimulation of a possible competitor to ask the Federal Trade Commission to proceed. So I should like to be assured—and I presume I am stupid or I would have been assured ere this in the debate—that there is power on the part of the Commission to go out into the field of fraud and deception and bring to book the scoundrels who are seeking to deceive and rob the American people.

In the next place, one of the great faults of the Federal Trade Commission law, as I have seen it in operation, has been the possibility of delay in securing effective action. The procedure has been something like this: A competitor says, "I am being damaged by the advertising of the claims of a certain corporation", and then the Federal Trade Commission serves notice on the offending company, and says, "You must show cause why you should not be proceeded against." By one method or another, by resort to legal measures and technicalities in one case that I know of, there was a delay from 1922—I think that was the year; I will not be exact as to the dates, although I used this illustration last year in connection with the food and drugs bill—until 1934, when the final order to cease and desist was issued.

Has the legal procedure been simplified? Is there going to be some more definite method of taking the one charged

with fraud or deception by the back of the neck and saying, "You cannot do this any more"?

Mr. WHEELER. I was going to say to the Senator that I agree with him thoroughly; in many instances in the proceedings under the Federal Trade Commission the delay has been very great, and one of the reasons for it has been just the condition that I have been talking about. The delay will be removed if the Commission may, when it is shown that a certain practice is against the public interest, thereupon issue a cease-and-desist order; but the Commission has said, Judge Davis has said, the reason why delay and expense have been caused has been that the Commission has had to go out and work for long periods in an effort to secure evidence to show that some competitor was injured. This bill seeks to render that unnecessary.

Again let me say to the Senator from New York—and I am very thankful to him for his suggestion—that another thing the bill seeks to do is to apply the law both to persons and partnerships the same as it applies to corporations. It was generally agreed by the United States Chamber of Commerce and everybody else that that ought to be done.

Furthermore, heretofore when the Commission has issued a cease-and-desist order, the organization against whom it was issued would go along perhaps for 5 or 10 years, and the respondent might cease and desist for a while, and then might start up and resort to the same practice again, and for an indefinite period of time it was not necessary to take the matter to court to get a final determination. This bill seeks to make it necessary for him, if he is dissatisfied with the ruling of the Commission, to appeal to the court within a period of 60 days' time. Previously he has had unlimited time. He could let the matter run along for years and years, and finally, if he wanted to do so, he could take it to the circuit court of appeals. This bill definitely limits the time. Under the stockyards act it was limited to 60 days' time, I think, and under the Interstate Commerce Commission if parties are dissatisfied they have to take the case to the courts within a limited time. We put a provision into the pending bill limiting the time within which the case may be reviewed by the court to 60 days.

Mr. NORRIS. Mr. President, will the Senator yield there?

Mr. WHEELER. I yield.

Mr. NORRIS. I should like to suggest to the Senator from New York, in answer to his question as to a delay, that I think there will be delay under the amended bill, if it shall be enacted. I do not know how we can avoid some, perhaps, unreasonable delays in some cases. One of the reasons is the nature of the procedure in our courts, but that there will be less delay than heretofore it seems to me is perfectly apparent, because, if this bill shall be enacted into law, the Commission will not be required to go out and hunt evidence of damages that have been sustained by some individual, which as is apparent, is sometimes a very difficult thing to do and something which takes much time. Under the pending bill such procedure will be unnecessary, and, of course, it will lessen the time taken by the Commission by elimination of that necessity.

Mr. COPELAND. Mr. President, I thank the Senator from Nebraska. He always does much to illuminate my dull brain. But I want the Senator in charge of the bill to know that I am not asking these questions with a view to delaying action upon it. I am heartily in favor of giving to the Federal Trade Commission all the power we properly can give them, power which, I am sure, they will not abuse. If they should abuse it, that would be frightful; but I am in favor of giving them the power to deal with these matters; and I think it is very wise that the Federal Trade Commission is going to be permitted to go outside the question of whether or not a given competitor is damaged, because, after all, the person we are thinking most about is not the owner of some commercial concern, but we are thinking about the American citizen. There is no doubt that the American housewife and the American house husband, if that is the correlative word, are being imposed upon by having forced into their possession flimsy, shoddy, unworthy stuff. If there is some way by law to prevent that sort of thing, I am for it.

I do not want to invade the factory or the business of an honest concern. As a matter of fact, in all these questions of regulation the honest concern is not the one whom we are seeking to reach; it is the hole-in-the-wall chap, the hidden manufacturer, who is placing upon the market articles that are not at all what they are represented to be.

So far as I am concerned, I am perfectly willing to vote for this bill, and I hope that it will improve conditions.

Mr. WHEELER. I thank the Senator.

Mr. COPELAND. Perhaps this is only the first bite of the cherry; in practice it may be found necessary to come here for further amendments; but I do want to say, in closing, just an additional word.

I have great respect for the Federal Trade Commission. Judge Davis has done a fine work there—and I only name him as representative of all the men making up the Commission. They have been striving for years to improve conditions, to protect the public against fraud, against imposition, to protect the pocketbooks of the American people against the encroachments and robbery of many who have sought to foist upon the public, commodities which ought not to be sold anywhere; certainly not unless they are sold for exactly what they are and not for the fine products which they are pretending to be.

So it is in that spirit that I have spoken about this bill, and I hope it may do all that its erstwhile author hopes that it may do.

Mr. WHEELER. Mr. President, let me say to the Senator that I do not think by any manner of means the bill goes as far as perhaps some of us would like to have it go, but I think it is a step in the right direction, to save the Government money, on the one hand, and to speed up the actions of the Federal Trade Commission, on the other.

One other thing that causes delay is that sometimes a company, after years of fighting the Federal Trade Commission, then goes into the Federal courts and further ties up the case. We have provided in this bill that the Federal court may require obedience to the order while appeal is pending, and thus prevent the delay the Senator has rightly condemned, protecting the public through protracted legal proceedings.

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

Mr. WHEELER. Yes, sir.

Mr. BYRNES. On an entirely different question, I wish to ask the Senator for some information. Recently I was advised that, while unfair practices were alleged to exist in the insurance business, the matter was taken up with the Federal Trade Commission. In a letter signed by Mr. Horton, the chief examiner, the writer was advised that:

> Inasmuch as it would appear from the facts presented that the situation affects only the selling of insurance, the matter would not come within the jurisdiction of this Commission, as the courts have repeatedly held that the selling of insurance does not constitute commerce. The corrective power of the Commission extends only to the prevention of unfair methods of competition in commerce.

Does the Senator know the reasoning upon which that is based?

Mr. WHEELER. No; I do not. I am not familiar with that particular phase of it.

Mr. BYRNES. I can see no reason, from the thought I have always held as to the corrective powers of the Federal Trade Commission, why it should have been excluded. I have read the act within the last few minutes. I can find no language making an exception.

Would the Senator object to an amendment in order that he might take it to conference and give us time to investigate the matter? The amendment I would offer would simply extend the powers of section 5 as it is proposed to be amended in the pending bill, so it shall be deemed to include such unfair methods and practices by companies or associations, incorporated or unincorporated, engaged in the business of selling insurance.

Mr. WHEELER. I would have no objection to it. I am not at all familiar with that ruling of the Commission.

Mr. BYRNES. Nor am I familiar with it. The information contained in the letter was surprising to me. I can see no reason why insurance should be exempted from the act.

Mr. President, what is the parliamentary situation? Is there an amendment pending at this time?

The PRESIDING OFFICER. The bill is open to amendment.

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

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 9, after line 12, it is proposed to add a new paragraph, as follows:

> The powers vested in the Commission by this section shall be deemed to include such unfair methods and practices by companies or associations, incorporated or unincorporated, engaged in the business of selling insurance.

Mr. NORRIS. Mr. President, before the amendment is acted on I think we ought to have a little light thrown on it. I am speaking entirely without knowledge of the matter because I had never before thought of insurance in connection with the Federal Trade Commission. Is there not a question involved as to the constitutionality of our authorizing the Federal Trade Commission to investigate something which is not connected with commerce and which has been held not to be interstate commerce?

Mr. BYRNES. Under the definition of interstate commerce, certainly if it were held that under no circumstances could a contract of insurance be a matter of interstate commerce, it could not come within the jurisdiction of the Federal Trade Commission.

I have suggested to the Senator from Montana the reason for the introduction of the amendment and submitted my request that he take it to conference in order that we may have opportunity to investigate it. The information upon which it is offered was the statement I have just made that where facts were presented, which upon their face, if true, would seem to constitute unfair methods of competition in the filing of contracts of insurance, the Commission stated it could not make an investigation of such matters because under the act it did not have the power to do so.

Mr. WHEELER. I think the reason why they so held is that it was not interstate commerce and for that reason they could not make the investigation. The amendment would not bring it within the definition of interstate commerce if the parties involved are not dealing in interstate commerce.

Mr. BYRNES. If that is the thought upon which it is based, that under no circumstances could a contract between a citizen of Montana and a citizen of New York be considered interstate commerce, then it would not come within the definition of the interstate commerce section, which is the first section of the bill. That is the reason why I ask that it be taken to conference, because if that be the theory upon which the decision was based, the amendment can be eliminated.

Mr. WHEELER. Would not the Senator be willing to let the amendment be pending for a short time in order that I may get in touch with the Federal Trade Commission and find out concerning it?

Mr. BYRNES. May I say to the Senator from Montana that I tried to find out, and because I had not heard from the Commission I offered the amendment?

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

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Utah?

Mr. BYRNES. Certainly.

Mr. KING. Is it not aimed at agents rather than at corporations, upon the theory that an agent puffing the wares of an insurance company which he represents says that the policy of his company has advantages which the policies of other insurance companies had not? It seems to me it is aimed at punishment of the agents.

Mr. BYRNES. Quite the contrary.

Mr. KING. It seems to me it would lead to controversy.

Mr. BYRNES. No; the purpose is quite the contrary. The statement of facts submitted to the Commission in the letter called to my attention was that credit companies are now taking the position that as to automobile insurance, for instance, contracts are entered into under which no credit can be extended to the owner of an automobile unless the owner of the automobile will agree to insure his automobile with a certain company. The effect of that combination on the part of a few companies is to put out of business all the other insurance agents.

Mr. LOGAN. Mr. President——

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

Mr. BYRNES. Certainly.

Mr. LOGAN. The point that bothers me about the amendment offered by the Senator from South Carolina is that insurance companies are already covered by the act as it is written. If we can give power to the Federal Trade Commission over such companies, I ask the Senator if this language does not go as far as it can:

> The Commission is hereby empowered and directed to prevent persons, partnerships, or corporations, except banks, and common carriers subject to the acts to regulate commerce, from using unfair methods of competition in commerce and unfair or deceptive acts and practices in commerce.

There are only two exceptions: The first is banks, and the other is corporations regulated by the Interstate Commerce Commission. If it does not include insurance companies as written, I do not see how the amendment proposed by the Senator from South Carolina could be made to include them, because the language I have quoted includes everything except the two classes which are mentioned in the act.

Mr. BYRNES. It was always my thought that it would cover any case where there was unfair competition. The letter of the Commission was, therefore, a surprise to me. I inquired a few moments ago of a member of the Commission to ascertain the reason why the Commission took the position that under no circumstances could they have jurisdiction to make an investigation of any unfair practices and unfair methods of competition involving insurance contracts. I have not yet been advised. The member of the Commission could not tell me offhand about it and was going to inquire and advise me.

I offer the amendment merely because I do not want the bill to be passed without it. The Senator from Montana has asked that the amendment be permitted to lie on the table temporarily, which is entirely satisfactory to me. I expect momentarily to be advised upon what theory the statement of the Commission is based. I want to know that, just as the Senator from Kentucky does.

Mr. LOGAN. I have very high regard for the Federal Trade Commission and all its members, but it seems to me the letter from which the Senator read extracts is simply a mistake as to the power of the Commission. They have acted upon a wrong basis somewhere because insurance companies are covered.

Mr. BYRNES. The letter was signed by the chief examiner and not by a Commissioner.

Mr. WHEELER. My judgment is that it is probably because of the fact, since it was called to their attention, that they did not deem that it came within the purview of the act.

Mr. BYRNES. That would have been entirely understandable, but the statement was made in the letter that under some decision of the court the Commission had absolutely no jurisdiction over any matter affecting the selling of insurance.

Mr. WHEELER. I am having my secretary get in touch with the Federal Trade Commission at this moment, and hope to have the report from them very promptly.

Mr. WALSH. Mr. President, as I understand the amendment, it would introduce a new field of investigation for the

Federal Trade Commission. That being so, it is of the utmost importance that the Federal Trade Commission and the insurance companies be consulted. Certainly the subject matter does not pertain to the provisions of the pending bill or the previous power conferred upon the Federal Trade Commission. It is a new field, and I hope opportunity will be given both the Federal Trade Commission and the insurance companies to express their views.

Mr. WHEELER. Mr. President, may I say to the Senator from Massachusetts that my secretary has just informed me that in an old case of Paul against Virginia the Supreme Court of the United States held that insurance is not interstate commerce, and the letter was based upon that decision. Consequently, if that is so, then the amendment would not be effective at all and would have no weight. I should dislike very much to incorporate it in the bill at this time without very serious investigation of the matter.

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

Mr. WHEELER. Yes.

Mr. WAGNER. Is there not also the added reason that I think in every State of the Union now insurance companies are under State regulation, so that their practices are under the supervision of some State agency?

Mr. WHEELER. That is my understanding. In my State they are very strictly regulated.

Mr. BYRNES. Mr. President, if the Senator says his opposition to the amendment is based upon the decision of the Supreme Court to which he has referred, I will withdraw the amendment. I have no desire to embarrass the Senator. I know he is particularly interested in the bill, and I myself have not had time to investigate the matter. I will do so, however.

Mr. WHEELER. I thank the Senator.

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

Mr. WHEELER. I yield.

Mr. WALSH. Has this measure the unanimous support of the Interstate Commerce Committee?

Mr. WHEELER. As reported out, there was no objection at all to the bill in the committee. One provision which was in the original print of the bill was eliminated from it by an amendment.

Mr. WALSH. I observe that there is one committee amendment striking out a provision which probably would be objectionable to a good many persons. As I understand the measure, it simply relates to difficulties and limitations and misunderstandings which the Commission has experienced during the years since the passage of the original act.

Mr. WHEELER. That is correct.

Mr. WALSH. The bill seeks to clarify the Commission's powers, and perhaps to make more effective its decisions, and to promote the administration of the law in a way which the Commission believes to be more in the public interest?

Mr. WHEELER. That is correct. In one instance the original act is amended in a particular as to which two courts have rendered conflicting decisions. One of the courts of the District of Columbia has rendered a decision one way, and one of the circuit courts of appeals has rendered a decision the other way. The bill simply tries to clear up that situation so that there may not be any question on that point. Then it deals with several other technical matters, largely matters of procedure.

Mr. WALSH. I suppose the bill was introduced at the request of the Commission?

Mr. WHEELER. It was introduced at the request of the Commission, and was presented to me as chairman of the Interstate Commerce Committee for introduction.

Mr. WALSH. It seems to me to be desirable legislation, from the study I have been able to make of the bill.

Mr. WHEELER. I thank the Senator.

Mr. WHITE. Mr. President, it has been suggested to me that as a member of the minority of the Committee on Interstate Commerce I ought to say a brief word about the bill. I do so, not in opposition to the proposed legislation but out of a desire to bring to the attention of the Senate some changes in the present law which I think give to the proposed legislation vastly greater importance than has been suggested by the Senator from Montana [Mr. WHEELER].

I have for the personnel of the Federal Trade Commission very profound respect. For Mr. Davis, to whom reference has heretofore been made, I have great admiration. I served with him in the House of Representatives for, I think, 12 years; and never have I known a public servant of greater industry and with higher ideals than Mr. Davis. I think, too, that the work of the Federal Trade Commission throughout the years has been salutary.

I suppose if I were to make a confession of political faith I should say that I am a rebel against government. I instinctively resist all of the purposes—and there are many of them in these days—to impress government more and more upon the individual and the business life of the Nation; but that seems to be the tendency of the times, and an individual is almost impotent before it.

I said I wished to call attention, and I shall do so in a rambling sort of way, to some of the amendments of the present law which give to the proposed legislation very real importance. I call attention to an amendment which is of some special concern, perhaps, to Massachusetts. That is the amendment appearing on page 2, in line 9, which enlarges the definition of a corporation so as to include within it what are known as Massachusetts trusts. I do not know just what is the legal set-up of these trusts, or what are their functions; but the pending bill in terms makes reference to them and includes them in the definition of a corporation.

Mr. WHEELER. Mr. President, let me call the Senator's attention to the fact that a Massachusetts trust is in the nature of a corporation. It is a device which is neither a corporation nor a person, but comes in between. Most certainly it should be included in the bill, because it is a device by which there are performed practically the same functions as those of a corporation; and there was no objection to that particular provision from the United States Chamber of Commerce.

Mr. WHITE. I have no objection to the provision, either. As a matter of fact, whatever its precise nature is, I agree that the Massachusetts trust ought to be brought within the terms of the bill. I mentioned the matter only because I thought it would have some special interest for the Massachusetts Members.

Mr. O'MAHONEY. Mr. President, I desire to say that the term "Massachusetts trust" has no geographical signification at all. Such trusts are created throughout the country to operate without the restrictions of the ordinary corporation law.

Mr. WHITE. Another amendment, appearing on page 2, enlarges the definition of documentary evidence so as to include books of account and financial and corporate records. Under section 9 of the Federal Trade Commission Act, as proposed to be amended, all these documents and papers and correspondence and books of account may be examined for the purposes of the act. The purposes of the act include the investigation of persons as well as corporations. So I think, following the matter through, this amendment carries with it something of real importance, because I think it really gives, as section 9, of the original act does not now give, authority to examine the papers of an individual as well as those of a corporation. I do not complain as to this, but I do not think it is of enough consequence to note as we pass along.

Mr. WHEELER. Mr. President, let me interrupt the Senator long enough to say that the reason why that amendment appears in the bill is because the matter has never gone to the courts to determine whether or not the term "documentary evidence" includes books of account. The Interstate Commerce Act contains this specific language, and there has never been any particular controversy about it; but some lawyers have made the claim that books of account are not included in the words "documentary evidence." I think they are wrong about it, but the amendment is just to clear up any question about the matter.

With reference to persons being included here as well as corporations, as a matter of fact, if I correctly recall the testimony of the president of the United States Chamber of Commerce, I asked him whether he did not believe persons should be included, and he stated that he did; and quite clearly they should be included, because if a person is doing the things complained of in the bill, he should be subjected to the same laws as corporations.

Mr. WHITE. I repeat that I do not have any objection to the provision. I call attention to it only because I think it is a matter of some importance, and the chairman of the committee in his statement—I know in the interest of time—did not call it to the attention of the Senate.

The third matter to which I call the attention of the Senate is the amendment found on page 3, including the words "unfair or deceptive acts and practices in commerce."

Mr. President, that provision very much extends the scope of our present law. Under existing law, the Commission has no jurisdiction if the offender has no competitor, but enjoys a monopoly, or if all competitors are equally guilty.

This amendment creates an offense, even though no competitor is involved. The Federal Trade Commission, under the amendment, is no longer to be primarily concerned with insuring to all persons fair methods of competition under which they must conduct their business, but it is to have a general responsibility to all persons, an obligation, to see that no person is the victim of an unfair or deceptive act or practice in commerce.

I think one must voice his disapproval of unfair and deceptive practices and acts precisely as he would voice his disapproval of sin, for instance, but I should be very much more comfortable if I knew just what acts or practices we are making unlawful and I rather believe the citizen of the country would feel more comfortable in his mind if he knew for what acts and for what practices he might be haled before the Commission.

Something of this infirmity—and I regard this indefiniteness as an infirmity—could be cured if we deleted from the bill the reference to a deceptive act, and made unlawful only deceptive methods. A single act, not defined by the statute as unfair or deceptive, but deemed so by the Commission, is an unlawful act, however innocently committed. I would not object to making unlawful a course of conduct which might amount to a method of deception, but I shrink from a statutory provision which leaves to a commission the right to find unlawful that which in the statute is not defined as unlawful, and for the determination of which there is no real guide in the statute itself.

Another significant change appears in line 9 on page 5 of the bill. Under the existing law the Commission may apply to a court for the enforcement of its orders when there has been failure or neglect to obey an order. By this amendment the Commission may bring a person into court because of an anticipated disregard of an order. That is something entirely new, so far as I know. Certainly it is new so far as the Federal Trade Commission Act goes.

Mr. WHEELER. Mr. President, let me call the attention of the Senator to the fact that when one goes into a Federal or State court to get an injunction, he takes that action if a person is threatening to do something. This amendment would merely give the Commission the power to go into court after it has issued an order and say to the court, "These people are threatening to do this, or we believe they are." Then the court passes upon the question. This merely gives the Commission the right to go to court. I do not see that there can be very much objection to it.

Mr. WHITE. It does not say anything about threatening to do something. It says that the Commission may go into court when a person intends or is about to do something. In other words, it shifts the present practice around completely. Under the present practice a person can be haled into court when an order of the Commission has been disobeyed, or when there is a failure to obey an order of the Commission. There must be an existing and known default on the part of someone before the Commission may bring that person into court. But under this provision a person may be brought into court because, as I have said, the Commission anticipates that something is to happen in the future. Of course, I know something about the injunctive theory and the injunctive process, but I am not persuaded that this change is either necessary or desirable.

Mr. WHEELER. Let me explain just why this provision is offered. As I said to the Senator awhile ago, the courts of the District of Columbia have held that under the present law the Federal Trade Commission would have to establish, first, a violation of its order, and, second, the fact that the order was valid. This measure proposes to allow them to go into court and have the court first determine that the Commission's order is valid, and then that there is a violation.

The Federal courts in New York have held just the opposite of what has been held in this District. The only purpose of this provision is to make the law uniform, and the Commission feels that the ruling of the Federal court in New York is much fairer and much better than the ruling of the court in this District, and this provision merely adopts the procedure of the courts of New York.

Mr. WHITE. I understand what the situation is, but, unfortunately for me, perhaps, I like the present practice better than I do the proposed practice.

Mr. WHEELER. The present practice in one court is one thing and in another court it is another thing. This is simply an attempt to make it uniform, so that when the Commission goes into court, it will ask that its order be upheld as valid, in the event it believes there is about to be a violation of the order.

Mr. SCHWELLENBACH. Mr. President, will the Senator from Maine yield to me on a question of personal privilege?

Mr. WHITE. Mr. President, I do not wish to be discourteous to the Senator, but from my observation, when questions of personal privilege are raised, they sometimes lead to discussion. I will conclude in 10 minutes, perhaps sooner than that.

Mr. SCHWELLENBACH. Very well.

Mr. WHITE. On page 6 of the bill there is a change from the present law which has attracted my attention. The language I have in mind is as follows:

> The findings of the Commission as to the facts, if supported by evidence, shall be conclusive.

The only change from present law in that is that in the present law the word "testimony" appears, and the word "evidence" is substituted in the pending bill. I think that is done because usually testimony refers to oral evidence, and the word "evidence" is a much more comprehensive term. It is not very important, but the purpose and effect is to make it even more certain than under the present law that the facts found by the Commission upon any sort of evidence shall bind the courts.

This is one of the practices under which I am getting somewhat restive, undertaking to give to these various bodies which are set up by the Congress a power which is really in derogation of what I think is the proper authority and function of the courts. We are giving to these various commissions the right to determine absolutely all matters of fact, and there is an effort to keep away from the courts of the land the opportunity either to hear evidence or to pass upon or to review matters of facts. I simply desire to voice my general dissent to that tendency.

On page 9 there is an amendment which would seem to be trivial, and yet to me it is a further encroachment upon the dignity and of the rights of the citizen. Provision is made on page 9 in line 6 that service may be made by mail at the residence of a person or a corporation. That, to me, simply injects further uncertainty as to whether or not a person has had proper notice of a proceeding against him. It simply minimizes a bit more, as I have said, the right of the citizen, and makes him a little more subject all the time to the power of government and the power of the agencies of government which we are constantly setting up.

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

Mr. WHITE. I yield.

Mr. WHEELER. I expressly asked the Chairman of the Federal Trade Commission why the Commission wanted that provision in the bill. The chairman said that at the present time they serve their notices by mail, and he said that, as a matter of fact, it is much more effective to serve notices by mail than to make personal service. In many instances the persons served have no pleace of business such as defined by the courts. The provision to which the Senator refers really is not an important amendment in any way, shape, or form. If there is serious objection to it, I do not object to eliminating it.

Mr. WHITE. I agree with the Senator that it is not tremendously important. It is just one of those provisions which makes it a little easier for the Government and a little harder for the citizen, against which I am protesting rather generally.

Mr. WHEELER. Mr. President, as a matter of fact, the provision in question makes it easier for the citizen. At least, that is the interpretation put upon it by the Federal Trade Commission. It makes it easier for the citizen, and gives him more protection.

Mr. WHITE. I cannot agree with that statement.

I desire to comment on the change made on page 9, line 16.

Mr. WHEELER. Let me call to the Senator's attention another fact with reference to what he has just mentioned. At the present time the Commission feels that it would be very helpful to the Commission to make provision for service at the residence of the person, because then the Commission could serve him at his place of residence rather than at his place of business. He may have a place of business outside his home State; and if he has he would have to be served at his place of business and would have to go to another State for hearing of the case, whereas is he were served at his residence he could have the proceeding in the court in the district where he lives, which, as a matter of fact, is more beneficial to the person involved than otherwise.

Mr. WHITE. Mr. President, on page 9, line 16, I call attention to the fact that there we find an amendment to the present law. Under the present law the Commission itself has the power to initiate investigations. Under the proposed amendment we are providing that the Commission may do it or shall do it. I am not sure whether it is "may" or "shall." I think there is much doubt about it. However, assuming that it is "shall", then we are placing on the Commission the burden of investigating either upon the direction of the President or upon request or direction of either House of the Congress. If I could have my way about it I should leave the responsibility for investigations solely upon the Federal Trade Commission, and I would not make the Federal Trade Commission the instrumentality of investigations at the direction of either the President or of either House of Congress. I would have the Federal Trade Commission act from its own sense of responsibility and from its own knowledge of facts and conditions as they exist in any line of commerce. I do not like to see either House of Congress nor do I not like to see the President, through enlarged powers, given the opportunity to initiate harassments of individuals. I personally should like to see the law remain precisely as it is in that regard.

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

Mr. WHITE. I yield.

Mr. KING. I invite attention to page 10, beginning in line 1, the following language:

> (b) To require, by general or special orders, persons, partnerships, or corporations engaged in commerce, excepting banks, and common carriers subject to the act to regulate commerce, or any class of them, or any of them, respectively, to file with the Commission in such form as the Commission may prescribe annual or special, or both annual and special, reports or answers in writing to specific questions—

And so forth. I should like to ask the Senator whether he subscribes to the wisdom of enacting legislation of that kind, and also whether or not the present law is as comprehensive as the section to which I have just called attention.

Mr. WHITE. I think the language which the Senator has quoted makes no change in the present law except—and I was about to refer to the change. Under the provision with respect to investigations there has been another change of significance. Under the existing law the power to investigate is limited to the power to investigate corporations. In the pending bill it is proposed to enlarge that power, giving the Federal Trade Commission the right, either upon its own initiative, or upon the direction of the President, or at the request of either House of Congress, to investigate not only corporations but persons as well.

Mr. WHEELER. I desire to call the Senator's attention, however, to the fact that it is business conduct, not individual conduct, which is involved. Every member of the committee and every person who came before the committee said, "We are talking not about the individual's private life but about his business conduct.

The Senator will notice that there was written into the bill authority—

> To investigate from time to time the organization, business conduct, business practices, and business management of any person, partnership, or corporation. * * *

Everyone who testified before the committee stated that if the Federal Trade Commission had the power to make investigation with reference to a corporation, it should, of course, have the same power with reference to private persons who were doing the sort of thing which the bill seeks to prevent. It was contended that the Commission should have the same right with respect to persons as with respect to corporations.

Mr. WHITE. Mr. President, I desire to call attention to only one other matter. On page 12 of the bill, in section 9, we find what I think is a very substantial enlargement of present authority. The redraft of section 9 gives vastly greater rights of access to books and papers than the present law does. By the provisions of the pending bill records of the individual citizen as well as of the corporation may be examined almost at will. Heretofore this power of access to or of examination has been limited to the purposes of section 5 of the Federal Trade Commission Act, which made unlawful unfair methods of competition.

The Commission, by section 9 of the present law, could have access to the records of the corporation for the purpose of determining whether that corporation was engaged in unfair methods of competition, and I think that was the limit. I think we are now opening the doors very much wider.

Mr. President, I am not going to vote against this bill. I cannot quite bring myself to do that, but I desire to make it clear that I think in some of the particulars to which I have called attention we are going beyond the necessities of the case—going beyond what we probably should do.

BUREAU OF NAVIGATION AND STEAMBOAT INSPECTION

The PRESIDING OFFICER (Mr. MINTON in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 8599) to provide for a change in the designation of the Bureau of Navigation and Steamboat Inspection, to create a marine casualty investigation board and increase efficiency in administration of the steamboat-inspection laws, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. COPELAND. I move that the Senate insist on its amendments, agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. COPELAND, Mr. FLETCHER, Mr. SHEPPARD, Mr. JOHNSON, and Mr. WHITE conferees on the part of the Senate.

COMPENSATION OF CERTAIN RAILWAY-MAIL EMPLOYEES

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 10267) to provide for adjusting the compensation of division superintendents, assistant division superintendents, assistant superintendents at large, assistant superintendent in charge of car construction, chief clerks, assistant chief clerks, and clerks

in charge of sections in offices of division superintendents in the Railway Mail Service, to correspond to the rates established by the Classification Act of 1923, as amended, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McKELLAR. I move that the Senate insist on its amendment, agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, and Mr. FRAZIER conferees on the part of the Senate.

MR. AND MRS. BRUCE LEE

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 3952) for the relief of Mr. and Mrs. Bruce Lee and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. TOWNSEND. I move that the Senate insist on its amendment, agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BAILEY, Mr. BURKE, and Mr. TOWNSEND conferees on the part of the Senate.

PERSONAL EXPLANATION

Mr. SCHWELLENBACH. Mr. President, I desire to say that in this morning's edition of the Washington Herald, which, as the Members of the Senate know, is the Hearst newspaper in this city, there appeared a rather lengthy article in which some very lurid charges were made against me personally by that newspaper, setting forth the claim that I had maintained myself in the past as a juggler of stocks.

I wish to say, Mr. President, I fully realized a month ago when I addressed the Senate upon the question of Mr. William Randolph Hearst that I was subjecting myself to reprisals such as the article which appeared in this morning's paper. Knowing Mr. Hearst and his methods and his tactics, I fully anticipated that the reprisals would be of the nature of the article appearing in this morning's newspaper.

Mr. Hearst's reputation and the reputation of his newspapers as having no regard for the truth certainly was known to me, and I anticipated that in the attack that would be made upon me no effort would be made to stick to the truth. I further was not surprised at the article, because of the fact that I have known for the last 3 weeks that there have been sent into the State of Washington from California three investigators who have been detailed to the task of attempting to get information about me from which newspaper articles could be printed, and that the star political reporter of the Seattle Post-Intelligencer has been assigned to the one task of writing articles by way of an attack upon me.

If this article was the only one that was to be printed, I would not take the time of the Senate to discuss it. It happens, however, that it is only the opening article of a series, and I wish to assure the Members of the Senate that they will, from day to day, read articles in the Hearst newspapers—they are being printed in various parts of the country, in all Hearst newspapers throughout the country—attacking me and making charges against me. Probably, if it were not for the fact that I am a new Member of this body, and that I want the membership of the body to have a little better acquaintance with the facts, I would not take the trouble to discuss the article. I wish to assure Members of the Senate that the things that are contained in this article and the charges that will be contained in the other articles have all been matters of discussion in the city of Seattle and the State of Washington; and because of that fact, I first want, very briefly, to discuss the article appearing this morning.

It refers to a certain corporation with which I was connected. The corporation was organized in 1926. The name of the corporation was the Superior Service Laundries, Inc. I was the president of that company between 1926 and 1931, in which latter year I severed all connection with the company. The company was involved between 1927 and 1930 in a very considerable amount of litigation, and as a result of that litigation a man by the name of Vaughn Tanner, a former attorney general of the State of Washington, and a very reputable member of the bar of the State of Washington, was engaged by a group of security holders of that corporation to represent them.

Mr. Vaughn Tanner was and is the Pacific-Northwest representative of Mr. William Randolph Hearst. Mr. Vaughn Tanner is today and for many years has been the publisher of the Seattle Post-Intelligencer, which is the Seattle Hearst newspaper.

Mr. Tanner in 1932 was more familiar with the affairs of this corporation than was any other individual outside of the officers of the corporation. He was representing a group of security holders. He made a complete and full investigation of the affairs of that corporation, and during a period of time since that date had a man from his own office, an employee of his law office, as a member of the board of directors of that corporation. So Mr. Tanner in September 1932 knew more about the Superior Service Laundries, Inc., and its affairs than did any other man outside the corporation itself. At that time Mr. Tanner was the publisher and in active charge of the Seattle Post-Intelligencer.

In September 1932 I was a candidate for the office of Governor of the State of Washington in the Democratic primary. Mr. Tanner, as publisher of the Seattle Post-Intelligencer, printed in the Post-Intelligencer three editorials concerning me, which I now ask unanimous consent to have printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER (Mr. ADAMS in the chair). Without objection, the articles will be printed in the RECORD.

The editorials referred to are as follows:

[From the Seattle (Wash.) Post-Intelligencer, of Sept. 10, 1932]

SCHWELLENBACH HAS BEEN TRAINED IN LEADERSHIP

The greatest need of America in these critical times is leadership.

An erratic and petulant man cannot be a leader, because he cannot establish a direction for social and economic movements.

A reactionary man cannot be a leader, because he has to be dragged along by the people who are searching a way out of difficult situations.

Washington needs a Governor who is a natural leader, who has proved by his record that he possesses the qualities of leadership, and who knows and is courageous enough to tell in unequivocal terms where he wants to go.

LEWIS B. SCHWELLENBACH is such a man.

As soon as the World War released him to civil life he started a record of leadership which is not often equaled by a man his age.

He was chosen as one of the early commanders of Rainier-Noble Post of the American Legion, largest in the State. From this position he advanced to that of department commander of the Legion. During his incumbency his diplomacy, his common sense, his grasp of social problems and broad humanities enabled him to accomplish the seemingly impossible in closing and healing the breach between organized labor and organized veterans.

The full meaning of this will never be known, simply because the things which might have happened had the breach continued to widen were not permitted to happen, thanks to Commander SCHWELLENBACH'S leadership.

About this time Mr. SCHWELLENBACH allied himself with another broad civic movement when he worked with the municipal league in a program of governmental betterment.

Somewhat later, as president of the alumni association of the University of Washington, he again demonstrated his ability to direct important activities, this time in the interest of public education.

When the so-called McNear plan for refinancing Seattle's streetcar system was advanced, finally reaching the legislature, Mr. SCHWELLENBACH, sensing it as a piece of high-pressure legerdemain for further milking the city and the streetcar riders, led a fight against it with resource and determination, which accomplished its defeat.

He called the first State-wide power conference.

And so his busy life goes—busy in leading or working in the ranks of worth-while movements charged with a public nature; busier still, studying, delving, weighing facts, before setting his course.

In his fine record of disinterested public service he has never held a position carrying pay, and he has never before been a candidate for public office.

Mr. SCHWELLENBACH'S life has been a struggle upward, well calculated to develop those qualities which are invaluable in government. The progress of his career has been marked by working

and fighting. He has never side-stepped a job because it was tough. He has never remained on the side lines when a fight for the public good was being waged, even though the position of noncombatant might have left him with more friends.

This is the type of man those acquainted with LEWIS B. SCHWELLENBACH'S life and his public activities know him to be. It is the kind of man this State needs in the Governor's chair.

He is a candidate for that high position in the Democratic primary.

The Post-Intelligencer believes that a vote for him is a vote for enlightened, progressive, economical government at Olympia.

[From the Seattle (Wash.) Post-Intelligencer, Sept. 8, 1932]

SCHWELLENBACH WOULD MAKE A GOOD GOVERNOR

Strictly within the sphere of State politics, the most important job for the voters this year is choice of a Governor.

They should choose a new Governor.

For the last 8 years the present occupant of the office has demonstrated to them in every way the kind of Governor they do not want.

But an unusually large field of candidates in both major parties leaves them somewhat bewildered and in a state of indecision as to just who among the several contestants would most nearly measure up to the demands and responsibilities of the high office.

The Post-Intelligencer believes that LEWIS B. SCHWELLENBACH, candidate in the Democratic primary, is best fitted to succeed to the governorship of Washington.

He is young, able, courageous, dignified, well grounded in the science of government, and has made a deep study of this State's particular needs in the way of a better and more enlightened administration of public affairs.

He tells what he plans to do about reducing taxes, not in generalities, but in one, two, three, four, five order.

His personal platform is neither indecisive nor vague in a single particular.

His plans for attacking unemployment are as definite and understandable as his tax program.

He is a veteran of the World War, he recognizes the importance of veteran problems, made more acute by unemployment, and can be depended upon to work intelligently for immediate relief and ultimate constructive solution.

He also believes the State has power and the obligation to aid thousands of shareholders and depositors whose funds are frozen in closed financial institutions.

He is sympathetic to the principle of public power, and believes the State should use its utmost authority not only to husband the water-power resources of the State but to keep firmly under control all privately owned utilities serving the public.

Voters of Seattle who have not had the opportunity to hear Mr. SCHWELLENBACH discuss these issues and propose his plans to meet them will be given the opportunity at the Eagles' Auditorium tonight.

If elected, Mr. SCHWELLENBACH would restore dignity and intelligence to the office of Governor. He would break up the political machine which has fastened itself upon the State and which seeks to tighten its hold by returning its head to power.

The only hope for economical State government lies in setting up a new administration at Olympia.

The Post-Intelligencer believes that of all candidates LEWIS B. SCHWELLENBACH is best fitted to head such an administration. This newspaper also believes a careful study of his record and program will convince citizens of Washington that they should enter the Democratic primary next Tuesday, nominate him, and in November send him to the Governor's chair.

[From the Seattle (Wash.) Post-Intelligencer of Sept. 13, 1932]

SCHWELLENBACH CAN WIN IN NOVEMBER ELECTION

An unusually large vote is expected in the Democratic primaries today. This means that thousands of voters normally Republican are taking a hand in selection of candidates in a party to which they have habitually supplied the opposition.

Some of these are actuated by the strategy of picking the easiest Democrats for Republicans to beat in the finals.

Most of them, however, dissatisfied with Republican rule, will vote in the Democratic primaries for candidates whom they hope to nominate and expect to support in November.

They should, therefore, vote today for men who by their abilities and their records are most likely to be able to win in November.

This is particularly true in the race for Governor of Washington.

Among voters of both parties there is quite general agreement that the Republican incumbent has mismanaged State affairs; that he is erratic, ruled by whim, and has few qualities to recommend him even if his obvious weaknesses were left out of the unattractive picture he presents.

If, as seems likely to happen, he is nominated for reelection by the Republicans, what Democrat can beat him?

If he is defeated in his party's primary by the other principal Republican contender—who has little more in his favor than the present Governor—what Democrat could be relied upon with greatest expectation to defeat this contender?

In either case the answer is LEWIS B. SCHWELLENBACH.

Mr. SCHWELLENBACH is the best—probably the sole—hope for Democratic victory in the gubernatorial race. He has a record of leadership unsurpassed by any man in either party in the State.

He has definite plans for reorganizing the State government in the interest of greater efficiency, economy, and honesty.

He has advanced understandable and workable proposals for revising our taxation system, not only to reduce the over-all tax load but to establish the principles of equity in tax incidence.

He has announced a specific plan for ameliorating the hardships and vast economic loss of unemployment.

He has made public an equally specific legislative program for thawing out and making productive the frozen deposits of shareholders in closed financial institutions of the State.

Mr. SCHWELLENBACH is young, vigorous, forward looking—a thinking executive of established abilities and accomplishments.

He is a veteran of the World War, and as soon as service of his country in its armed forces was ended he entered the people's service in the battles of peace.

The list of causes in which he has been an outstanding leader includes every popular, progressive movement in which the State's people have had an interest in recent years—public power, public education, liberal legislation, labor, veterans' protection, and other activities.

Mr. SCHWELLENBACH has the personal force and character, the professional and educational qualifications, entitling him to first consideration among all candidates for the chief executive's chair in this State.

He should be nominated in the Democratic primaries today and elected in November.

Mr. SCHWELLENBACH. Mr. President, I think that the reading of these editorials very definitely will show the attitude of Mr. Hearst's representatives, who, as I say, knew more about the facts of this particular case than did anybody else.

All the questions raised in the present series of articles—there have been three of them in the Post-Intelligencer that I have seen so far—involve matters which were very definitely in issue in my campaign in 1934. My Republican opponent took advantage of the opportunity afforded him and made a series of charges against me. Those charges were submitted to me in the form of a questionnaire which was printed in 11 of the leading newspapers of the State in the form of an advertisement. The questionnaire asked me to answer the questions submitted. In order that the Members of the Senate may know that the charges which Mr. Hearst is making and will make during the next few weeks against me were matters which have been threshed out in the State of Washington, I desire to have printed in the RECORD an answer to the questionnaire which was printed not by me but by the editors of the 11 newspapers that printed the advertisements asking me the questions. Eleven different newspapers in the State of Washington apologized for having submitted the questions, and I ask unanimous consent to have printed in the RECORD the statement of the Tacoma Sunday Ledger for November 4, 1934.

The PRESIDING OFFICER. Without objection, the matter will be printed in the RECORD.

The matter referred to is as follows:

[From the Tacoma (Wash.) Ledger of Nov. 4, 1934]

ABOUT THAT QUESTIONNAIRE

This newspaper in its issue of Friday, November 2, accepted an advertisement submitting a series of questions to LEWIS B. SCHWELLENBACH, Democratic nominee for the United States Senate, involving his relations with certain corporations, namely, the Superior Service Laundries, Inc., Brotherhood Bank & Trust Co., and the Pilsener Brewing Co.

This advertisement purported to have been signed by stockholders' committees of the Superior Service Laundries, Inc., and the Pilsener Brewing Co.

We are advised by officers of Superior Service Laundries, Inc., that the company is in no way responsible for the advertisement or the questions therein contained, and that Mr. SCHWELLENBACH'S connection with the company was purely that of attorney, and that he was not responsible for the policies or the business affairs of the company. We are also advised by them that they know of no stockholders' committees among the stockholders of their company.

The paid advertisement was a political advertisement, and the Ledger has nothing to do with either the questions or the answers which might be made thereto.

Our readers must understand that with respect to the affairs of the companies, no inferences are to be drawn from the questions by reason of such paid advertisement.

The Superior Service Laundries, Inc., is actively engaged in business in Seattle, and while its stock may have suffered depreciation in value during the last few years in common with other securities, its stock is still of value and is actively traded through security channels. The company has always paid the interest on its bonds when due and has never operated at a loss.

With respect to the Pilsener Brewing Co., we are advised that this company has been reorganized with the approval of more than two-thirds of its stockholders and creditors and the judge of the Federal court. We are advised that it will be doing business in the near future and that 94 percent of the stock agreed to the reorganization plans. They also advise that they know of no stockholders' committee.

THE TACOMA LEDGER.

Mr. SCHWELLENBACH. I wish to say to the Members of the Senate that after these various charges had been submitted to the people of the State of Washington, in November 1934, the people of the State, by the largest percentage of total votes that any Democratic candidate for the United States Senate has ever received in the State of Washington, elected me to the United States Senate, and the various charges which Mr. Hearst is making today have all been presented to the people of the State of Washington and were the issue in my campaign in 1934.

PREVENTION OF UNFAIR PRACTICES AND MISLEADING ADVERTISING

The Senate resumed the consideration of the bill (S. 3744) to amend the act creating the Federal Trade Commission, to define its powers and duties, and for other purposes.

Mr. AUSTIN. Mr. President, referring to the enforcement clause of section 5 of Senate bill 3744, we find on page 6, lines 4, 5, and 6, the following:

The findings of the Commission as to the facts, if supported by evidence, shall be conclusive.

That phrase is repeated several times afterward in the bill. It presents a question with respect to a claim made by a person against whom the Federal Trade Commission seeks to enforce a cease-and-desist order in advance of any overt act, in advance of and without any damage to any competitor and solely upon the Commission's having reason to believe that such person "has failed or neglected to obey or intends or is about to disobey" the order.

The question that occurs to me is this: Assuming that the person against whom this enforcement through the court considers that obedience by him would mean the destruction of his property or his liberty; in other words, assuming that his claim is that by the order of the Commission his property has been confiscated, or that by the order the security of his house and his papers against unreasonable searches and seizures is being violated, or assuming that his reason for not obeying is, as he claims, that the order has been obtained without due process of law; in other words, assuming that there is a constitutional right of liberty or of property involved in the order of the Commission, the question is, Are the findings of the Federal Trade Commission final, or can the respondent or the defendant go into the courts and obtain that remedy which the Constitution vouchsafes to him by testing the acts of the Federal Trade Commission against these guaranties to the people and against these guaranties to persons by thoroughly investigating de novo the facts in spite of the findings of the Commission? I address that question to the sponsor of the bill.

Mr. WHEELER. Mr. President, I shall be glad to answer the question. Of course, we cannot by this proposed legislation provide that the findings of fact shall be conclusive upon the court so as to take away any constitutional right which any individual may have, either as to the law or as to the facts; it will be impossible for us to do it; I would not attempt to advocate that the constitutional rights of any citizen should be taken away in that respect; and there is not any attempt to do it by this bill, let me say to the Senator from Vermont.

Mr. AUSTIN. That does not quite answer directly the question whether——

Mr. WHEELER. Then, perhaps, I did not understand the question.

Mr. AUSTIN. That does not quite answer the question whether the sponsor of the bill regards the words "the findings of the Commission as to the facts, if supported by evidence, shall be conclusive", as binding the court in considering a constitutional question.

Mr. WHEELER. Of course not. They could not possibly do so.

Mr. AUSTIN. That is a direct answer, and one I am very happy to have in the RECORD.

Mr. WHEELER. In one case, let me say to the Senator, that has been called to my attention, the case of the Federal Trade Commission against Curtis Publishing Co., the Court, under similar language, looked into additional facts and circumstances in that particular case, and held that it had a right to do so.

Mr. AUSTIN. Without taking too much time I wish to make a brief reference to the treatment of that question by the Supreme Court in the stockyards case. The Stockyards Act of 1921 was not identical in language. With respect to evidence—and I am reading from section 202 (b) of the Stockyards Act, which can be found in Forty-second Statutes at page 161—it provided as follows:

(b) If, after such hearing, the Secretary finds that the packer has violated or is violating any provisions of this title covered by the charges, he shall make a report in writing in which he shall state his findings as to the facts, and shall issue and cause to be served on the packer an order requiring such packer to cease and desist from continuing such violation. The testimony taken at the hearing shall be reduced to writing and filed in the records of the Department of Agriculture.

Turning to subsection (d) of section 202 we find this language:

The evidence so taken or admitted, duly certified and filed as aforesaid as a part of the record, shall be considered by the court as the evidence in the case. The proceedings in such cases in the circuit court of appeals shall be made a preferred cause and shall be expedited in every way.

Although that is not the identical phraseology used in the pending bill, nevertheless the district court, on considering the matter, believed that it was bound thereby to accept that evidence exactly as it was, and to accept the findings of fact of the Secretary of Agriculture and not to review them even on the constitutional question. The Supreme Court denied this right, saying, among other things:

The district court thought that the action was still an open one under the Packers and Stockyards Act and expressed the view that, even though the issue is one of confiscation, the court is bound to accept the findings of the Secretary if they are supported by substantial evidence and that it is not within the judicial province to weigh the evidence and pass upon the issues of fact.

After discussing the matter the Court said that the court below having taken that view of the matter, the Supreme Court felt bound to pass upon it, to consider it, and declare the principle, which it did, as follows:

When the legislature appoints an agent to act within that sphere of legislative authority it may endow the agent with the power to make findings of fact which are conclusive, provided the requirements of due process which are specially applicable to such agency are met, as in according a fair hearing and acting upon evidence and not arbitrarily.

Again, the Court said later:

Under our system there is no warrant for the view that the judicial power of a competent court can be circumscribed by any legislative arrangement designed to give effect to administrative action going beyond the limits of constitutional authority. This is the purport of the decisions above cited with respect to the exercise of an independent judicial judgment upon the facts where confiscation is alleged. The question under the Packers and Stockyards Act is not different from that arising under any other act, and we see no reason why those decisions should be overruled.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point that part of the decision of the Supreme Court of the United States which begins on page 4, paragraph 3, ending on page 8.

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

Third. The scope of judicial review upon the issue of confiscation: The question is not one of fixing a reasonable charge for a mere personal service subject to regulation under the commerce power, as in the case of market agencies employing but little capital. (See *Tagg Bros. & Moorhead* v. *United States, supra*, pp. 438, 439.) Here, a large capital investment is involved, and the main issue is as to the alleged confiscation of that investment.

A preliminary question is presented by the contention that the district court, in the presence of this issue, failed to exercise its independent judgment upon the facts (11 F. Supp., pp. 326–328). (See *Ohio Valley Water Co.* v. *Ben Avon Borough*, 253 U. S. 287, 289; *Prendergast* v. *New York Telephone Co.*, 262 U. S. 43, 50; *Bluefield Company* v. *Public Service Commission*, 262 U. S. 679, 689;

United Railways v. *West*, 280 U. S. 234, 251; *Tagg Bros. & Moorhead* v. *United States*, *supra*, pp. 443, 444; *Phillips* v. *Commissioner*, 283 U. S. 589, 600; *Crowell* v. *Benson*, 285 U. S. 22 60; *State Commission* v. *Wichita Gas Co.*, 290 U. S. 561, 569.) The district court thought that the question was still an open one under the Packers and Stockyards Act, and expressed the view that, even though the issue is one of confiscation, the court is bound to accept the findings of the Secretary if they are supported by substantial evidence and that it is not within the judicial province to weigh the evidence and pass upon the issues of fact. The Government points out that, notwithstanding what was said by the court upon this point, the court carefully analyzed the evidence, made many specific findings of its own, and in addition adopted, with certain exceptions, the findings of the Secretary. The Government insists that appellant thus had an adequate judicial review and, further, that the case is in equity and comes before the court on appeal, and that from every point of view the clear preponderance of the evidence shows that the prescribed rates were in fact just and reasonable. Hence, the Government says that the decree should be affirmed irrespective of possible error in the reasoning of the district court. (See *West* v. *Chesapeake & Potomac Telephone Co.*, 295 U. S. 662, 680.)

In view, however, of the discussion in the Court's opinion,[1] the preliminary question should be considered. The fixing of rates is a legislative act. In determining the scope of judicial review of that act there is a distinction between action within the sphere of legislative authority and action which transcends the limits of legislative power. Exercising its rate-making authority, the legislature has a broad discretion. It may exercise that authority directly or through the agency it creates or appoints to act for that purpose in accordance with appropriate standards. The Court does not sit as a board of revision to substitute its judgment for that of the legislature or its agents as to matters within the province of eiher (*San Diego Land & Town Co.* v. *Jasper*, 189 U. S. 439, 446; *Minnesota Rate Cases*, 230 U. S. 352, 433; *Los Angeles Gas Co.* v. *Railroad Commission*, 289 U. S. 287, 304). When the legislature itself acts within the broad field of legislative discretion its determinations are conclusive. When the legislature appoints an agent to act within that sphere of legislative authority it may endow the agent with power to make findings of fact which are conclusive, provided the requirements of due process which are specially applicable to such an agency are met, as in according a fair hearing and acting upon evidence and not arbitrarily (*Interstate Commerce Commission* v. *Louisville & Nashville R. R. Co.*, 227 U. S. 88, 91; *Virginian Railway Co.* v. *United States*, 272 U. S. 658, 663; *Tagg Bros. & Moorehead* v. *United States*, supra, p. 444; *Florida* v. *United States*, 292 U. S. 1, 12). In such cases the judicial inquiry into the facts goes no further than to ascertain whether there is evidence to support the findings, and the question of the weight of the evidence in determining issues of fact lies with the legislative agency acting within its statutory authority.

But the Constitution fixes limits to the rate-making power by prohibiting the deprivation of property without due process of law or the taking of private property for public use without just compensation. When the legislature acts directly, its action is subject to judicial scrutiny and determination in order to prevent the transgression of these limits of power. The legislature cannot preclude that scrutiny or determination by any declaration or legislative finding. Legislative declaration or finding is necessarily subject to independent judicial review upon the facts and the law by courts of competent jurisdiction, to the end that the Constitution as the supreme law of the land may be maintained. Nor can the legislature escape the constitutional limitation by authorizing its agent to make findings that the agent has kept within that limitation. Legislative agencies, with varying qualifications, work in a field peculiarly exposed to political demands. Some may be expert and impartial, others subservient. It is not difficult for them to observe the requirements of law in giving a hearing and receiving evidence. But to say that their findings of fact may be made conclusive where constitutional rights of liberty and property are involved, although the evidence clearly establishes that the findings are wrong and constitutional rights have been invaded, is to place those rights at the mercy of administrative officials and seriously to impair the security inherent in our judicial safeguards. That prospect, with our multiplication of administrative agencies, is not one to be lightly regarded. It is said that we can retain judicial authority to examine the weight of evidence when the question concerns the right of personal liberty. But if this be so, it is not because we are privileged to perform our judicial duty in that case and for reasons of convenience to disregard it in others. The principle applies when rights either of person or of property are protected by constitutional restrictions. Under our system there is no warrant for the view that the judicial power of a competent court can be circumscribed by any legislative arrangement designed to give effect to administrative action going beyond the limits of constitutional authority. This is the purport of the decisions above cited with respect to the exercise of an independent judicial judgment upon the facts where confiscation is alleged. The question under the Packers and Stockyards Act is not different from that arising under any other act, and we see no reason why those decisions should be overruled.

But this judicial duty to exercise an independent judgment does not require or justify disregard of the weight which may properly attach to findings upon hearing and evidence. On the contrary, the judicial duty is performed in the light of the proceedings already had and may be greatly facilitated by the assembling and analysis of the facts in the course of the legislative determination. Judicial judgment may be none the less appropriately independent because informed and aided by the sifting procedure of an expert legislative agency. Moreover, as the question is whether the legislative action has passed beyond the lowest limit of the permitted zone of reasonableness into the forbidden reaches of confiscation, judicial scrutiny must of necessity take into account the entire legislative process including the reasoning and findings upon which the legislative action rests. We have said that "in a question of rate making there is a strong presumption in favor of the conclusions reached by an experienced administrative body after a full hearing" (*Darnell* v. *Edwards*, 244 U. S. 564, 569). The established principle which guides the court in the exercise of its judgment on the entire case is that the complaining party carries the burden of making a convincing showing and that the court will not interfere with the exercise of the rate-making power unless confiscation is clearly established (*Los Angeles Gas Co.* v. *Railroad Commission*, 289 U. S. 287, 305; *Lindheimer* v. *Illinois Telephone Co.*, 292 U. S. 151, 169; *Dayton Power & Light Co.* v. *Public Utilities Commission*, 292 U. S. 290, 298).

A cognate question was considered in *Manufacturers Railway Co.* v. *United States* (246 U. S. 457, 470, 488–490). There appellees insisted that the finding of the Interstate Commerce Commission upon the subject of confiscation was conclusive, or at least that it was not subject to be attacked upon evidence not presented to the Commission. We did not sustain that contention. Nevertheless, we pointed out that correct practice required that "in ordinary cases and where the opportunity is open" all the pertinent evidence should be submitted in the first instance to the Commission. The Court did not approve the course that was pursued in that case "of withholding from the Commission essential portions of the evidence that is alleged to show the rate in question to be confiscatory." And it was regarded as beyond debate that where the Commisison after full hearing had set aside a given rate as unreasonably high, it would require a "clear case" to justify a court, "upon evidence newly adduced, but not in a proper sense newly discovered", in annulling the action of the Commission upon the ground that the same rate was so unreasonably low as to deprive the carrier of its constitutional right of compensation. With that statement the Court turned to an examinaion of the evidence. The principle thus recognized, with respect to the weight to be accorded to action by the Commission after full hearing, applies a fortiori, when the case is heard upon the record made before the Commission or, as in this case, upon the record made before the Secretary of Agriculture. It follows, in the application of this principle, that as the ultimate determination, whether or not rates are confiscatory, ordinarily rests upon a variety of subordinate or primary findings of fact as to particular elements, such findings made by a legislative agency after hearing will not be disturbed save as in particular instances they are plainly shown to be overborne.

As the district court, despite its observations as to the scope of review, apparently did pass upon the evidence, making findings of its own and adopting findings of the Secretary, we do not think it necessary to remand the cause for further consideration and we turn to the other questions presented by the appeal.

[1] See also *Denver Union Stock Yards Co.* v. *United States*, 57 F. (2d) 735, 739; *St. Joseph Stock Yards Co.* v. *United States*, 58 F. (2d) 290, 295; *Union Stock Yards Co.* v. *United States*, 9 F. Supp. 864, 875; *American Commission Co.* v. *United States*, 11 F. Supp. 965, 969.

Mr. AUSTIN. Mr. President, I ask leave also to have inserted in the RECORD at this point an article published in the Washington Star of May 1, 1936, with headlines "Vigil on Rights Shown by Court—Supreme Tribunal Guards Against Usurpation by 'Fact' Probers", written by David Lawrence. It touches upon the very principle in issue here, although it does not mention the pending bill.

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

[From the Washington Star of May 1, 1936]

VIGIL ON RIGHTS SHOWN BY COURT—SUPREME TRIBUNAL GUARDS AGAINST USURPATION BY "FACT" PROBERS

By David Lawrence

The most important event of this week in national affairs was the handing down of an opinion by the Supreme Court of the United States that sets up a guide of constructive value in aiding the citizen and the Government to steer a safe course through the mazes of new law that have been set up in recent years.

The average man probably does not realize that as government has become more and more complicated and overburdened with tasks that the legislative bodies have turned over to Executive agencies or commissions, the rights of the citizen have to be determined in a judicial fashion, especially if some question arises whether he is or is not complying with a given regulation.

The tendency on the part of Congress, and, for that matter, State legislatures, too, has been to write a law in general terms and leave it to a commission or board to proclaim regulations as to details. More than this, the right has been given to commissions to take testimony at hearings, some public and some private, and

then it has been stipulated that as to "questions of fact" the decision of the commission shall be final and conclusive.

FINDINGS CAN BE COLORED

This merely means that while court review is not taken away, the opportunity for a court to look into a case to see whether a citizen's constitutional rights have been forfeited might seem to be limited. In other words, the reviewing court, if it had to accept the findings of fact by a commission or Executive department, would never be able to tell whether constitutional rights have been lost. For the so-called "findings" amount usually to an interpretation of the evidence, and hence a reviewing court would get a colored view of that evidence if the Executive agency happened to be politically minded or prejudiced with the viewpoint of a particular class in the economic struggles of today.

How, then, can a citizen be assured of court review? Congress has shown an inclination to write into the law itself some limitation on the right of appeal. The Supreme Court of the United States alone, however, can determine what is the supreme law of the land. It becomes important now to see whether Congress can limit the right of court review. Chief Justice Hughes speaking for the Supreme Court upheld the right of review where constitutional rights were jeopardized.

The case in point arose with reference to the enforcement of the Stockyards Act by the Secretary of Agriculture. It so happens that the "findings" of the Secretary were affirmed as correct by all the members of the Court. A question developed as to how far weight should be given to evidence taken by the Secretary and whether the facts themselves should be examined by the revising courts. Justice Brandeis seemed to think the decisions of these fact-finding commissions should be final. Justices Cardozo and Stone thought his reasoning was right, but conceded that the weight of precedent supported the contentions of Chief Justice Hughes, who delivered the opinion of the Court. In that opinion Mr. Hughes said:

"Legislative declaration or finding is necessarily subject to independent judicial review upon the facts and the law by courts of competent jurisdiction to the end that the Constitution, as the supreme law of the land, may be maintained. Nor can the legislature escape the constitutional limitation by authorizing its agent to make findings that the agent has kept within that limitation.

"Legislative agencies, with varying qualifications, work in a field peculiarly exposed to political demands. Some may be expert and impartial, others subservient. It is not difficult for them to observe the requirements of law in giving a hearing and receiving evidence. But to say that their findings of fact may be conclusive except where constitutional rights of liberty and property are involved, although the evidence clearly establishes that the findings are wrong and constitutional rights have been invaded, is to place those rights at the mercy of administrative officials and seriously to impair the security inherent in our judicial safeguards. That prospect, with our multiplication of administrative agencies, is not one to be lightly regarded."

The foregoing quotation will surely be of historical importance as a restatement of a doctrine or fundamental principle of constitutional law. It may take on new meaning because many New Deal laws have contained what are called legislative declarations that now become mere "declarations" and are not binding on the courts. For instance, the Securities Act of 1933 says:

"The findings of the Commission as to the facts, if supported by evidence, shall be conclusive."

The Securities and Exchange Act of 1934 contained a duplication of the same provision.

OTHERS CONTAIN PROVISION

The National Labor Relations Act, after prescribing methods of filing petitions in United States Circuit Courts for enforcement of the Board's orders, says:

"The findings of the Board as to the facts, if supported by evidence, shall be conclusive."

The Public Utility Act of 1935 and the Guffey Coal Act contain identical provisions stating that the findings of the Commission which enforces each act "shall be conclusive."

Many cases are pending in the lower courts touching on what are or are not the "facts" in labor disputes. If a labor board which consists of prolabor members or proemployer members should have the power to declare what are the "facts", and this declaration were to be binding, the constitutional rights of the citizen could be swept away virtually by fiat or decree of Congress, through the simple method of creating an agency or commission to hold hearings and issue findings on the alleged "facts." The Supreme Court of the United States, ever vigilant to protect the rights of the citizen, has by its pronouncement reiterated a warning to citizens as well as to Government agencies that constitutional rights cannot be thus taken away. Undoubtedly executive commissions will be more careful in the future, and when a few principles have been set up in a number of test cases the chances are the Supreme Court will not be burdened with many cases of reviewing the "facts."

Mr. AUSTIN. Mr. President, I have heard some criticism of that feature of the bill which provides that in no case shall it be necessary to establish a violation of an order of the Commission as a condition precedent to the affirmance, modification, or setting aside of the order or entering another order enforcing it. My view of this new provision is that it will be very beneficial.

On the whole I am inclined to favor the proposed legislation. Its purpose is preventive in character. I know from observation that the Federal Trade Commission Act has needed some amendments of this character. I am glad to observe that there has not been any effort in drafting the bill to amend the Constitution of the United States with reference to what is interstate commerce and what is intrastate commerce.

Mr. WHEELER. Mr. President, I have one amendment which I should like to offer which was not taken up in the committee. It is simply a provision that upon the expiration of his term of office a commissioner shall continue to serve until his successor shall have been appointed and shall have been qualified. That is merely to provide that in the event of the expiration of the term of a Commissioner there will not be a vacancy, but that the occupant will hold until such time as his successor is appointed and qualified.

Mr. McNARY. Mr. President, I think that is the legislative practice as expressed in most statutes.

Mr. WHEELER. That is correct. I offer the amendment which I send to the desk.

The PRESIDING OFFICER (Mr. BACHMAN in the chair). The amendment will be stated.

The CHIEF CLERK. On page 15, after line 12, it is proposed to insert the following new section:

SEC. 5. That section 1 of said act be, and the same is hereby, amended by inserting, immediately after the words "unexpired term of the Commissioner whom he shall succeed", the following: *"Provided, however,* That upon the expiration of his term of office a Commissioner shall continue to serve until his successor shall have been appointed and shall have qualified."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and open to amendment. If there be no further amendment, the question is, Shall the bill be engrossed and read a third time?

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

Mr. ROBINSON. Mr. President, I understand the Senator from Utah [Mr. KING] desires to bring before the Senate a bill relating to an organic act for the Virgin Islands. While he is getting his papers together, I suggest the absence of a quorum in order that Senators may know that the bill is being brought before the Senate.

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

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

Adams	Copeland	La Follette	Overton
Ashurst	Couzens	Lewis	Pittman
Austin	Davis	Logan	Pope
Bachman	Dieterich	Lonergan	Reynolds
Barbour	Donahey	Long	Robinson
Barkley	Duffy	McAdoo	Russell
Black	Frazier	McGill	Schwellenbach
Bone	George	McKellar	Sheppard
Bulkley	Gerry	McNary	Shipstead
Bulow	Gibson	Maloney	Steiwer
Burke	Glass	Metcalf	Thomas, Okla.
Byrd	Guffey	Minton	Thomas, Utah
Byrnes	Hale	Moore	Townsend
Capper	Harrison	Murphy	Vandenberg
Caraway	Hatch	Murray	Van Nuys
Carey	Hayden	Neely	Wagner
Chavez	Johnson	Norris	Walsh
Connally	Keyes	Nye	Wheeler
Coolidge	King	O'Mahoney	White

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

PERMANENT GOVERNMENT FOR VIRGIN ISLANDS

Mr. KING. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 4524, Calendar No. 2070, to provide a permanent government for the Virgin Islands of the United States, and for other purposes.

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

Mr. McNARY. Mr. President, I observe that the sponsor of the bill is the Senator from Vermont [Mr. GIBSON], who

has advised me that the bill in every way conforms to his best judgment, which is always good. I am not sure the other members of the committee were all in attendance. As one member, I have been too much occupied elsewhere to be present at the meetings of the committee. Were other Senators present at the hearings when the bill was considered?

Mr. KING. Mr. President, most of the Senators upon the committee were present when legislation relating to the Virgin Islands, including the question of an organic act, was under consideration. The Senator from Rhode Island [Mr. METCALF] was present on two occasions, as I recall. At the first meeting the Senate Committee on Territories and Insular Affairs considered in a general way the question of enacting an organic act for the government of the Virgin Islands. Two tentative drafts were before the committee—one submitted by the Interior Department and the other by representatives of the residents of the Virgin Islands. The draft submitted by the latter contained some of the provisions found in the bill proposed by the representatives of the Interior Department. However, there were striking differences, some of which appeared to be irreconcilable. At the meeting of the committee referred to nearly every member was present, and a general discussion ensued, followed by a rather careful examination of the proposed drafts.

I had prepared and submitted to the committee before it met a statement showing, in parallel columns, the provisions of each bill, including, of course, the agreements and disagreements between the same. Subsequently, I was asked by the chairman of the committee to examine the drafts which had been submitted and to confer with representatives of the Interior Department and representatives who had come from the Virgin Islands to represent the people residing there, with the view of preparing a measure to report to the Senate. I might add that various groups of the residents of the Virgin Islands had met and selected representatives to come to Washington and present their views, and also to submit a proposed draft for an organic act for the islands.

I had numerous conferences with Dr. E. H. Gruening, Director of the Division of Territories and Island Possessions, Department of the Interior; Governor Cramer, the present Governor of the Virgin Islands; Mr. Hastings, attorney for the Department of the Interior; and the representatives who had come from the Virgin Islands to present the views of the residents of the islands, including their attorney, Mr. Jacobsen. I received information from various sources, and utilized all data that were made available. At these various conferences the differences of the respective groups were canvassed, and the information at hand utilized with a view to the formulation of an organic act that would meet all reasonable demands. As stated, there were conflicting views and I attempted to reconcile them and to secure the approval of the various groups and their representatives to a measure that would be just to the Virgin Islands and their inhabitants and, at the same time, that would recognize and protect the interests of the United States. During these negotiations and conferences, a measure was prepared which embodied some of the provisions in each of the tentative drafts first submitted, as well as others, and which represented a partial agreement upon the part of those participating in the conferences.

Some of the provisions recommended by the contending parties I rejected, but I kept in mind always the primary object sought, viz, a measure that would be just and fair to all parties concerned. As a result of the conferences, a tentative draft was suggested and it was introduced by the Senator from Vermont [Mr. GIBSON]. This became the basis of further conferences and discussions. Finally the measure was so perfected that I believed it should be brought back to the committee for its approval. There were two or three questions not yet fully determined, and when I submitted the bill to the committee these undetermined questions were settled. The committee then approved the bill, and I was directed to report it to the Senate and secure favorable action at the earliest possible date. The bill which I have reported substantially meets the views of the representatives of the Interior Department and the views of the representatives of the Virgin Islands.

Mr. McNARY. Has the bill met with the unanimous approval of the committee?

Mr. KING. It has been approved by all members of the committee who were present during its consideration by the committee, and, so far as I know, by the very few who were prevented from attending the committee meetings when the questions involved were under consideration.

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. 4524) to provide a permanent government for the Virgin Islands of the United States, and for other purposes, which had been reported from the Committee on Territories and Insular Affairs with an amendment to strike out all after the enacting clause and to insert:

That the provisions of this act, and the name "the Virgin Islands" as used in this act, shall apply to and include the territorial domain, lands and waters acquired by the United States through cession of the Danish West Indian Islands by the convention between the United States of America and His Majesty the King of Denmark, entered into August 4, 1916, and ratified by the Senate on September 7, 1916 (39 Stat. L. 1706).

SEC. 2. The insular possession which is the Virgin Islands shall be divided into two municipalities, namely, (1) the municipality of St. Croix, and (2) the municipality of St. Thomas and St. John. The boundaries of said municipalities shall be the same as at present established in accordance with laws in force on the date of enactment of this act, and the capital and seat of the central government shall be St. Thomas. In this act the phrase "the Government of the Virgin Islands" shall include, in addition to the governing authority of the insular possession, the governing authority of the two municipalities, unless the context shall indicate a different intention.

SEC. 3. The inhabitants of the municipality of St. Croix and of the municipality of St. Thomas and St. John are hereby constituted into bodies politic and juridic, under the present name of each such municipality, and as such bodies they shall have perpetual succession and power (a) to adopt and use an official seal; (b) to sue and in cases arising out of contract to be sued; (c) to demand the fulfillment of obligations under the law and to defend and prosecute all actions at law; (d) to acquire property by purchase, exchange, donation or bequest, by virtue of proceedings for the collection of taxes, by eminent-domain proceedings, or by any other means provided by law, and to possess, administer, and govern such property; and (e) to alienate or encumber any of their property, subject to the provisions of this act.

SEC. 4. All property which may have been acquired by the United States from Denmark in the Virgin Islands under the convention entered into August 4, 1916, not heretofore or within 1 year hereafter reserved by the United States for public purposes, is hereby placed under the control of the Government of the Virgin Islands: *Provided*, That, except as otherwise expressly provided, all laws of the United States for the protection and improvement of the navigable waters of the United States and the preservation of the interest of navigation and commerce shall apply to the Virgin Islands: *Provided further*, That nothing in this act shall be construed to affect or impair in any manner the terms and conditions of any authorizations, permits, or other powers heretofore lawfully granted or exercised in or in respect of the Virgin Islands by any authorized officer or agent of the United States: *Provided further*, That the Secretary of the Interior shall be authorized to lease or to sell upon such terms as he may deem advantageous to the Government of the United States any property of the United States under his administrative supervision in the Virgin Islands not needed for public purposes.

LEGISLATIVE BRANCH

SEC. 5. All local legislative powers in the municipality of St. Croix, except as herein otherwise provided, shall be vested in a local legislative assembly, which shall be designated the "Municipal Council of St. Croix." Said council shall consist of nine members elected by the qualified electors of the municipality for a term of 2 years beginning the 1st day of January next succeeding the date of election. The members shall be elected in four representative districts, two of which shall be the town of Christiansted and the country district thereof, and two of which shall be the town of Frederiksted and the country district thereof, as defined by law in force on the date of enactment of this act: *Provided*, That two members shall be elected for each of said districts and one member at large.

SEC. 6. All local legislative powers in the municipality of St. Thomas and St. John, except as herein otherwise provided, shall be vested in a local legislative assembly which shall be designated the "Municipal Council of St. Thomas and St. John." Said council shall consist of seven members elected by the qualified electors of the municipality for a term of 2 years beginning the 1st of January next succeeding the date of election. The members shall be elected in three representative districts, one of which shall be the town district and one the country district of St.

Thomas, and one the district of St. John, as defined by law in force on the date of enactment of this act: *Provided*, That two members shall be elected for each of the districts of St. Thomas, one member for the district of St. John, and two members at large.

SEC. 7. After January 1, 1937, joint sessions of said municipal councils shall constitute and shall be designated the "Legislative Assembly of the Virgin Islands." The legislative assembly shall convene in St. Thomas upon call by the Governor, and also whenever both municipal councils shall determine by resolutions passed by each of them: *Provided*, That the Governor shall call the legislative assembly at least once during each calendar year. The legislative assembly may enact legislation applicable to the Virgin Islands as a whole, but no legislation shall be considered other than that specified in the message by the Governor calling such a session, or in both of said resolutions: *Provided further*, That so long as the membership of the legislative assembly does not exceed 16 members, a quorum of the legislative assembly shall consist of not less than 10 members, and no bill shall be enacted until it shall be passed by a two-thirds majority vote of the members present: *Provided further*, That the legislative assembly shall have and exercise all powers and immunities within the jurisdiction of the Virgin Islands which are granted under this act to the municipal councils within their respective jurisdictions, and shall be subject to the same limitations as those imposed on the municipal councils. The municipal councils shall not enact laws or ordinances in conflict with the enactments of the legislative assembly.

SEC. 8. The present colonial councils shall continue to function until January 1, 1937. The next general election in the Virgin Islands shall be held on November 3, 1936. At such election there shall be chosen the entire membership of each municipal council as herein provided. Thereafter the elections shall be held on the first Tuesday after the first Monday in November, beginning with the year 1938, and every 2 years thereafter. The terms of office of members of the respective colonial councils of the municipalities of St. Thomas and St. John and of St. Croix, whose terms of office under existing law would expire prior to January 1, 1937, are hereby extended to that date.

SEC. 9. No person shall be eligible to be a member of either municipal council unless he is a citizen of the United States, over 25 years of age, is a qualified voter of the municipality in which elected, has resided in the Virgin Islands for a period of not less than 3 years next preceding the date of election, and has not been convicted of a felony or of a crime involving moral turpitude. Each municipal council may exclude from membership therein persons receiving compensation from the Government of the United States or from either of the municipal governments of the Virgin Islands.

SEC. 10. The members of each municipal council shall receive allowance for actual travel expenses and such reasonable subsistence as may be prescribed by the council.

SEC. 11. The respective municipal councils shall be the sole judges of the elections, returns, and qualifications of their members, shall be vested with the authority and attributes inherent in legislative bodies, and shall jointly or separately have the power to institute and conduct investigations, issue subpenas to witnesses and other parties concerned, and administer oaths. Existing rules of the colonial councils shall continue in force and effect, except as inconsistent with this act, until altered, amended, or repealed by the respective municipal councils. No member shall be held to answer before any tribunal other than the respective municipal councils themselves for any speech or debate in the municipal councils and the members shall in all cases, except treason, felony, or breach of the peace, be privileged from arrest during their attendance at the sessions of the municipal councils and in going to and returning from the same.

SEC. 12. Each municipal council shall annually appoint from among its members, for a term of 1 year, three members to serve as a standing committee, which, under the name of the "Municipal Committee", shall advise the Governor concerning the management of the fiscal affairs of the municipality, and concerning matters relating to the municipality, in accordance with bylaws adopted by the municipal council and approved by the Governor. The municipal committee shall have power when granted by local law to recommend to the Governor transfers between items in the annual budgets, and loans from municipal funds, but no such transfers or loans shall be made by the Governor except upon the recommendation of the municipal committee.

SEC. 13. Each municipal council shall assemble for ordinary meetings on a certain day of every second month, which day shall be previously fixed by the Governor for the whole year, and for extraordinary meetings at the call of the Governor or the chairman of the council. The Governor may postpone the meetings of the municipal councils, but not for a longer period than 14 days. The Municipal Council of St. Thomas and St. John shall convene at St. Thomas, and the Municipal Council of St. Croix shall convene at Christiansted.

SEC. 14. The Governor may introduce bills in the respective municipal councils. The Governor shall submit to the respective municipal councils, at least 90 days before the close of each fiscal year, a budget of estimated receipts and expenditures for the respective municipalities, which shall be the basis for the annual local appropriation bills for such municipalities. He shall from time to time submit to the respective municipal councils such reports concerning the fiscal affairs of the municipalities as may be requested by resolution of either municipal council.

SEC. 15. The quorum of each municipal council shall consist of an absolute majority of all its members. No bill shall become a law until it shall be passed by a majority (yea-and-nay) vote of the members present and voting of the municipal council having jurisdiction, entered upon the journal, and approved by the Governor, except as otherwise herein provided. Each municipal council shall keep a journal of its proceedings and publish the same during the year, and the yeas and nays of the members voting on any question shall be entered on the journal.

SEC. 16. New legislation, and repeals, alterations, and amendments of local laws of the Virgin Islands by the municipal council having jurisdiction, and by the legislative assembly, shall be effective and enforced when, and to the extent, such new legislation, repeals, alterations, and amendments are approved by the Governor, and the Governor shall state specifically in each case whether his approval or disapproval is in whole or in part, and if in part only, what part is approved and what part not approved. The Governor may veto any specific item or items in any bill which appropriates money for specific purposes, but shall veto other bills, if at all, only as a whole. If any bill passed by the municipal council having jurisdiction or by the legislative assembly be disapproved in whole or in part by the Governor, the Governor shall within 30 calendar days return such bill to the said municipal council or to the legislative assembly, whether in actual session or not, setting forth his objections. If after reconsideration by the legislative body having jurisdiction two-thirds of all the members of the said body pass such bill or part of bill, it shall be sent to the Governor who, in case he shall not then approve it, shall transmit the same to the President. If the President approves such bill or part of bill, he shall sign it and it shall become law; if he does not approve such bill or part of bill, he shall return it to the Governor, so stating, and it shall not become law. If any bill shall not be returned by the Governor as herein provided within 30 calendar days after it shall have been presented to him the same shall become a law in like manner as if he had signed it. The President shall approve or disapprove an act submitted to him under the provisions of this section within 3 months from and after its presentation for his approval; and if not acted upon within such time, it shall become a law the same as if it had been specifically approved. All laws enacted by the Municipal Council of St. Croix, by the Municipal Council of St. Thomas and St. John, or by the legislative assembly, shall be reported by the Governor to the Secretary of the Interior, and by him to the Congress, which hereby reserves the power and the authority to annul the same. The laws not annulled shall be published annually as a public document. If at the termination of any fiscal year the appropriation necessary for the support of the municipal government for the ensuing fiscal year shall not have been made, then the several sums appropriated in the last appropriation bills for the objects and purposes therein specified, so far as the same may be applicable, shall be deemed to be reappropriated, item by item; and until the municipal council of the municipality having jurisdiction shall act in such behalf, the Governor may make the payments and collections necessary for the purpose aforesaid.

SEC. 17. Beginning on January 1, 1938, or on such earlier date subsequent to January 1, 1937, as may be fixed by local law or ordinance for either municipality, and thereafter, the franchise shall be vested in residents of the Virgin Islands who are citizens of the United States, 21 years of age or over, and able to read and write the English language. Additional qualifications may be prescribed by the legislative assembly: *Provided, however*, That no property or income qualification shall ever be imposed upon or required of any voter, nor shall any discrimination in qualification be made or based upon difference in race, color, sex, or religious belief.

SEC. 18. The laws of the United States applicable to the Virgin Islands on the date of enactment of this act, and all local laws and ordinances in force on such date in the Virgin Islands, not inconsistent with this act, shall continue in force and effect: *Provided*, That the Municipal Council of St. Croix and the Municipal Council of St. Thomas and St. John, and the legislative assembly, shall have power, when not inconsistent with this act and within their respective jurisdictions, to amend, alter, modify, or repeal any law of the United States of local application only, or any ordinance, public or private, civil or criminal, continued in force and effect by this act, except as herein otherwise provided, and to enact new laws and ordinances not inconsistent with this act and not inconsistent with the laws of the United States hereafter made applicable to the Virgin Islands or any part thereof, subject to the power of the Congress to annul the same. The laws of the United States relating to patents, trademarks, and copyrights, and to the enforcement of rights arising thereunder, shall have the same force and effect in the Virgin Islands as in the continental United States, and the District Court of the Virgin Islands shall have the same jurisdiction in causes arising under such laws as is exercised by United States district courts.

SEC. 19. The legislative power of the Virgin Islands shall extend to all subjects of local application not inconsistent with this act or the laws of the United States made applicable to said islands, but no law shall be enacted which would impair rights existing or arising by virtue of any treaty entered into by the United States, nor shall the lands or other property of nonresidents be taxed higher than the lands or other property of residents.

EXECUTIVE BRANCH

SEC. 20. The executive power of the Virgin Islands and of the municipalities thereof shall be vested in an executive officer whose title shall be "the Governor of the Virgin Islands" and shall be

exercised under supervision of the Secretary of the Interior. The Governor shall be appointed by the President, by and with the advice and consent of the Senate, and shall hold office at the pleasure of the President and until his successor is chosen and qualified. The Governor shall reside in the Virgin Islands during his official incumbency. He shall have general supervision and control of all executive and administrative departments, bureaus, and offices of the government of the Virgin Islands. He shall faithfully execute the laws of the United States applicable to the Virgin Islands, and the laws and ordinances of the Virgin Islands. He may grant pardons and reprieves and remit fines and forfeitures for offenses against the local laws, and may grant respites for all offenses against the applicable laws of the United States until the decision of the President can be ascertained. He may veto any legislation as provided in this act. He shall commission all officers that he may be authorized to appoint. He may call upon the commanders of the military and naval forces of the United States in the islands, or summon the posse comitatus, or call out the militia, to prevent or suppress violence, invasion, insurrection, or rebellion; and he may, in case of rebellion or invasion, or imminent danger thereof, when the public safety requires it, suspend the privilege of the writ of habeas corpus, or place the islands, or any part thereof, under martial law, until communication can be had with the President and the President's decision thereon made known. He shall annually, and at such other times as the President or the Congress may require, make official report of the transactions of the government of the Virgin Islands to the Secretary of the Interior, and his said annual report shall be transmitted to the Congress. He shall perform such additional duties and functions as may, in pursuance of law, be delegated to him by the President, or by the Secretary of the Interior. He shall have the power to issue executive regulations not in conflict with any applicable law or ordinance. He shall attend or may depute another person to represent him at the meetings of the legislative authorities herein established, and may give expression to his views on any matter before such bodies.

SEC. 21. The President shall appoint a Government Secretary for the Virgin Islands, who shall have all the powers of the Governor in the case of a vacancy or temporary removal, resignation, or disability of the Governor, or in case of his temporary absence. He shall have custody of the seal of the Virgin Islands and shall countersign and affix such seal to all executive proclamations and all other executive documents. He shall, when practicable, attend all meetings of the Municipal Council of St. Thomas and St. John, before which body he shall give expression to the advice of the Governor. He shall record and preserve the laws enacted by the legislative authorities herein established. He shall promulgate all proclamations and orders of the Governor and all laws enacted by said legislative authorities. He shall have all such executive powers and perform such other duties as may be prescribed by law or assigned to him by the Governor.

SEC. 22. The Secretary of the Interior shall appoint an administrator for St. Croix, who shall act for the Governor in the administration of the affairs of the municipality of St. Croix. He shall, when practicable, attend all meetings of the municipal council of St. Croix, before which body he shall give expression to the advice of the Governor. He shall exercise supervision over all administrative departments in the municipality of St. Croix, subject to the direction of the Governor.

SEC. 23. The Secretary of the Interior shall appoint such other executive and administrative officers as may, in his discretion, be required. Such officers shall have such powers and duties as may be conferred or imposed upon them by law or ordinance, or by order of the Secretary of the Interior or executive regulation of the Governor not inconsistent with any such law or ordinance. The salary of all officers and employees appointed by the President or by the Secretary of the Interior shall be paid from funds appropriated for the Government of the Virgin Islands by the Congress in annual appropriation bills, or as may be otherwise provided by law. The officers appointed by the Secretary of the Interior shall hold office during his pleasure, and in making such appointments the Secretary shall give due consideration to natives of the Virgin Islands.

SEC. 24. The Governor shall appoint, by and with the advice and consent of the municipal council having jurisdiction, all salaried officers and employees of the municipal governments whose salaries are provided for in the budgets of the municipal governments. In the event of a vacancy in any office under the Government of the Virgin Islands, or the absence, illness, or temporary disqualification of any officer, the Governor shall designate an officer or employee of the Government of the Virgin Islands to discharge the functions of such officer during such vacancy, absence, illness, or temporary disqualification.

JUDICIAL BRANCH

SEC. 25. The judicial power of the Virgin Islands shall be vested in a court to be designated "the District Court of the Virgin Islands" and in such court or courts of inferior jurisdiction as may have been or may hereafter be established by local law: *Provided,* That the legislative assembly may provide for the organization and conduct of a Superior Court of the Virgin Islands and may transfer from the district court to such superior court jurisdiction over any or all causes other than those arising under the laws of the United States. Appeals from the superior court shall be as provided by law in the case of appeals from the district court.

SEC. 26. The President shall, by and with the advice and consent of the Senate, appoint a judge and a district attorney for the District Court of the Virgin Islands, who shall hold office for the term of 4 years and until their successors are chosen and qualified unless sooner removed by the President for cause.

The Attorney General shall appoint and fix the compensation of all other officers necessary for the transaction of the business of the district court, and the compensation of such officers and the judge of the district court and the administrative expenses of such court shall be paid from appropriations made for the Department of Justice. The duties of such officers shall be prescribed by law or ordinance and by order of the Attorney General not inconsistent therewith: *Provided,* That the Governor may call upon the district attorney to advise him upon any legal questions concerning the administration of the Government of the Virgin Islands.

SEC. 27. The District Court of the Virgin Islands shall consist of two divisions, one constituted by the municipality of St. Croix and one constituted by the municipality of St. Thomas and St. John, as defined by local law in force on the date of enactment of this act. The judge of the district court shall hold court in each division at such time as he may designate by order, at least once in 2 months in each division. The rules of practice and procedure in such district court shall be prescribed by law or ordinance or by rules and regulations of the district judge not inconsistent with law or ordinance. The process of the district court shall run throughout the Virgin Islands.

SEC. 28. The district court shall have jurisdiction of—

(1) All criminal cases under the laws of the respective municipalities or under the laws of the United States applicable to the Virgin Islands;

(2) All cases in equity;

(3) All cases in admiralty;

(4) All cases of divorce and annulment of marriage;

(5) All cases at law involving principal sums exceeding $200;

(6) All cases involving title to real estate;

(7) All appeals from judgments rendered in the inferior courts;

(8) All matters and proceedings not otherwise hereinabove provided for which, on the date of enactment of this act, were within the jurisdiction of the District Court of the Virgin Islands, or of the judge thereof, or which may hereafter be placed within the jurisdiction of the District Court of the Virgin Islands, or of the judge thereof, by local law.

The district court shall also have concurrent jurisdiction with the inferior courts as provided in section 32.

SEC. 29. The district court shall also have jurisdiction of offenses under the criminal laws of the United States when such offenses are committed on the high seas beyond the territorial limits of the Virgin Islands on vessels belonging in whole or in part to the United States, to any citizen thereof, or to any corporation created by or under the laws of the United States or of any State or Territory thereof, and the offenders are found in the Virgin Islands or are brought into the Virgin Islands after the commission of the offense.

SEC. 30. Appeals from the District Court of the Virgin Islands shall be as provided by law in force on the date of enactment of this act: *Provided,* That no appeal shall be predicated upon the existence of a right of appeal under the law of Denmark.

SEC. 31. In any case, civil or criminal, originating in said district court, no person shall be denied the right to trial by jury on the demand of either party: *Provided,* That if no jury is demanded the case shall be tried by the court without a jury: *Provided further,* That the judge of the district court may, on his own motion, order a jury for the trial of any criminal action: *Provided further,* That the respective Municipal Councils of St. Croix and of St. Thomas and St. John may provide for trial in misdemeanor cases by a jury of six qualified persons.

SEC. 32. The inferior courts shall have jurisdiction concurrent with the district court in all civil cases in which the principal sum claimed does not exceed $200, and of all criminal cases wherein the punishment that may be imposed shall not exceed a fine of $100 or imprisonment not exceeding 6 months, all violations of police regulations and executive regulations, and any cause or offense wherein jurisdiction hereafter shall have been conferred by local law. Such inferior courts shall hold preliminary investigations in charges of felony and charges of misdemeanor in which the punishment that may be imposed is beyond the jurisdiction granted to the inferior courts by this section, and shall commit offenders to the district court and grant bail in bailable cases. The rules governing said courts and prescribing the duties of inferior judges and inferior court officers, oaths, and bonds, the times and places of holding such courts, the disposition of fines, costs, forfeitures, enforcement of judgments, providing for appeals therefrom to the district court, and the disposition and treatment of prisoners shall be as established by law or ordinance in force on the date of enactment of this act or as may hereafter be established by law or ordinance by the municipal council having jurisdiction.

SEC. 33. Appeals in civil and criminal cases from the judgments and rulings of the inferior courts shall be to the district court and shall be taken in accordance with the laws and ordinances of the respective municipalities: *Provided,* That the right of appeal in all cases, civil and criminal, shall be as established by law or ordinance in force on the date of enactment of this act, or as may hereafter be established by law or ordinance by the municipal council having jurisdiction.

MISCELLANEOUS PROVISIONS

SEC. 34. No law shall be enacted in the Virgin Islands which shall deprive any person of life, liberty, or property without due process of law or deny to any person therein equal protection of the laws.

In all criminal prosecutions the accused shall enjoy the right to be represented by counsel for his defense, to be informed of the nature and cause of the accusation, to have a copy thereof, to have a speedy and public trial, to be confronted with the witnesses against him, and to have compulsory process for obtaining witnesses in his favor.

No person shall be held to answer for a criminal offense without due process of law, and no person for the same offense shall be twice put in jeopardy of punishment, nor shall be compelled in any criminal cause to give evidence against himself; nor shall any person sit as judge or magistrate in any case in which he has been engaged as attorney or prosecutor.

All persons shall, before conviction, be bailable by sufficient sureties, except for first-degree murder or any capital offense, when the proof is evident or the presumption great.

No law impairing the obligation of contracts shall be enacted.

No person shall be imprisoned or shall suffer forced labor for debt.

All persons shall have the privilege of the writ of habeas corpus and the same shall not be suspended except as herein expressly provided.

No ex-post-facto law or bill of attainder shall be enacted.

Private property shall not be taken for public use except upon payment of just compensation ascertained in the manner provided by law.

Nothing contained in this act shall be construed to limit the power of the municipal councils herein provided to enact laws for the protection of life, the public health, or the public safety.

Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishment inflicted.

The right to be secure against unreasonable searches and seizures shall not be violated.

No warrant for arrest or search shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized.

Slavery shall not exist in the Virgin Islands.

Involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall not exist in the Virgin Islands.

No law shall be passed abridging the freedom of speech or of the press or the right of the people peaceably to assemble and petition the Government for the redress of grievances.

No law shall be made respecting an establishment of religion or prohibiting the free exercise thereof, and the free exercise and enjoyment of religious profession and worship without discrimination or preference shall forever be allowed, and no political or religious test other than an oath to support the Constitution and the laws of the United States applicable to the Virgin Islands, and the laws of the Virgin Islands, shall be required as a qualification to any office or public trust under the Government of the Virgin Islands.

The contracting of polygamous or plural marriages is prohibited.

No money shall be paid out of the treasury except in accordance with an act of Congress or money bill of the local legislative authority having jurisdiction and on warrant drawn by the proper officer.

The employment of children under the age of 14 years in any occupation injurious to health or morals or hazardous to life or limb is hereby prohibited.

SEC. 35. All taxes, duties, fees, and public revenues collected in the municipality of St. Croix shall be covered into the treasury of the Virgin Islands and held in account for said municipality and all taxes, duties, fees, and public revenues collected in the municipality of St. Thomas and St. John shall be covered into said treasury of the Virgin Islands and held in account for said municipality: *Provided*, That the proceeds of customs duties, less the cost of collection, and the proceeds of the United States income tax, and the proceeds of any taxes levied by the Congress on the inhabitants of the Virgin Islands, and all quarantine, passport, immigration, and naturalization fees collected in the Virgin Islands shall be covered into the treasury of the Virgin Island and held in account for the respective municipalities, and shall be expended for the benefit and government of said municipalities in accordance with the annual municipal budgets. The Municipal Council of St. Croix may make appropriations for the purposes of said municipality from, and to be paid out of, the funds credited to its account in the treasury of the Virgin Islands; and the Municipal Council of St. Thomas and St. John may make appropriations for the purposes of said municipality from, and to be paid out of, the funds credited to its account in said treasury.

SEC. 36. Taxes and assessments on property and incomes, internal-revenue taxes, license fees, and service fees may be imposed and collected, and royalties for franchises, privileges, and concessions may be collected for the purposes of the government of the Virgin Islands as may be provided and defined by the municipal councils herein established: *Provided*, That all money hereafter derived from any tax levied or assessed for a special purpose shall be treated as a special fund in the treasury of the Virgin Islands and paid out for such purpose only, except when otherwise authorized by the legislative authority having jurisdiction after the purpose for which such fund was created has been accomplished. Until Congress shall otherwise provide, all laws concerning import duties and customs in the municipality of St. Thomas and St. John now in effect shall be in force and effect in and for the Virgin Islands: *Provided further*, That the President may, by Executive order, establish or alter rules and regulations for the administration of customs laws. The export duties in effect on the date of enactment of this act may be from time to time reduced, repealed, or restored by ordinance of the municipal council having jurisdiction: *Provided further*, That no new export duties shall be levied in the Virgin Islands except by the Congress.

SEC. 37. All judicial process shall run in the name of "United States of America, scilicet, the President of the United States", and all penal or criminal prosecutions in the local courts shall be conducted in the name of and by authority of "the Peoples of the Virgin Islands of the United States."

SEC. 38. All officials of the government of the Virgin Islands shall be citizens of the United States, and before entering upon the duties of their respective offices shall take an oath to support the Constitution and laws of the United States applicable to the Virgin Islands and the laws of the Virgin Islands.

SEC. 39. All reports required by law to be made by the Governor to any official of the United States shall hereafter be made to the Secretary of the Interior, and the President is hereby authorized to place all matters pertaining to the government of the Virgin Islands under the jurisdiction of the Secretary of the Interior.

SEC. 40. This act shall take effect upon its enactment, but until its provisions shall severally become operative as herein provided, the corresponding legislative, executive, and judicial functions of the existing government shall continue to be exercised as now provided by law or ordinance, and the present incumbents of all offices under the government of the Virgin islands shall continue in office until their successors are appointed and have qualified unless sooner removed by competent authority.

SEC. 41. This act may be cited as the Organic Act of the Virgin Islands of the United States.

Mr. ROBINSON. Mr. President, I suggest that the Senator from Utah make a general explanation of the purposes of the bill, and the way in which those purposes are met.

Mr. KING. I shall be glad to do so. Perhaps I may save time by reading the report which I submitted when I offered the bill in the Senate.

Nearly 20 years have elapsed since the purchase of the Virgin Islands from Denmark. However, this possession is still governed under the act of March 3, 1917 (39 Stat. 1132)—

Which I have here before me—

establishing "a temporary government" for the then newly acquired Territory. The act of March 3, 1917, embodies no orderly or organized plan of government. It is essentially a makeshift designed to serve until an adequate body of fundamental law should be incorporated in an organic act for the Virgin Islands.

Senators will recall that for a time the islands were governed by the Navy Department. That is to say, they were under the control of the Navy Department, and a naval officer was the chief administrative and executive officer of the islands.

The experience of the past 20 years has revealed the basic governmental needs of this insular possession. A proposed organic act, similar to the present bill in many particulars, was the subject of committee hearings during the Seventy-third Congress. From time to time the local municipal councils—

And I may say that there are two—

have drafted proposals for an organic act and have conducted public hearings for the discussion of such proposals in the Virgin Islands. Very soon after the government of the Virgin Islands was placed under supervision of the Department of the Interior—

And that is within the past few years—

that Department addressed itself to the problem of a permanent local government with a view to making such recommendations to Congress as would provide for a responsible and adequate government, consistent with American democratic ideals and satisfactory to the people of the Virgin Islands.

Thus, when the Committee on Territories and Insular Affairs held hearings upon the present bill (S. 4524) the Governor of the Virgin Islands, representatives of the Interior Department, an official delegation from the local councils, and other informed persons were able to present pertinent data and to acquaint the committee with the views of the present governing authorities and of the people to be governed.

Detailed discussion of the bill should be prefaced further by a statement that the inhabitants of the Virgin Islands are literate and loyal citizens of the United States. It is the view of the committee that they are capable of managing their local affairs. Unfortunately, the islands are not yet economically self-supporting. Hence it has been necessary to provide for an amount of Federal control over local affairs commensurate with continuing expenditures of Federal funds to subsidize the local government.

PROVISIONS OF THE BILL

The first four sections of the substitute bill reported by the committee define the territorial limits of the Virgin Islands and provide for the subdivision of the insular possession into two inferior political units, namely, the municipality of St. Croix, and the municipality of St. Thomas and St. John. Provision is also made for

the division of public property between the Federal Government and the municipalities.

The three inhabited islands are St. Croix, an agricultural community, and St. Thomas and St. John, two islands near to each other but some 40 miles from St. Croix, with an economy organized around the business of the harbor of St. Thomas. In accordance with the wishes of the people of the Virgin Islands and the divergent interests of the islands themselves, it has been deemed desirable to preserve the present political identity of each community as a political subdivision of the insular possession.

I digress long enough to state that it is the view of the committee, and my view, that, so far as possible and consistent with the best interests of all concerned, the desires of the islanders should be respected. Conceding that they were entitled to a larger measure of local self-government, it followed as a necessary corollary that their opportunities for participation of the government of the islands should be multiplied. Accordingly this bill gives them the franchise regardless of race, creed, or color. Those who have attained the age of 21 years may vote, but not at the election on November 1936, but at all elections which may be held thereafter.

I should add that under the Danish Government the two political or municipal subdivisions existed and the people were satisfied with the boundaries of the same. The bill presented perpetuates those two political subdivisions with the same boundaries and geographic limits.

FRANCHISE AND LEGISLATIVE BRANCH

Sections 5 to 19, inclusive, concern the franchise and the organization of the legislative branch of the local government. The only elected officers of the local government are the members of the local legislative bodies. Provision is made for 3 such bodies, a municipal council of 9 members for St. Croix, a municipal council of 7 members for St. Thomas and St. John, and a territorial legislative assembly composed of the 16 persons who are members of the municipal councils. Matters of purely local concern are placed within local legislative power. The levying of local taxes and the expenditure of local revenue are authorized. It has not been deemed wise to give the local government power to incur bonded indebtedness so long as local revenue is insufficient to pay the entire cost of local government.

Locally enacted bills may be vetoed by the Governor. A bill may be passed over the Governor's veto by a two-thirds majority of the enacting legislative body. However, in such case the measure does not become law until referred to the President whose disapproval will prevent it from becoming law.

Provision is made for universal suffrage in the islands beginning January 1, 1938, or after January 1, 1937, if the local legislative authorities shall so provide. This is a departure from present law under which property qualifications and other inequitable restrictions relating to suffrage prevent all but about one-twentieth of the population from qualifying as voters.

I might add that in the Virgin Islands there are between eight and nine hundred qualified voters, under existing law, and, as I have indicated, an important step forward is being taken in giving universal suffrage to the people of the Virgin Islands.

EXECUTIVE BRANCH

Sections 20 to 24, inclusive, provide for an executive branch of the local government of which the Governor of the Virgin Islands is the head. The Governor is to be appointed by the President, by and with the advice and consent of the Senate. The government secretary, who is the second ranking executive officer, is also to be appointed by the President.

Obviously, provision should be made for an executive officer authorized to act for and in the place of the Governor when he is absent from the Territory or suffers a temporary disability.

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

Mr. KING. I yield.

Mr. VANDENBERG. I think perhaps it would answer the general question in my mind if the Senator would indicate to me to what extent under the new act the Governor would be reduced in the extent of his power and authority and responsibility.

Mr. KING. His authority is limited by the terms of the bill.

Mr. VANDENBERG. How does that differ from the existing situation, speaking generally?

Mr. KING. He exercises only such authority, executive in character, as is conferred upon him by the bill. He may veto municipal acts in measures passed by the legislative assembly.

Mr. VANDENBERG. He would still have the veto power?

Mr. KING. He would have the veto power; but the vetoed measures may then go to the President of the United States, who may overrule the Governor. In my opinion the Governor's authority is not as great as that now possessed by that official. The bill before us divorces the United States court from the Interior Department and provides for the appointment of the district judge and the district attorney, by the Attorney General of the United States.

Mr. ROBINSON. Mr. President, as I recall, the legislative authority could pass a measure over the Governor's veto by a two-thirds vote, but then in effect it would be subject to veto by the President.

Mr. KING. Yes; and Congress might have the final say. In the matter of legislation Congress could nullify any act of the local legislature and, of course, could withdraw any power or authority exercised by the Governor.

I have in mind, of course, as doubtless other Senators have, testimony which came before our committee a year ago, and I think the members of the committee were not quite satisfied with the existing situation and with the authority which had been exercised by officials in the islands.

Mr. McKELLAR. Mr. President, will the Senator look at page 49, section 26? I believe he has just gotten to that section. It provides:

The President shall, by and with the advice and consent of the Senate, appoint a judge and a district attorney.

No provision is made in that section for the appointment of a clerk and marshal. Are they provided for elsewhere in the bill?

Mr. KING. Yes. Let me read the provision:

The Attorney General shall appoint and fix the compensation of all other officers necessary for the transaction of the business of the district court, and the compensation of the judge of the district court and of the district attorney, and the administrative expenses of such court, shall be paid from appropriations made for the Department of Justice.

Mr. McKELLAR. Would that include marshals and clerks without their being provided for as such?

Mr. KING. The Attorney General would have the authority to appoint them.

Mr. ROBINSON. Mr. President, may I ask the Senator another question?

Mr. KING. I am glad to yield.

Mr. ROBINSON. Under the Constitution, power to appoint officers is vested in the President of the United States. I do not know what prompted our committee to vest the appointment of officers in the Attorney General. I have no objection to the Attorney General selecting officers who are to work under him, but I question the validity of an arrangement which takes the appointing power away from the President and vests it in the Attorney General.

Mr. KING. Mr. President, the bill differentiates between what might be called executive officers and purely ministerial officers. For instance, there will be bailiffs, perhaps a court reporter, and some other minor officials needed in the proceedings of the court. Persons whose authority is purely administrative or relates to the activities of the court, are to be appointed by the Attorney General.

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

Mr. KING. I yield.

Mr. ROBINSON. I do not think the Senator caught the full significance of my suggestion. I have no objection to the Attorney General exercising power conferred on him by the bill; I think he would perform his function admirably. My point is that the Constitution makes no distinction between administrative officers, executive officers, and judicial officers. All of them, under that instrument, must be appointed by the President, and it is not competent for the legislative department to provide that officers shall be appointed by someone else than the President. I hope I have

made my point clear, and I know that the Senator, as a lawyer of great ability, will recognize it.

Mr. KING. Mr. President, let me read from the Constitution of the United States, and I think this will clarify the situation. I read from section 2 of article 2 of the Constitution:

> The President shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments.

Mr. ROBINSON. The Senator takes the view, then, that these officers come within the last clause he has read, that they are inferior officers, and may by express provision be appointed by the heads of the departments?

Mr. KING. Absolutely.

Mr. ROBINSON. Very well; I think perhaps that is correct.

Mr. KING. I may say that the judges of the United States district courts, or the United States marshals appoint baliffs and inferior court officers. However, the Attorney General possesses the ultimate authority in the matter. The judges are authorized to appoint probation officers, and those probation officers perform a very important function. I have taken the view that under the provision of the Constitution to which I have referred all bailiffs of the court in the Virgin Islands, and all necessary inferior officers required in the proper conduct of the courts should be appointed by or under the direction of the Attorney General.

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

Mr. KING. I yield.

Mr. McKELLAR. The reason why I interrupted the Senator was that under our system we have designated clerks of courts and marshals in our own country and in the Territories as a class of officers whom the President himself appoints, and he does so in all cases. Bailiffs and other similar officers, as the Senator just said, are appointed either by the judges or by the heads of the departments; and that might well be done. However, it seems to me that if the court in the Virgin Islands is to have a marshal and a clerk, those officers should be put in the same category with all other officers whom we designate in this country.

Mr. KING. I may say to the Senator that the judges of the United States district courts now appoint their own clerks. They are not appointed by the President of the United States.

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

Mr. KING. I yield.

Mr. ROBINSON. The act itself requires that the judge and the district attorney shall be appointed by the President. The plan of the bill is to permit them or the attorney general to appoint the subordinate officers. There is no question, of course, that that can be done.

Mr. KING. There is no question about that, Mr. President. I may say that I discussed the matter of creating additional positions; but that would involve much expense, and the Virgin Islands have a limited revenue. The committee was influenced by economic reasons and by a situation which does not exist in the States in the consideration of persons that would involve expenses to be paid by the local government.

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

Mr. KING. I yield.

Mr. McKELLAR. Of course, if a marshal were appointed, he would be paid by the Federal Government.

Mr. KING. Yes.

Mr. McKELLAR. Is it the purpose of the provision of the bill under discussion that the subordinate officers shall be paid by the local government?

Mr. KING. All officers appointed by the President of the United States or by the Attorney General shall be paid by the Federal Government.

Mr. McKELLAR. I understand that. I am a little inclined to believe that it would have been better to follow the same system we follow in this country, and to allow the marshals to be appointed by the President just as the marshals are appointed in the United States, and to permit the other officers to be appointed either by the judge or by the head of the department.

Mr. KING. We did not think it was necessary to create any other officers in the Virgin Islands, because of the lack of revenue there to meet expenses. Under the present system the expenses are paid by the local government. In the hearings we had a year ago a situation was disclosed which showed the wisdom of having the Federal court officers under the control of the Department of Justice.

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

Mr. KING. I yield.

Mr. VANDENBERG. I wish the Senator would turn to page 58 of the bill, line 11, the fifth word in the line. First, I should like to have him pronounce it, and then I should like to have him tell me what it means.

Mr. KING. "Scilicet." It is a Latin word used in connection with the processes issued by the court.

Mr. VANDENBERG. I thank the Senator. I asked all the lawyers I could see around me, and none of them seemed to know what it was.

Mr. KING. "Shall run in the name of the United States."

Mr. VANDENBERG. The Senator validates the word, does he?

Mr. KING. I validate it.

Mr. VANDENBERG. I thought it was a typographical error.

Mr. KING. No; Mr. President.

Mr. COPELAND. Would it not be well to consult the Library concerning that word?

Mr. KING. No, Mr. President; we will consult the Senator from New York, who is a doctor of medicine and of law.

Mr. President, when interrupted, I had nearly concluded the statement I intended to make.

Section 34 contains familiar provisions found in various organic acts and in State constitutions in relation to the Bill of Rights, providing for trial by jury, freedom of speech, and freedom of the press, that there shall be no unreasonable bail, and so forth.

Section 35 confers upon each municipality control over the collection and expenditure of public revenue within its borders. That is a system which prevails under the existing law, which is the fundamental law of the Territory, and also is found in the Danish law under which the Virgin Islands were governed anterior to their acquisition by the United States.

Section 36 continues present import duties and customs, but authorizes the local legislative authorities to reduce present export duties.

Section 37 relates to the running of judicial process and the conduct of penal and criminal prosecutions in the local courts.

Section 38 provides that all officials of the government of the Virgin Islands shall be citizens of the United States.

Section 39 provides for reports by the Governor to the Secretary of the Interior, whose jurisdiction is to extend to all matters pertaining to the government of the Virgin Islands.

Section 40 empowers all present officers and agencies to continue to function until new officers shall be appointed and new agencies organized under the new organic act.

Mr. President, if there are no further questions, I shall ask for action on the bill.

Mr. ROBINSON. Mr. President, I should like to ask the Senator from Utah, recalling the discussions which we had in the committee on the subject, what are the restrictions or

limitations, if any, on the right of suffrage as provided in the bill.

Mr. KING. Those who may vote at all elections must be 25 years of age, and citizens of the Virgin Islands and of the United States.

Mr. ROBINSON. Why is the limitation of 25 years imposed? Usually, the limitation is 21 years.

Mr. KING. Mr. President, I was in error in my previous statement. The limitation of 21 years was imposed. In the original bill the age was placed at 25 years, and I had forgotten for the moment that in my consideration of the measure I amended it to read 21 years. Those who may vote, as I said, must have been bona-fide residents of the Virgin Islands for at least 3 years prior to voting. There is no property qualification.

Mr. ROBINSON. There is no property qualification or sex qualification?

Mr. KING. No, Mr. President; nor any religious qualification.

Mr. ROBINSON. Nor is there any literacy qualification?

Mr. KING. The people of the islands are all literate. I wish to say, to the credit of the people of the islands, that they are all literate.

Mr. ROBINSON. Does the act impose a literacy test?

Mr. KING. They must be able to read and write.

Mr. ROBINSON. When does the provision relative to voting become effective?

Mr. KING. As to that there was some controversy between representatives of the islands and representatives of the Department of the Interior. The latter felt that the people of the islands should be enfranchised, so to speak, immediately, and be permitted to vote in the coming November election. The representatives of the islands did not approve of that. The poll list or registration list for the coming election has already been made up, and it contains approximately 900 names. There is a property qualification now; and, of course, those who are eligible to vote at the next election are those who measure up to the present qualifications. The compromise was that those who are entitled to vote now should be the only ones eligible to vote at the next election, but that after January 1 of next year the local legislature could put into effect provisions of the organic act, and provide universal suffrage for the inhabitants of the islands. So that, if there should be a local election next February or March or April, if, in the meantime, the legislative assembly of the island had made proper provision, all the inhabitants of the islands, if it were for the election of members of the legislature, would be permitted to vote, but if the local legislature should not make provision for universal suffrage sooner than that, automatically at the next biennial election, which will be two years from November, all would be entitled to vote.

Mr. ROBINSON. Mr. President——

Mr. KING. I yield to the Senator from Arkansas.

Mr. ROBINSON. One more question. The Senator will recall that in the committee a controversy or a discussion arose regarding the authority of the local organizations or municipal councils relative to fiscal affairs. What action was taken regarding that question?

Mr. KING. I may say to the able Senator that it was rather an irritating question that was presented for consideration. The representatives of the islands urged that the local municipal councils should have greater authority and power in handling their fiscal affairs and in determining the purposes for which the expenditures should be made than they had enjoyed in the past; and they discussed a provision inserted in the organic act that they should have what amounted to managerial—they used that word—authority and power. It seemed to me, and I think to the other members of the committee, that, in view of the fact that the United States was compelled to pay perhaps $200,000 a year to aid the islands in the maintenance of their government, and, in view of the fact that the Governor was the chief executive and administrative officer, that it would be an impingement upon his authority if we placed in the legislative branch of the government the managerial power in carrying out the legislative declarations of the local councils or the legislative declarations of the assembly. So we adopted a provision in section 12, as I recall——

Mr. ROBINSON. Yes; which gives the municipal committee the power, when granted such power by local law, to recommend to the Governor transfers between items in the annual budget and loans from municipal funds; but it denies to the Governor the power to make such transfers and loans, except upon the recommendation of the municipal committee.

Mr. KING. Exactly. It seemed to me that it was a happy compromise. It gives to the local councils legislative authority. They formulate the legislation; they determine whether the money shall be expended for schools, for sanitation, or for other municipal or territorial purposes, and the Governor then is charged with the enforcement of the legislation. If he wants to transfer from one fund to another fund he can do so only by the consent of the council.

I may say that the representatives of the islands, the islanders who were here, were satisfied with that provision, and the Interior Department officials likewise were satisfied.

I desire to express my appreciation of the cooperation which your committee received, both from representatives of the island and of the Interior Department in the formulation of this proposed legislation. There was a spirit of cordiality, of compromise, and good will which was pervasive in all the meetings and in the discussions—and there were many of them covering several days—that preceded the preparation of the bill as it is now before the Senate. Especially I want to express my appreciation of the services rendered by Governor Cramer, Dr. Gruening, and Mr. Jacobson, the attorney representing the Virgin Islands, who was very helpful in the formulation of the bill.

Mr. LEWIS. Mr. President——

Mr. KING. I yield to the Senator from Illinois.

Mr. LEWIS. May I ask the Senator from Utah what body in the islands under the law prescribes the qualifications of jurors, grand and petit, for service in the islands?

Mr. KING. Does the Senator mean in the past or under the pending bill?

Mr. LEWIS. I mean for the future.

Mr. KING. The territorial legislature, the name of which is the legislative assembly. It performs practically the same functions as those performed by the Legislature of the Territory of Alaska, or the legislatures of the other territories which were finally merged into States. But there are conditions in the Virgin Islands, as the Senator knows, that perhaps require a little more restriction than prevails in other territories. For instance, there are only about 22,000 inhabitants in the three islands, and only a limited number of the inhabitants possess any property. So considering the situation, the background of the people, living under the Danish regime for many years and then coming under the flag of the United States, nearly all of them without property, having been denied the advantages which other people have had, have to face a condition there quite different—it is sui generis—from that which we find elsewhere. We had to deal with it as we found it, but keeping in mind always the welfare and the happiness and the best interests of the 22,000 colored people who live in the Virgin Islands, doing everything we could to advance their interest, promote their welfare, and insure for them economic rehabilitation, or at least development and those advantages which will result, I feel sure, under the flag of the United States and under the jurisdiction of this Republic.

Mr. LEWIS. I am much obliged to the Senator.

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

Mr. KING. Mr. President, I have a few amendments to offer which are not very important. I send them to the desk and ask action upon them.

The PRESIDING OFFICER. The amendments presented by the Senator from Utah will be stated in order.

The LEGISLATIVE CLERK. In the committee amendment, on page 37, line 7, after the word "assembly", it is proposed

to strike out "may" and insert "shall have power to", so as to read:

The legislative assembly shall have power to enact legislation applicable to the Virgin Islands as a whole, but no legislation shall be considered other than that specified in the message by the Governor calling such a session, or in both of said resolutions.

Mr. KING. That is a perfecting amendment.

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

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment submitted by the Senator from Utah.

The LEGISLATIVE CLERK. In the amendment of the committee, on page 37, line 16, it is proposed to strike out:

Provided further, That the legislative assembly shall have and exercise all powers and immunities within the jurisdiction of the Virgin Islands which are granted under this act to the municipal councils within their respective jurisdictions, and shall be subject to the same limitations as those imposed on the municipal councils.

Mr. KING. That is to correct a typographical error.

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

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. On page 39, line 22, it is proposed to strike out the comma and insert a period before the word "in", and in the same line to insert the words "The procedure of the Municipal Committee shall be".

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. On page 41, line 26, it is proposed to strike out the words "of bill" and insert in lieu thereof the word "thereof."

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. On page 47, line 25, before the word "officers", it is proposed to insert the word "executive."

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. On page 48, line 14, before the word "office", it is proposed to insert the word "appointive."

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. On the same page, line 15, before the word "officer", it is proposed to insert the word "appointive."

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. On page 49, lines 17 and 18, it is proposed to strike out the words "of such officers and the judge of the district court and the administrative expenses of such court" and insert in lieu thereof the words "of the judge of the district court, and of the district attorney, and the administrative expenses of such court,".

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. On page 54 it is proposed to strike out lines 8 to 11, inclusive, as follows:

All persons shall, before conviction, be bailable by sufficient sureties, except for first-degree murder or any capital offense, when the proof is evident or the presumption great.

And to insert in lieu thereof the following:

All persons shall be bailable by sufficient sureties in the case of criminal offenses, except for first-degree murder or any capital offense when the proof is evident or the presumption great.

The amendment to the amendment was agreed to.

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

Mr. KING. I yield.

Mr. McKELLAR. I was very much struck by the statement made by the Senator a while ago, that practically all of the 22,000 inhabitants of the Virgin Islands can read and write; that they are all literate. What is the nature of their educational facilities and will they be interfered with in any way by the passage of this bill or will they be aided? I think if they are now able to read and write that it is a very fine thing and that nothing ought to be put in the way of continuing that very desirable situation.

Mr. KING. Mr. President, I agree with my able friend from Tennessee and I compliment the people of the Virgin Islands for the progress they have made. They have had good schools and under the administration of the United States the schools have been improved; a large amount has been expended for education; and under the organic act I feel sure, and I can so assure my friend, that educational opportunities larger and greater than those in the past will be afforded to the people of the Virgin Islands.

Mr. McKELLAR. Do they have a public-school system such as ours?

Mr. KING. Yes.

Mr. McKELLAR. And what portion of their revenues are devoted to education?

Mr. KING. I am unable to state the figure. I do not recall that they were presented before the committee, but sufficient evidence was before us to show that a large portion of the revenue was devoted to education.

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

The amendment as amended 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 provide a civil government for the Virgin Islands of the United States."

ONE HUNDREDTH ANNIVERSARY OF INCORPORATION OF BRIDGEPORT, CONN.

The PRESIDING OFFICER (Mr. RUSSELL in the chair) laid before the Senate the amendments of the House of Representatives to 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 were, on page 1, line 6, to strike out "to exceed ten" and insert "less than twenty-five", and on page 2, line 9, to strike out all after "coins" down to and including "act" in line 12.

Mr. ADAMS. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

ONE HUNDREDTH ANNIVERSARY OF TERRITORIAL GOVERNMENT OF WISCONSIN

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3842) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the establishment of the Territorial government of Wisconsin, and to assist in the celebration of the Wisconsin Centennial during the year of 1936, which were, on page 1, line 8, to strike out "to exceed twenty" and insert "less than twenty-five", and on page 2, line 13, to strike out "five" and insert "twenty-five."

Mr. ADAMS. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

THREE HUNDREDTH ANNIVERSARY OF THE LANDING OF SWEDES IN DELAWARE

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to 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 were, on page 1, line 6, to strike out "to exceed twenty" and insert "less than twenty-five"; on page 2, line 8, after "Delaware", insert "Swedish"; and on page 2, line 10, to strike out "five" and insert "twenty-five."

Mr. ADAMS. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

REAL-PROPERTY TAX IN VIRGIN ISLANDS

Mr. KING. Mr. President, with the understanding that the bill will not be considered today but that its consideration will be postponed until the next session of the Senate, I move that the Senate proceed to the consideration of House bill 8287, having to do with the establishment of a real-property tax in the Virgin Islands.

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah.

The motion was agreed to, and the Senate proceeded to the consideration of the bill (H. R. 8287) to establish an assessed valuation of real-property tax in the Virgin Islands of the United States, and for other purposes, which had been reported from the Committee on Territories and Insular Affairs with amendments.

Mr. KING. I now ask that the bill be temporarily laid aside.

The PRESIDING OFFICER. Without objection, the bill will be laid aside temporarily.

BATHING POOLS IN THE DISTRICT

Mr. KING. Mr. President, I ask unanimous consent for the present consideration of Senate bill 4540. It is a District measure and its passage is very important because, with the warm weather coming on, it is desirable to provide bathing-pool facilities.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 4540) to provide for the operation of bathing pools in the District of Columbia under the jurisdiction of the Secretary of the Interior, and for other purposes.

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

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

Be it enacted, etc., That the Secretary of the Interior, in his discretion, is authorized to provide for the operation of bathing pools under his jurisdiction in the District of Columbia by contract or contracts to be entered into by him with the most satisfactory bidder: *Provided*, That nothing contained herein shall be construed to repeal the authority for the operation of said bathing pools contained in the acts of Congress approved February 28, 1929 (45 Stat. 1411), and July 3, 1930 (46 Stat. 1007): *And provided further*, That in the event a bathing pool is located in the area of the East Potomac Park Golf Course, the said Secretary may, in his discretion, authorize its operation by the contract operator of said golf course for the balance of the period of the present contract under such terms and conditions as he may deem to be in the interest of the United States.

PERMISSION TO APPROPRIATIONS COMMITTEE TO FILE REPORTS

Mr. ROBINSON. Mr. President, I ask unanimous consent that during the recess of the Senate the Committee on Appropriations shall have leave to submit and have printed a report or reports to the Secretary of the Senate.

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

OPERATION OF COMMODITY EXCHANGE BILL

Mr. POPE. Mr. President, since discussing before the Senate about a week ago the commodity exchange bill, being House bill 6772, I have received a number of inquiries concerning certain provisions of the bill.

It is my purpose today, for a very few minutes, to refer to these inquiries and to suggest answers to them.

In the first place, a question has been raised as to the effect of the amendment proposed by the Secretary of Agriculture permitting warehouses licensed under the Federal Warehouse Act to be used for storage of grain for delivery under futures contracts.

Objection has come from those interested in the operation of State licensed warehouses that the result of the proposed amendment would be a general break-down of State warehouse laws. In effect, the objection is to competition of Federal warehouses with State warehouses.

The sole purpose of the proposed amendment is to eliminate arbitrary and unfair discrimination against warehousemen licensed under the Federal Warehouse Act who desire their receipts to be made tenderable on future contracts and to give the advantages of additional warehouse facilities to traders in the market.

It is believed the proposed amendment will not in fact interfere with the business of State-licensed warehouses and that the advantages of putting Federal and State houses on the same basis without discrimination as to either would be fair and in the public interest. It should be made clear, also, that grain loaded out of an elevator, either against futures contracts or for interstate shipment, must be inspected by inspectors licensed under the United States Grain Standard Act. This requirement is exactly the same whether the grain is loaded out of a State licensed warehouse or a Federal licensed warehouse.

A second question has been raised as to the necessity for annual registration by commission firms and floor brokers. On page 12 of the bill, lines 16 to 18, is the following language:

All registrations shall expire on the 31st day of December of the year for which issued.

The suggestion is made that such registration be continuous until revoked for cause.

It is the judgment of most of the proponents of this bill and of the Grain Futures Administration that annual registration is essential to protect the trading public against the possible misuse of certificates by persons and firms which may have actually lost their registration rights. A great deal of difficulty is bound to be experienced by depending upon the commission firms and brokers to report their discontinuance of business on the exchange. Annual licenses are very common throughout the country. Their renewal is a matter of form so long as they have not been suspended or revoked for cause.

It seems to be assumed by opponents of the bill that the Secretary will act capriciously in granting or withholding registration certificates. They seem to fear that the Secretary will deny registration because a man's hair is red or his eyes blue. In the bill as now drawn, providing for annual registration, the Secretary of Agriculture has no discretion but to issue certificates upon application. He would have no right to withhold such certificate arbitrarily or for any reason except that set out in subsection 2 of section 8 (a) on page 25 of the bill. It is there provided that the Secretary may refuse to register any person if he has violated any of the provisions of the act for which his registration has been suspended or revoked. Such previous suspension or revocation would have been made in an orderly way after complaint had been made, hearing had been held, and conclusion had been reached for violation of the act. This conclusion is subject to judicial review as provided in section 4 (g), page 13, of the bill.

It can thus be seen that the only purpose of an annual registration is to keep the list up to date with no dead registration certificates outstanding.

Annual registration would appear to be especially desirable in the case of floor brokers. As was shown in the committee hearings, floor brokers trade and speculate for their own account while executing orders for others. In these circumstances it is absolutely necessary for the Grain Futures Administration to know at all times what persons are actively engaged as floor brokers. These floor brokers have unusual opportunities for taking advantage of their customers by reason of the practices which I pointed out last week.

A third question has been raised as to the proviso in subsection 2 of section 4 (d), appearing on page 11 of the bill, which refers to moneys deposited with commission merchants for margins. It is provided in the bill that these moneys must be deposited by the commission merchant with a bank or trust company or clearinghouse organization. It is pointed out that such commission merchants ought to have the right to invest this money in good securities. This seems a valid criticism of the bill.

The Grain Futures Administration believes that such investments may properly be made, but should be limited to investment securities of national banks as defined in and under authority of section 5136 of the Revised Statutes of the United States, as amended. The term "investment securities" as defined in the Federal statute is limited to high-grade securities and has the merit of providing uniformity, and would be applicable in all States. It would rule out

questionable paper, in which many State banks are now permitted to invest their capital. The State statutes vary widely as to such securities.

An amendment to the present bill authorizing investment in such securities as are now authorized by the Federal statute for national banks would be plain, simple, workable, and would fairly protect margin deposits.

As I said a moment ago, the reason why I desired to make this statement today is that I am having numerous inquiries on the particular points raised; and in order to make a record of answers to them, I am setting them out this afternoon in this way in reply to those inquiries.

Mr. President, I desire to have printed as a part of my remarks articles from the Chicago Daily Tribune of April 29, 1936, and from the Chicago Daily News of April 28, 1936, under the following headlines: "Cutten indicted on new charge of tax evasion" and "Cutten accused of tax plot in two indictments by United States."

It will be recalled that a week ago I discussed the violation or supposed violation of the Grain Futures Act by Mr. Cutten's manipulation of the board of trade. It is in that connection that I ask that these articles be made part of my remarks today.

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

The articles are as follows:

[From the Chicago Daily Tribune of Apr. 29, 1936]

CUTTEN INDICTED ON NEW CHARGE OF TAX EVASION—UNITED STATES CLAIMS $644,000 TOTAL OVERDUE

A second indictment charging Arthur W. Cutten, wealthy grain speculator, with evading payment of income taxes was returned yesterday in Federal court before Judge James H. Wilkerson.

On March 10 Cutten was indicted on a charge of failure to pay $414,525 in income taxes for 1929. Government officials explained this indictment was rushed through just before the deadline for prosecution under the statute of limitations.

In the indictment returned yesterday the Government charges the trader with attempting to evade income-tax payments totaling $229,944 on his income for the years 1930 and 1933. Cutten, who was stricken with a heart ailment after Christmas, is convalescing in his apartment in the Drake Hotel.

TAX CONSULTANT NAMED

Named with Cutten in both indictments is William E. Gatewood, tax consultant, with offices at 141 West Jackson Boulevard, a former revenue agent. He is charged with having aided Cutten in the alleged tax evasion.

Yesterday's indictment contains two counts. One count charges evasion of income-tax payments of $171,364.91 for the year 1933 and the second count with evasion of $58,579.75 for the year 1930.

Cutten's income for 1930 was divided as follows, according to the Government computations:

Dividends	$638,108.09
Profit on sales of real estate, stocks, bonds, etc	121,753.58
Income from trust	5,463.85
Rents and royalties	3,346.47
Interest received	101,560.12
Director's fees	200.00
Chicago Perforating Co	6,000.00

Losses were allowed of $114,031.16 from syndicates, $43,601.11 from a joint venture, and $15,949.53 from the operation of Cutten's farm.

By the Government's computations, Cutten's gross income for 1930 was $702,850.31 and the net income subject to tax was $334,598.76.

THE SECOND COUNT

In the second count of the indictment his income for 1933 is computed as follows:

Director's fees	$475.00
Interest received	4,791.76
Rents and royalties	2,723.11
Profit on sales of real estate, stocks, bonds, etc	518,542.19
Dividends received	56,561.91
Income from trust	2,700.00

After subtracting $16,902.84 loss from the operation of his farm, the Government charges that Cutten's gross income for 1933 was $568,891.13 and the net income subject to tax was $529,990.23.

Cutten posted a $35,000 surety bond under the first indictment after deputy marshals went to his bedside with the warrant for his arrest. Evidence before the grand jury was presented by United States District Attorney Michael L. Igoe and his assistants, Austin Hall and E. Riley Campbell, after efforts at a compromise settlement failed.

Another indictment charging Edgar C. Terhune, president of the Terre Paper Box Co., 1824 South Albert Avenue, and Louis E. Squire, bookkeeper for the company, with attempting to evade payment of $2,327 in income taxes for the company for 1933 was also returned before Judge Wilkerson.

[From the Chicago Daily News of Apr. 28, 1936]

CUTTEN ACCUSED OF TAX PLOT IN TWO INDICTMENTS BY UNITED STATES—ATTEMPTS TO EVADE PAYING $229,949 FOR 2 YEARS CHARGED—CONSULTANT INVOLVED

Two true bills charging Arthur W. Cutten, millionaire grain speculator, with willful attempts to evade income-tax payments of $58,579.75 and $171,364.91, respectively, for 1930 and 1933, were returned by the Federal grand jury today before Federal Judge James H. Wilkerson.

Named with Mr. Cutten was William A. Gatewood, tax consultant and former employee of the Department of Internal Revenue, who is accused of aiding and abetting Cutten.

ALREADY INDICTED FOR 1929

Cutten was indicted on March 10 on a similar charge for the year 1929. The Government alleged the amount due for that year was $414,525. The total amount alleged due for the 3 years is $644,469.66.

The true bills set up that Cutten's gross income for 1930 was $702,850.31, and his net taxable income $334,598.67. The gross income was classified as follows: From Chicago Perforating Co., $6,000; directors' fees, $200; farm income, $15,949.53 (loss); "a joint venture," $43,601.11 (loss); rents and royalties, $3,346.47; profits on sales of real estate, stocks, and bonds, $121,753.58; income from syndicates, $114,031.14 (loss); dividends, $638,108.09; income from trust fund, $5,463.85.

$568,891 INCOME IN 1933

In 1933, the indictment alleges, Cutten's gross income was $568,891.13, and the net taxable income $529,990.90. The gross income was classified as follows: Directors' fees, $475; farm income, $16,902.84 (loss); interest received, $4,791.76; rents and royalties, $2,723.11; profits on sales of real estate, stocks, and bonds, $518,542.10; dividends, $56,561.91; income from trust fund, $2,700.

Mr. ROBINSON. Mr. President, in connection with the statement just made by the Senator from Idaho [Mr. POPE], I desire to say that the commodities exchange bill has been pending on the calendar for a long time. Hearings with respect to the bill have recently been conducted by the Committee on Agriculture and Forestry, although the bill was not recommitted to the committee. It is my understanding that the bill is ready for the consideration of the Senate. The chairman of the committee, the Senator from South Carolina [Mr. SMITH], is absent from the city. I do not find myself in sympathy with some of the amendments relating to cotton that have been reported by the Committee on Agriculture and Forestry. It seems that the measure may be reached for consideration within a few days.

WHAT SHOULD BE THE POSITION OF THE UNITED STATES?—ADDRESS BY FRANCIS B. SAYRE

Mr. HARRISON. Mr. President, I ask unanimous consent to have printed in the RECORD, an address delivered on Saturday, April 25, 1936, at Philadelphia, Pa., by Hon. Francis B. Sayre, Assistant Secretary of State, at the Fortieth Annual Meeting of the American Academy of Political and Social Science, on the subject What Should Be the Position of the United States?

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

The theme for our discussion tonight is the question of what commercial policy the United States should follow for the protection of American interests, "What should be the position of the United States?"

In broad terms, we have two choices open to us. On the one hand, America can adopt a program of economic isolation. We can try to produce ourselves everything we need. We can promote a vigorous "buy American" movement and shut out all foreign goods which we are able to produce. We can seek to become economically self-sufficient.

The alternative is to retain and to increase our foreign markets through international trade.

The proponents of economic isolation argue that such a program would give the benefit of American markets exclusively to American business and to American labor. It would free America from dependence upon production in foreign nations over which we have no control. It would make America independent in case normal trade channels should be disrupted by war. Any one of these arguments has a ring of persuasiveness. Furthermore, "America for the Americans" fires the imagination and stirs the emotions. What could be of stronger political appeal than a program of economic independence?

Yet in an issue as this we cannot afford to act on hasty or superficial conclusions. Wise decisions can be reached only by considering as objectively as possible the fundamental facts and

underlying issues. My thought this evening is to lay before you as succinctly as I can five underlying problems upon which, it seems to me, the main issue of the evening fundamentally depends and which cannot therefore be fairly disregarded or ignored. I should like to lay these naked problems before you with the hope that the two speakers who follow will elaborate upon them and discuss them.

I

At the heart of the difficulties which we are facing is the problem of unsalable surpluses. Here is the first of our underlying problems. Because of America's high productive capacity, upon which our standard of living in large part depends, this country normally produces more of certain types of goods, both agricultural and industrial, than can be profitably sold in the domestic market. These surplus products, from the very first days of the Nation, have been marketed abroad. For instance, we are normally dependent upon foreign markets for the sale of more than half of our cotton crop. Similarly, in 1929 we were selling abroad about a fifth of our wheat, two-fifths of our leaf tobacco, almost half of our Federally inspected lard, a third of our rice, almost half of our dried fruits. These are merely some of the outstanding agricultural crops whose profitable production has been geared to foreign markets. And so it is in the case of many of our most important industries. In 1929 industries producing office appliances sold abroad over 30 percent of their total production to a value of some $53,700,000; the agricultural implements and machinery producers exported 25 percent of their production at a value of $141,000,000; and the automobile industry sold abroad nearly 18 percent of its production to the amount of $345,700,000. These are but a few random illustrations of the importance of our foreign sales, which in 1929 totaled $5,157,000,000. In 1934 our income from exports had fallen to $2,101,000,000.

Unless we can export and sell abroad our surplus production, we must face a violent dislocation of our whole domestic economy.

International trade is an essential part of our national economy. The value of our cotton, our wheat, our lard, our automobiles, and the like, depends directly upon whether or not we can find markets for them. National wealth today depends upon trade. Cripple a nation's trade and you strike directly at its wealth.

It is often said that our export trade is unimportant because it comprises less than 10 percent of our total production. But general averages in a case like this are seriously misleading. It is not merely that in many of our most important industries and occupations the surpluses which we must sell abroad greatly exceed 10 percent. What is of far more vital consequence is the effect of unsalable surpluses on domestic enterprises. Unsold surpluses, by glutting home markets, demoralize the prices received for that part of the output or crop sold at home, and thereby spread havoc and cause dislocation throughout the industry or occupation. The resulting repercussions are Nation-wide and affect producers who themselves do not sell abroad. Unquestionably one of the substantial causes for the widespread suffering and unemployment which we have been experiencing since 1929 has been the loss of foreign markets.

But it is manifestly impossible for us to sell abroad if we will not buy from abroad. Trade is a two-way street. We cannot escape the broad fact that a nation's purchases are inescapably limited by its sales. Unless the people of a nation can sell, they have neither purchasing power nor foreign exchange to pay for the goods they would like to buy. In other words, there is no escape from the fact that a program of economic self-sufficiency means necessarily the sacrifice of our foreign markets and therefore disastrous economic dislocation at home. It means a body blow dealt against the very occupations and industries in which American labor can produce most effectively and secure its largest return. It means the shift at incalculable sacrifice and suffering of millions of American workers from the most rewarding occupations and industries to less rewarding ones or to the public relief rolls.

In the field of agriculture, if we should eliminate our foreign markets, speaking in round numbers we would have to retire about 8,900,000 acres of wheat land, about 22,800,000 acres of cotton land, about 665,000 acres of tobacco land, about 9,150,000 acres of corn land needed for raising hogs, and over 7,000,000 acres of land needed for feeding horses to work these lands. In other words, we would have to retire over 40,000,000 acres of average farm land and let it go back to weeds or pasture land. This land today supports a farm population of some 3,200,000 people. What would be done with these human beings? Are they to become human weeds?

In the industrial field, save for the fact that the population is somewhat more mobile, an even larger problem presents itself. Estimates indicate that the industrial population directly dependent upon export sales is more than twice as large as that engaged in agricultural work. Conservative calculations place it at about 7,500,000.

In all, a population of considerably over 10,000,000 people are dependent for their subsistence upon exports of the products of farm and factory.

If we choose to commit America to a program of economic self-sufficiency, how are we going to meet the violent economic and social dislocations which the program necessarily entails? How are we going to solve the resulting problems of staggering unemployment, of sharply reduced national income, of perilously impaired standards of living?

Take, for instance, the case of cotton. What, practically, would become of the 2,700,000 farmers in the United States who are raising cotton and who know no other employment, and of the hundreds of thousands of individuals engaged in picking, ginning, transporting, compressing, warehousing, and merchandising it?

Manifestly, they could not be supported on idle cotton land. No one has been able to advance any practicable solution for the profound social problems which would result from the loss of our foreign cotton markets. Furthermore, injury would not be confined to the South alone. If foreign cotton markets are lost, every industry which sells its products in the South will be affected.

How can this multitude of people be shifted into other occupations without starting an endless chain of dislocating repercussions?

A program of strict economic self-sufficiency, therefore, when translated into actualities, loses much of its superficial attractiveness. It would involve profound social readjustment. It would mean intense human suffering.

II

In choosing between the two alternative programs, there is a second underlying problem not to be overlooked—the problem of comparative material costs. Economic self-sufficiency can be had only at a shocking price.

In the first place there is the initial cost incurred by the loss of foreign markets. If we could not sell our surpluses abroad we would have to retire some $3,000,000,000 worth of agricultural land and render worthless some $9,000,000,000 worth of industrial "fixed assets" in the form of machinery and plant equipment whose capacity is too great for profitable employment in the home market alone.

In the second place the additional cost to consumers of products produced in "hothouse" industries protected by an embargo against foreign goods and the increased cost of substitute materials would run into appalling figures. We can best see the picture with an example taken from a foreign country.

Germany's program of self-containment has recently driven her to enlarge her own production of lard. The retail price of lard in Germany was fixed recently at 35 cents a pound, which is probably at least 10 cents higher than lard imported from the United States could be sold at retail. Since Germany in 1934 imported, roughly, 100,000,000 pounds of lard for which German consumers had to pay 10 cents a pound more than they would were trade unhampered, it is evident that the direct additional cost of lard imports to the German people amounted to some $10,000,000. This, of course, does not include the far larger excess of cost to German consumers of domestically produced hogs—a sum estimated at some $60,000,000.

In our own country we have been in the habit of dispensing high tariff protection with a liberality that assumed it cost the Nation nothing. Yet every raise of tariff which effectually bars out cheaper foreign imports must be paid for by the consumers of the Nation in higher prices for the commodity. This increased cost due to more expensive home production far exceeds the increased profits of the domestic producing interests, since the actual cost of home production may be many times greater than that of foreign production. One could cite numerous instances of existing American tariff rates procured by industries whose entire incomes are less than half of the increased cost which consumers are forced to pay by reason of the tariff.

We could grow all the olives we need in the United States, and thereby give increased employment to American workmen, if we are willing to foot the bills of heating sufficient hothouses to do so. We could perhaps produce all the manganese we need at double and triple and quadruple the prices we are now paying for it. We could make synthetic rubber, which sells today for 75 cents per pound, as compared with 16 cents which we pay for natural rubber.

All these things can be done. But the cost would run into hundreds of millions of dollars. To a moderate extent we can afford self-sufficiency. No responsible government is advocating free trade today. Suddenly, to eliminate the protection under which businesses have grown up, money has been invested, and commercial activities organized would be fantastic and unthinkable. But to go far beyond the point already reached—certainly, to go to the extent advocated by the proponents of thoroughgoing self-sufficiency—would entail so staggering a cut in our national income through increased costs of production and in consequence so sharp a reduction in the national standard of living that no government should commit itself to such a program without the gravest consideration.

To the pure theorist an economic self-sufficiency which would free America from dependence upon every foreign country is of very strong appeal. But in cold and hard reality, if one objectively figures out the prohibitive actual costs, can such a program be defended as feasible or practicable?

III

A third problem of serious magnitude directly involved in the issue before us is that of securing payment on the debts owed us by the nations and peoples of the world. Quite apart from the war debts, the world owes us huge sums. Last year we received from abroad $410,000,000 by way of interest and dividends. The fact is that other nations do not possess sufficient gold with which to pay their debts to us, nor do the circumstances permit paying more than a moderate amount in services. If our debts are to be paid we must accept goods and stimulate trade. As has been well said: "There is no alchemy of economics by which the bricks

of debt payments can be made without the straw of commerce." Yet a program of economic self-sufficiency makes payments in goods impossible. Are we prepared to sacrifice American holders of foreign investments to the amount of some $12,350,000,000 on the altar of self-sufficiency? Are we ready to give up all thought of obtaining future payment, not only of those foreign investments due us which have been already defaulted but also of those which are financially sound?

IV

A fourth underlying issue is the very grave one of whether our present forms of democratic Government can survive if America gives herself completely over to a program of economic self-sufficiency. I am thinking not only of the intense strain caused by revolutionary social adjustments necessitated by the program and of the menacing financial strain caused by a sharply decreased national income and a serious impaired standard of living. I am thinking more particularly of the direct issue which the alternative programs raise between a degree of regimentation such as America has never known on the one hand and a comparative freedom of business initiative and enterprise on the other. Under a system of self-sufficiency the only alternative for unsalable surpluses is an arbitrary restriction of production; and the only practicable way to enforce restriction is thorough-going Government control.

Furthermore, the embargoing of all but a small list of imports is possible only upon the basis of arbitrary governmental selection and regulation. This means sooner or later a selective system of imports and exports, and leads to a growing governmental regimentation of all commercial enterprise throughout the Nation. Since the program also entails the shift of substantial portions of the population from industries and occupations in which they are now engaged to others presumably organized by the Government, the program leaves no escape from a gradual strait jacketing of business and a corresponding assumption of dictatorial power by the Government which would go far in revolutionizing the part played by Government in our individual lives.

If we are to choose the pathway of economic self-sufficiency we must frankly accept a system of governmental control over private business enterprise such as at present seems utterly inconsistent with American traditions and beliefs.

V

A program of economic isolation, therefore, raises well-nigh insuperable difficulties from the viewpoint of our domestic prosperity and our social and political traditions. A fifth problem—probably the gravest of all—arises out of world conditions. To what avail should we achieve economic self-sufficiency—assuming that this were possible for us—if in doing so we, along with others attempting such a program, condemn this universe to the ravages of perpetual armed conflict? The problem of peace in this respect is not one which can be resolved by mere theories. The problem arises from unescapable fact, i. e., that the nations of the world are by geography endowed with such different natural resources and by history so developed that no nation on earth can, without incalculable cost and sacrifice, make itself economically self-sufficient. It is self-evident that some 50 nations cannot attain even a tolerable degree of self-sufficiency. The peril in the present world situation is that the fortunes of all are inseparably linked together and if some great trading nations follow a policy of economic self-sufficiency other nations will be forced even against their will to attempt to do the same. Unhappily the vast majority of nations are so lacking in natural resources that self-sufficiency is physically impossible. For them there is then no alternative but to attempt to appropriate by force other portions of the earth's surface. Economic nationalism thus reaches its culmination in imperialism.

If orderly processes of trade break down as a means for securing the ready exchange of goods and the distribution of the necessary raw materials of the world, conquest and the march to imperialism is the only road left open. Yet this road leads to a dead end. Economic nationalism and its corollary, imperialistic expansion, alike lead to perpetual conflict. Nations are not so abundantly endowed with natural resources and technical skill that each can be economically sufficient unto itself and remain prosperous; neither are there enough colonial areas in the world to satisfy the needs of every nation.

The sum of the whole matter is that trade constitutes the very lifeblood of nations. If goods cannot cross frontiers, armies will.

My purpose this evening was to confine myself to a bald statement of facts and issues, and not to indicate what should be America's choice. But I must confess failure. For my own part it seems impossible to state the true underlying issues without indicating quite clearly what America's course must be if American interests are to be safeguarded, American traditions to be preserved, American people to be protected from suffering and disaster.

A policy which in its ultimate stages militates against peace cannot be American. Our country must stand ready in cooperation with other countries of the world to struggle against the throttling forces of economic nationalism in a united and determined movement for the liberalization of the trade of the world.

EXECUTIVE SESSION

Mr. ROBINSON. Mr. President, there are a number of committees which are very busy, particularly the Committee on Finance and the Committee on Naval Affairs. In order that those and other committees may have the opportunity of meeting and performing their labors it is my purpose, after a brief executive session, to ask the Senate to take a recess until Thursday noon.

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 MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nomination of Rear Admiral Gilbert J. Rowcliff to be Judge Advocate General of the Navy, with the rank of rear admiral, from the 1st day of June 1936, for a term of 4 years.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of Maj. James Truman Menzie, Cavalry, to Adjutant General's Department, for appointment, by transfer, in the Regular Army, with rank from August 1, 1935, and also the nomination of Capt. Harry William Miller, Ordnance Department, with rank from August 1, 1935, effective June 20, 1936.

He also, from the same committee, reported favorably the nominations of several officers for promotion in the Regular Army, in the Medical Corps.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the calendar.

RECESS TO THURSDAY

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 3 o'clock and 25 minutes p. m.) the Senate took a recess until Thursday, May 7, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 4 (legislative day of Apr. 24), 1936

PUBLIC WORKS ADMINISTRATION

I nominate Irl D. Brent, of Michigan, to be State director of the Public Works Administration in Michigan.

Claude C. Hockley, of Oregon, to be State director of the Public Works Administration in Oregon.

APPOINTMENTS IN THE REGULAR ARMY

To be major general

Herbert Jay Brees, United States Army, from May 2, 1936, vice Maj. Gen. Paul B. Malone, United States Army, to be retired April 30, 1936.

CHAPLAINS

To be chaplains with the rank of first lieutenant to rank from date of appointment

First Lt. Martin Carl Poch, Chaplains' Reserve.
First Lt. Wallace Irving Wolverton, Chaplains' Reserve.
First Lt. Paul Judson Maddox, Chaplains' Reserve.
Capt. William Lewis Cooper, Chaplains' Reserve.
First Lt. James Corey Bean, Chaplains' Reserve.
Rev. Charles Irving Carpenter, of Maryland.
Rev. James Thomas Wilson, of Illinois.
Rev. Silas Edward Decker, of Indiana.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

First Lt. Joseph Edward Gill, Field Artillery, with rank from August 1, 1935.

TO CORPS OF ENGINEERS

Second Lt. Howard Elwyn Webster, Cavalry, with rank from June 13, 1933.

TO FIELD ARTILLERY

Second Lt. Edwin Gantt Hickman, Infantry, with rank from June 12, 1934, effective June 12, 1936.

Second Lt. Oliver Prescott Robinson, Jr., Infantry, with rank from June 12, 1934, effective June 12, 1936.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONELS

Lt. Col. Condon Carlton McCornack, Medical Corps, from April 23, 1936.

Lt. Col. Glenn Irving Jones, Medical Corps, from April 25, 1936, subject to examination required by law.

Lt. Col. Charles Carroll Demmer, Medical Corps, from April 27, 1936.

TO BE CHAPLAIN WITH THE RANK OF COLONEL

Chaplain (Lt. Col.) Louis Augustus Carter, United States Army, from April 29, 1936.

TO BE CAPTAINS

First Lt. William Albert Todd, Jr., Medical Corps, from April 26, 1936.

First Lt. James Bowdoin Stapleton, Medical Corps, from April 26, 1936.

First Lt. Floyd Lawrence Wergeland, Medical Corps, from April 28, 1936.

First Lt. Robert Stultz Brua, Medical Corps, from April 28, 1936.

TO BE CAPTAINS WITH RANK FROM JUNE 12, 1936

First Lt. William Clyde Baker, Jr., Corps of Engineers.
First Lt. William Livingston Bayer, Signal Corps.
First Lt. Herbert William Ehrgott, Corps of Engineers.
First Lt. Turner Ashby Sims, Jr., Air Corps.
First Lt. Francis LeRoy Ankenbrandt, Signal Corps.
First Lt. William Hunt Mills, Corps of Engineers.
First Lt. Keith Richard Barney, Corps of Engineers.
First Lt. Elvin Ragnvald Heiberg, Corps of Engineers.
First Lt. Francis Xavier Purcell, Jr., Corps of Engineers.
First Lt. Harold Anthony Brusher, Coast Artillery Corps.
First Lt. Raymond Coleman Maude, Signal Corps.
First Lt. Samuel Wallace Van Meter, Air Corps.
First Lt. Richard Wyman Pearson, Corps of Engineers.
First Lt. Irving Arthur Duffy, Field Artillery.
First Lt. William Preston Corderman, Signal Corps.
First Lt. Clerin Rodney Smith, Corps of Engineers.
First Lt. Fiorre John Stagliano, Finance Department.
First Lt. Parker Montrose Reeve, Corps of Engineers.
First Lt. Harry Warren Johnson, Cavalry.
First Lt. Rufus Leonidas Land, Cavalry.
First Lt. James Norvell Krueger, Corps of Engineers.
First Lt. Robert Kinzie McDonough, Corps of Engineers.
First Lt. Donald Prentice Booth, Corps of Engineers.
First Lt. Arthur August Gerhart Kirchhoff, Corps of Engineers.
First Lt. William Murlin Creasy, Jr., Chemical Warfare Service.
First Lt. Alfred Henry Johnson, Air Corps.
First Lt. Ralph Morris Osborne, Field Artillery.
First Lt. Norman Arthur Matthias, Corps of Engineers.
First Lt. Lincoln Jones, Jr., Infantry.
First Lt. Malcolm Raymond Kammerer, Infantry.
First Lt. Robert Eugene Mousseau Des Islets, Corps of Engineers.
First Lt. William Edward House, Ordnance Department.
First Lt. James Roy Andersen, Ordnance Department.
First Lt. Benjamin Easton Thurston, Infantry.
First Lt. Harold McClure Forde, Cavalry.
First Lt. William Alexander Walker, Field Artillery.
First Lt. John Colt Beaumont Elliott, Corps of Engineers.
First Lt. Samuel Russ Harris, Jr., Air Corps.
First Lt. Lewis Sherrill Griffing, Field Artillery.
First Lt. Waldo Eugene Laidlaw, Ordnance Department.
First Lt. Hamer Pace Ford, Infantry.
First Lt. John Ensor Perman, Field Artillery.
First Lt. George William Hickman, Jr., Infantry.
First Lt. Earl Jerome Murphy, Field Artillery.
First Lt. Holger Nelson Toftoy, Coast Artillery Corps.
First Lt. Harold Doud, Infantry.
First Lt. David Louis Van Syckle, Ordnance Department.
First Lt. Wallace Hayden Barnes, Cavalry.
First Lt. Shelton Ezra Prudhomme, Air Corps.
First Lt. John Paul Doyle, Jr., Air Corps.
First Lt. Leon William Johnson, Air Corps.
First Lt. Richard Walden Mayo, Field Artillery.
First Lt. Earl Lewis Ringler, Infantry.
First Lt. George Voegele Ehrhardt, Cavalry.
First Lt. Walter Clement Stanton, Field Artillery.
First Lt. Frank Sayles Bowen, Jr., Infantry.
First Lt. Malcolm Dudley Jones, Jr., Cavalry.
First Lt. William Peirce Ennis, Jr., Field Artillery.
First Lt. Guy Beasley Henderson, Air Corps.
First Lt. Richard Keith McMaster, Field Artillery.
First Lt. Charles Dutton McNerney, Infantry.
First Lt. Clair McKinley Conzelman, Coast Artillery Corps.
First Lt. Samuel Pickens Collins, Field Artillery.
First Lt. John Cline Strickler, Field Artillery.
First Lt. Edwin Howard Feather, Infantry.
First Lt. Theodore Charles Wenzlaff, Cavalry.
First Lt. William Jesse Deyo, Jr., Infantry.
First Lt. Benjamin Peter Heiser, Field Artillery.
First Lt. John Lawrence Ryan, Jr., Cavalry.
First Lt. Egon Rowland Tausch, Cavalry.
First Lt. Alexander Randolph Sewall, Field Artillery.
First Lt. Prentice Edward Yeomans, Cavalry.
First Lt. Paul Hamilton, Infantry.
First Lt. Charles Clifford Sloane, Jr., Infantry.
First Lt. Charles Winchell McGeehan, Coast Artillery Corps.
First Lt. James Russell Wheaton, Field Artillery.
First Lt. Basil Littleton Riggs, Cavalry.
First Lt. Malcolm Hobson Harwell, Coast Artillery Corps.
First Lt. Henry Raymond Baxter, Air Corps.
First Lt. Roy Silverman, Infantry.
First Lt. Tyler Calhoun, Jr., Field Artillery.
First Lt. Richard Hanson Grinder, Coast Artillery Corps.
First Lt. Edwin James Van Horne, Infantry.
First Lt. Robert Charles Ross, Field Artillery.
First Lt. Harry Purnell Storke, Field Artillery.
First Lt. Thomas Edward Pickett Barbour, Infantry, subject to examination required by law.
First Lt. Joseph Halversen, Infantry.
First Lt. Marvin Westlake Peck, Infantry.
First Lt. George Albert Smith, Jr., Infantry.
First Lt. Eugene Charles Smallwood, Coast Artillery Corps.
First Lt. James Robert Davidson, Infantry.
First Lt. Frank Freeman Miter, Coast Artillery Corps.
First Lt. John Prichard Woodbridge, Field Artillery.
First Lt. Thomas Edward de Shazo, Field Artillery.
First Lt. Kenneth Frease March, Infantry.
First Lt. Frederick Francis Scheiffler, Coast Artillery Corps.
First Lt. Robert Sylvester Nourse, Infantry.
First Lt. Richard Edward O'Connor, Field Artillery.

First Lt. John Sieba Roosma, Infantry.
First Lt. John Anthony McFarland, Field Artillery.
First Lt. Morris Robert Nelson, Air Corps.
First Lt. Kenneth Perry McNaughton, Air Corps.
First Lt. John Harvey Kane, Infantry.
First Lt. Russell Potter Reeder, Jr., Infantry.
First Lt. Merson Leon Skinner, Coast Artillery Corps.
First Lt. Charles Draper William Canham, Infantry.
First Lt. Edward Harold McDaniel, Infantry.
First Lt. Willet John Baird, Infantry.
First Lt. Paul John Black, Infantry.
First Lt. Clifton Coleman Carter, Coast Artillery Corps.
First Lt. Paul Leroy Carroll, Infantry.
First Lt. Edward Lyman Munson, Jr., Infantry.
First Lt. James Bell Burwell, Air Corps.
First Lt. Frederick Prall Munson, Field Artillery, subject to examination required by law.
First Lt. Thomas Howard James, Infantry.
First Lt. Wilson Turner Douglas, Infantry.
First Lt. John Robert Burns, Chemical Warfare Service.
First Lt. Marvin John McKinney, Coast Artillery Corps.
First Lt. Thomas Benjamin White, Coast Artillery Corps.
First Lt. William Benjamin Hawthorne, Coast Artillery Corps.
First Lt. Thomas Randall Horton, Infantry.
First Lt. Roy Jacob Herte, Infantry.
First Lt. James Oka Wade, Infantry.
First Lt. Brookner West Brady, Infantry.
First Lt. Harry McNeill Grizzard, Infantry.

TO BE CAPTAINS WITH RANK FROM JUNE 13, 1936

First Lt. Charles Herman Deerwester, Air Corps.
First Lt. Charles Winslow O'Connor, Air Corps.
First Lt. Bernard Alexander Bridget, Air Corps.
First Lt. Charles Arthur Bassett, Air Corps.
First Lt. Grant Albert Williams, Cavalry.
First Lt. Norman Mahlon Winn, Cavalry.
First Lt. Narcisse Lionel Cote, Air Corps.
First Lt. George Hall Sparhawk, Air Corps.
First Lt. John Felix Guillett, Air Corps.
First Lt. Dixon McCarty Allison, Air Corps.
First Lt. Joel G. O'Neal, Air Corps.
First Lt. Alva Lee Harvey, Air Corps.

TO BE CAPTAINS WITH RANK FROM JUNE 30, 1936

First Lt. Robert Lee Miller, Coast Artillery Corps.
First Lt. John Osman Taylor, Field Artillery.
First Lt. Frank Neuman Leakey, Field Artillery.
First Lt. George Olaf Norman Lodoen, Infantry.
First Lt. Lindsey Roscoe Wingfield, Field Artillery.
First Lt. Philip James Henderson, Infantry.
First Lt. Edgar Richard Curtis Ward, Coast Artillery Corps.
First Lt. Oliver Wolcott van den Berg, Field Artillery.
First Lt. Ralph Eugene Rumbold, Infantry.
First Lt. Noble Theodore Haakensen, Coast Artillery Corps.
First Lt. Paul Arthur Ridge, Cavalry.
First Lt. James William Andrew, Air Corps.
First Lt. Charles Arthur Ross, Air Corps.
First Lt. George J. Eppright, Air Corps.
First Lt. Frank Dunne Klein, Air Corps.
First Lt. William Vance Davis, Coast Artillery Corps.
First Lt. William Crawford D. Bridges, Corps of Engineers.
First Lt. Harry Joseph Wheaton, Infantry.
First Lt. George John Zimmerman, Corps of Engineers.
First Lt. John Albert Dabney, Infantry.
First Lt. John Emmett Walker, Infantry.
First Lt. Rothwell Hutton Brown, Infantry.
First Lt. Irvin Schindler, Field Artillery.
First Lt. Charles Owen Wiselogel, Field Artillery.
First Lt. Albert Jerome Thackston, Jr., Infantry.
First Lt. Joseph Roy Dougherty, Infantry.
First Lt. Arthur Hodgkins Bender, Coast Artillery Corps.
First Lt. Clarence Daniel Wheeler, Air Corps.
First Lt. Walter Sylvester Lee, Air Corps.
First Lt. Manning Eugene Tillery, Air Corps.
First Lt. Cleo Zachariah Shugart, Infantry.
First Lt. William Preston Grace, Jr., Infantry.
First Lt. Claude Augustus Billingsley, Field Artillery.
First Lt. Gerald Geoffrey Johnston, Air Corps.
First Lt. Elmer Joseph Rogers, Jr., Air Corps.
First Lt. John Francis Fiske, Field Artillery.
First Lt. Malcolm Faulhaber, Field Artillery.
First Lt. Ross Drum Lustenberger, Corps of Engineers.
First Lt. John Caswell Crosthwaite, Air Corps.
First Lt. Jonathan Dean Hawkins, Infantry.
First Lt. Clarence Shortridge Irvine, Air Corps.
First Lt. Mason Harley Lucas, Field Artillery.
First Lt. Ralph Emerson Holmes, Air Corps.
First Lt. Darr Hayes Alkire, Air Corps.
First Lt. Francis Albert Rudolph, Infantry.
First Lt. Thurston H. Baxter, Air Corps.
First Lt. Albert Gallatin Franklin, Jr., Coast Artillery Corps.
First Lt. Chester Erwin Margrave, Field Artillery.
First Lt. John Albert Tarro, Air Corps.
First Lt. John Titcomb Sprague, Air Corps.
First Lt. Frederick August Bacher, Jr., Air Corps.
First Lt. Walter Byron Larew, Signal Corps.
First Lt. Edward James Doyle, Cavalry.
First Lt. William Orsen Van Giesen, Corps of Engineers.
First Lt. Ward Jackson Davies, Air Corps.
First Lt. Frank Coffin Holbrook, Field Artillery.
First Lt. Yantis Halbert Taylor, Air Corps.
First Lt. Newell Edward Watts, Infantry.
First Lt. George Leroy Murray, Air Corps.
First Lt. Claire Stroh, Air Corps.
First Lt. Charles William Stratton, Field Artillery.
First Lt. Charles Albert Sheldon, Cavalry.
First Lt. Francis Edgar Cheatle, Air Corps.
First Lt. Stewart Yeo, Field Artillery.
First Lt. Robert Jones Moulton, Coast Artillery Corps.
First Lt. James Trimble Brown, Infantry.
First Lt. Charles Weller McCarthy, Infantry.
First Lt. Benjamin Branche Talley, Corps of Engineers.
First Lt. John Gibson Van Houten, Infantry.
First Lt. Kenneth Holmes Kinsler, Infantry.
First Lt. Edgar Albert Gans, Infantry.
First Lt. Howard Ravenscroft Johnson, Infantry.
First Lt. Albert Samuel Baron, Coast Artillery Corps.
First Lt. George Edwin Steinmeyer, Jr., Infantry.
First Lt. Arthur Joseph Lehman, Air Corps.
First Lt. Oscar Frederick Carlson, Air Corps.
First Lt. George Edley Henry, Air Corps.
First Lt. Richard Dodge Reeve, Air Corps.
First Lt. Henry Louis Luongo, Infantry.
First Lt. Herbert Butler Powell, Infantry.
First Lt. Signa Allen Gilkey, Air Corps.
First Lt. Edward Francis Merchant, Infantry.
First Lt. Layton Allen Zimmer, Coast Artillery Corps.
First Lt. Jay B. Lovless, Infantry.
First Lt. Clinton William Davies, Air Corps.
First Lt. James Byron Colson, Infantry.
First Lt. William Hans Brunke, Infantry.
First Lt. Thomas Beverley Harper, Infantry.
First Lt. Paul August Jaccard, Coast Artillery Corps.
First Lt. James David O'Brien, Infantry.
First Lt. Reuben Kyle, Jr., Air Corps.
First Lt. Paul Burnham Nelson, Coast Artillery Corps.
First Lt. Harvey Flynn Dyer, Air Corps.
First Lt. Robert Bartlett McCleave, Infantry.
First Lt. John Edwin Mortimer, Coast Artillery Corps.

TO BE FIRST LIEUTENANTS WITH RANK FROM JUNE 13, 1936

Second Lt. Kenneth E. Fields, Corps of Engineers.
Second Lt. George Wood Beeler, Corps of Engineers.
Second Lt. John Joseph Danis, Corps of Engineers.
Second Lt. Duncan Hallock, Corps of Engineers.
Second Lt. Alfred Dodd Starbird, Corps of Engineers.
Second Lt. John Douglas Matheson, Corps of Engineers.
Second Lt. Richard Davis Meyer, Corps of Engineers.
Second Lt. Alden Kingsland Sibley, Corps of Engineers, subject to examination required by law.

Second Lt. Paul R. Gowen, Air Corps.
Second Lt. Marshall Bonner, Air Corps.
Second Lt. Lawrence Joseph Lincoln, Corps of Engineers.
Second Lt. Clayton Samuel Gates, Corps of Engineers.
Second Lt. James Vance Hagan, Corps of Engineers.
Second Lt. Robert Campbell Tripp, Corps of Engineers.
Second Lt. Edward George Herb, Corps of Engineers.
Second Lt. William Jonas Ely, Corps of Engineers.
Second Lt. John Thomas Honeycutt, Field Artillery.
Second Lt. William Allen Harris, Field Artillery.
Second Lt. Charles Russell Broshous, Corps of Engineers.
Second Lt. Percival Ernest Gabel, Air Corps.
Second Lt. John Gardner Shinkle, Field Artillery.
Second Lt. Bernard Card, Corps of Engineers.
Second Lt. Hoy D. Davis, Jr., Corps of Engineers.
Second Lt. Alvin Charles Welling, Corps of Engineers.
Second Lt. William Harris Ball, Coast Artillery Corps.
Second Lt. Douglas Charles Davis, Corps of Engineers.
Second Lt. Ellsworth Barricklow Downing, Corps of Engineers.
Second Lt. Robert Amrine Turner, Coast Artillery Corps.
Second Lt. David Warren Gray, Infantry.
Second Lt. Frank Sherman Henry, Cavalry.
Second Lt. William Orin Blandford, Infantry.
Second Lt. Walter Adonis Downing, Jr., Field Artillery.
Second Lt. Guy Cecil Lothrop, Field Artillery.
Second Lt. Robert Crain Leslie, Coast Artillery Corps.
Second Lt. John Edward Watters, Signal Corps.
Second Lt. Francis Joseph McMorrow, Coast Artillery Corps.
Second Lt. Charles Golding Dunn, Coast Artillery Corps.
Second Lt. Thomas Allen Glass, Coast Artillery Corps.
Second Lt. Thomas Samuel Moorman, Jr., Air Corps.
Second Lt. Harry Julian, Coast Artillery Corps.
Second Lt. Dabney Ray Corum, Coast Artillery Corps.
Second Lt. Lauren Whitford Merriam, Infantry.
Second Lt. Herbert George Sparrow, Field Artillery.
Second Lt. Howard Elwyn Webster, Corps of Engineers.
Second Lt. Robert Wolcott Meals, Field Artillery.
Second Lt. Walter August Jensen, Infantry.
Second Lt. Edward Bodeau, Coast Artillery Corps.
Second Lt. William Livingston Travis, Air Corps.
Second Lt. Thomas Burns Hall, Air Corps.
Second Lt. Chalmer Kirk McClelland, Jr., Field Artillery.
Second Lt. Ferdinand Marion Humphries, Coast Artillery Corps.
Second Lt. David Nicholas Crickette, Air Corps.
Second Lt. John Denton Armitage, Field Artillery.
Second Lt. Theodore John Conway, Infantry.
Second Lt. Clayton Earl Mullins, Corps of Engineers.
Second Lt. Paul Elton LaDue, Corps of Engineers.
Second Lt. Edward Joseph Hale, Air Corps.
Second Lt. William Joseph Daniel, Field Artillery.
Second Lt. Chester Arthur Dahlen, Infantry.
Second Lt. John Joseph Lane, Coast Artillery Corps.
Second Lt. Travis Monroe Hetherington, Air Corps.
Second Lt. Tayloe Stephen Pollock, Field Artillery.
Second Lt. Edgar Ozzo Taylor, Coast Artillery Corps.
Second Lt. Ira Whitehead Cory, Coast Artillery Corps.
Second Lt. William York Frentzel, Field Artillery.
Second Lt. Thomas Kocher MacNair, Coast Artillery Corps.
Second Lt. James Hilliard Polk, Cavalry.
Second Lt. John Glenn Armstrong, Air Corps.
Second Lt. Samuel Edward Otto, Field Artillery.
Second Lt. Harry Winfield Schenck, Coast Artillery Corps.
Second Lt. Lamar Cecil Ratcliffe, Coast Artillery Corps.
Second Lt. Gerald Chapman, Field Artillery.
Second Lt. Robert John Lawlor, Coast Artillery Corps.
Second Lt. Arthur Alfred McCrary, Coast Artillery Corps.
Second Lt. Daniel Parker, Jr., Field Artillery.
Second Lt. Edgar Haskell Kibler, Jr., Coast Artillery Corps.
Second Lt. Harold Cooper Donnelly, Coast Artillery Corps.
Second Lt. Morris Oswald Edwards, Infantry.
Second Lt. William Oscar Senter, Air Corps.
Second Lt. Frank Joseph Zeller, Coast Artillery Corps.
Second Lt. Richard Louis Matteson, Coast Artillery Corps.
Second Lt. Sidney Francis Giffin, Coast Artillery Corps.
Second Lt. Robert Beall Franklin, Field Artillery.
Second Lt. William Gordon Bartlett, Cavalry.
Second Lt. Paul Nelson Gillon, Coast Artillery Corps.
Second Lt. Paul Rudolf Walters, Field Artillery.
Second Lt. Vernon Cleveland Smith, Air Corps.
Second Lt. Edward Thorndike Ashworth, Coast Artillery Corps.
Second Lt. William Bruce Logan, Coast Artillery Corps.
Second Lt. Lafar Lipscomb, Jr., Coast Artillery Corps.
Second Lt. Harry Stephen Bishop, Air Corps.
Second Lt. Harry Sheldon Tubbs, Coast Artillery Corps.
Second Lt. Herman Henry Kaesser, Jr., Infantry.
Second Lt. Francis Hill, Field Artillery.
Second Lt. Herbert Charles Plapp, Field Artillery.
Second Lt. Lassiter Albert Mason, Field Artillery.
Second Lt. Joseph Henry O'Malley, Cavalry.
Second Lt. Frederic Henry Fairchild, Coast Artillery Corps.
Second Lt. Emory Edwin Hackman, Coast Artillery Corps.
Second Lt. George Hobart Chapman, Jr., Infantry.
Second Lt. Patrick William Guiney, Jr., Coast Artillery Corps.
Second Lt. John Frederick Thorlin, Coast Artillery Corps.
Second Lt. Frank Harris Shepardson, Coast Artillery Corps.
Second Lt. William George Fritz, Coast Artillery Corps.
Second Lt. Jack Wellington Turner, Cavalry.
Second Lt. Robert Worman Hain, Coast Artillery Corps.
Second Lt. Charles Goyer Patterson, Coast Artillery Corps.
Second Lt. Clyde Lucken Jones, Infantry.
Second Lt. Victor Edward Maston, Infantry.
Second Lt. Ethan Allen Chapman, Coast Artillery Corps.
Second Lt. Oren Eugene Hurlbut, Infantry.
Second Lt. Harrison King, Field Artillery.
Second Lt. George Warren White, Infantry.
Second Lt. Richard Park, Jr., Field Artillery.
Second Lt. Beverly DeWitt Jones, Field Artillery.
Second Lt. William Hadley Richardson, Jr., Field Artillery.
Second Lt. Frank Patterson Hunter, Jr., Air Corps.
Second Lt. George Harold Crawford, Coast Artillery Corps.
Second Lt. Harold Roth Maddux, Air Corps.
Second Lt. John Roosevelt Brindley, Field Artillery.
Second Lt. Dwight Divine, 2d, Air Corps.
Second Lt. Samuel McFarland McReynolds, Jr., Coast Artillery Corps.
Second Lt. Marcus Tague, Field Artillery.
Second Lt. Joseph Leonard Cowhey, Field Artillery.
Second Lt. Edward Deane Marshall, Air Corps.
Second Lt. George Leon Van Way, Infantry.
Second Lt. Newell Charles James, Field Artillery.
Second Lt. Charles Henry Chase, Infantry.
Second Lt. David Virgil Adamson, Cavalry.
Second Lt. John William Ferris, Field Artillery.
Second Lt. Robert Penn Thompson, Field Artillery.
Second Lt. Russell Roland Klanderman, Infantry.
Second Lt. James Leo Dalton, 2d, Cavalry.
Second Lt. Neil Merton Wallace, Field Artillery.
Second Lt. William Paul Whelihan, Field Artillery.
Second Lt. Marshall Woodruff Frame, Cavalry.
Second Lt. Robin George Speiser, Field Artillery.
Second Lt. William James Given, Jr., Field Artillery.
Second Lt. Harry Nelson Burkhalter, Jr., Air Corps.
Second Lt. Avery John Cooper, Jr., Coast Artillery Corps.
Second Lt. Lawrence Browning Kelley, Air Corps.
Second Lt. Stephen Ogden Fuqua, Jr., Infantry.
Second Lt. Hardin Leonard Olson, Infantry.
Second Lt. Benedict Ray, Infantry.
Second Lt. Cam Longley, Jr., Field Artillery.
Second Lt. Carlyle Walton Phillips, Air Corps.
Second Lt. Robert Benton Neely, Field Artillery.
Second Lt. Phillip Henshaw Pope, Field Artillery.
Second Lt. William John Ledward, Coast Artillery Corps.
Second Lt. Joseph Warren Stilwell, Jr., Infantry.
Second Lt. Peter Paul Bernd, Infantry.
Second Lt. Arthur Robert Cyr, Infantry.

Second Lt. Arthur Wilson Tyson, Infantry.
Second Lt. Joseph Menzie Pittman, Infantry.
Second Lt. George Allen Carver, Field Artillery.
Second Lt. Gordon Pendleton Larson, Infantry.
Second Lt. Thomas Joseph O'Connor, Infantry.
Second Lt. George Rushmore Gretser, Infantry.
Second Lt. Robert Totten, Field Artillery.
Second Lt. Douglas Moore Cairns, Air Corps.
Second Lt. Sherburne Whipple, Jr., Cavalry.
Second Lt. Edgar Collins Doleman, Infantry.
Second Lt. Cyril Joseph Letzelter, Infantry.
Second Lt. William Orlando Darby, Field Artillery.
Second Lt. Daniel Light Hine, Field Artillery.
Second Lt. Jack Wallace Rudolph, Infantry.
Second Lt. John Abell Cleveland, Jr., Infantry.
Second Lt. George Thomas Powers, 3d, Field Artillery.
Second Lt. Joshua Robert Messersmith, Field Artillery.
Second Lt. Roy Tripp Evans, Jr., Infantry.
Second Lt. Edwin Martin Cahill, Cavalry.
Second Lt. William Francis Ryan, Field Artillery.
Second Lt. Raymond Emerson Kendall, Infantry.
Second Lt. James Henry Skinner, Field Artillery.
Second Lt. Anthony Frank Kleitz, Jr., Cavalry.
Second Lt. Paul Thomas Carroll, Infantry.
Second Lt. Richard John Meyer, Air Corps.
Second Lt. Randolph Whiting Fletter, Field Artillery.
Second Lt. Charles Harlow Miles, Jr., Infantry.
Second Lt. Humbert Joseph Versace, Field Artillery.
Second Lt. Milton Fredrick Summerfelt, Air Corps.
Second Lt. Franklin Guest Smith, Field Artillery.
Second Lt. William Henry Baumer, Jr., Infantry.
Second Lt. Gabriel Poillon Disosway, Air Corps.
Second Lt. James Pugh Pearson, Jr., Field Artillery.
Second Lt. Earl Jacob Macherey, Infantry.
Second Lt. Ralph Alspaugh, Infantry.
Second Lt. Emile Jeantet Greco, Field Artillery.
Second Lt. Gerald Lorenzo Roberson, Field Artillery.
Second Lt. Joseph Edward Bastion, Jr., Cavalry.
Second Lt. Jewell Burch Shields, Air Corps.
Second Lt. Thomas Herbert Beck, Infantry.
Second Lt. Maurice Evans Kaiser, Infantry.
Second Lt. Benjamin Thomas Harris, Infantry.
Second Lt. Gardner Wellington Porter, Infantry.
Second Lt. Harry William Sweeting, Jr., Infantry.
Second Lt. Franklin Stone Henley, Air Corps.
Second Lt. Cyrus Abda Dolph, 3d, Infantry.
Second Lt. John Martin Breit, Infantry.
Second Lt. Harold Lindsay Richey, Cavalry.
Second Lt. Charles Fauntleroy Harrison, Cavalry.
Second Lt. Thomas Bowes Evans, Infantry.
Second Lt. Walter Andrew Valerious Fleckenstein, Infantry.
Second Lt. Franklin Gibney Rothwell, Infantry.
Second Lt. Leo Harold Heintz, Infantry.
Second Lt. William Howard Thompson, Cavalry.
Second Lt. William Fant Damon, Jr., Cavalry.
Second Lt. William Gray Sills, Infantry.
Second Lt. Robert Evans Arnette, Jr., Cavalry.
Second Lt. Francis Clay Bridgewater, Cavalry.
Second Lt. Ernest Mikell Clarke, Infantry.
Second Lt. Victor Haller King, Coast Artillery Corps.
Second Lt. Daniel W. Smith, Infantry.
Second Lt. Thomas de Nyse Flynn, Coast Artillery Corps.
Second Lt. Harold Keith Johnson, Infantry.
Second Lt. James Orr Boswell, Infantry.
Second Lt. David Parker Gibbs, Signal Corps.
Second Lt. William Howard Garrett Fuller, Infantry.
Second Lt. Gordon Milo Eyler, Infantry.
Second Lt. Cordes Fredrich Tiemann, Air Corps.
Second Lt. Maddrey Allen Solomon, Infantry.
Second Lt. Lyle William Bernard, Infantry.
Second Lt. Shelby Francis Williams, Infantry.
Second Lt. Jean Evans Engler, Infantry.
Second Lt. Corwin Paul Vansant, Jr., Infantry.
Second Lt. Walter Abner Huntsberry, Infantry.
Second Lt. Andrew Donald Stephenson, Infantry.
Second Lt. Douglas Graver Gilbert, Infantry.
Second Lt. Frank Laurence Elder, Infantry.
Second Lt. Donald Cameron Cubbison, Jr., Cavalry.
Second Lt. Amaury Manuel Gandia, Infantry.
Second Lt. Samuel Abner Mundell, Air Corps.
Second Lt. Robert Harrold Bayne, Cavalry.
Second Lt. Bruce von Gerichten Scott, Air Corps.
Second Lt. Felix Louis Vidal, Air Corps.
Second Lt. Gwinn Ulm Porter, Infantry.
Second Lt. Frederick Robert Zierath, Infantry.
Second Lt. Robert Hulburt Douglas, Infantry.
Second Lt. Carl Darnell, Jr., Field Artillery.
Second Lt. Joseph Brice Crawford, Infantry.
Second Lt. Frederick William Coleman, 3d, Infantry.
Second Lt. Raymond Wiltse Sellers, Infantry.
Second Lt. Matthew William Kane, Cavalry.
Second Lt. Alton Alexander Denton, Infantry.
Second Lt. Jules Verne Richardson, Cavalry.
Second Lt. Frederick William Gibb, Infantry.
Second Lt. Norman Kemp Markle, Jr., Cavalry.
Second Lt. Jesse Martin Hawkins, Jr., Cavalry.
Second Lt. Ralph Talbot, 3d, Infantry.
Second Lt. Charles Ellsworth Leydecker, Cavalry.
Second Lt. Austin Andrew Miller, Infantry.
Second Lt. Henry Walter Herlong, Infantry.
Second Lt. Morris King Henderson, Infantry.
Second Lt. Earl Francis Signer, Air Corps.
Second Lt. Richard Thomas King, Jr., Air Corps.
Second Lt. John Daniel O'Reilly, Infantry.
Second Lt. Roland Arthur Elliott, Jr., Infantry.
Second Lt. Lloyd Ralston Fredendall, Jr., Infantry.
Second Lt. Edson Schull, Infantry.
Second Lt. Joel Lyen Mathews, Infantry.
Second Lt. Royal Reynolds, Jr., Infantry.
Second Lt. George Hollie Bishop, Jr., Infantry.
Second Lt. Stephen B. Mack, Air Corps.
Second Lt. Lawrence Kermit White, Infantry.
Second Lt. Graydon Casper Essman, Infantry.
Second Lt. Russell Franklin Akers, Jr., Infantry.
Second Lt. Claude Leslie Bowen, Jr., Infantry.
Second Lt. Duff Walker Sudduth, Infantry.
Second Lt. David Wagstaff, Jr., Cavalry.
Second Lt. Clyde Jarecki Hibler, Infantry.
Second Lt. James Rhoden Pritchard, Field Artillery.
Second Lt. James Dennis Underhill, Air Corps.
Second Lt. Robert Emmett Gallagher, Coast Artillery Corps.
Second Lt. Samuel Edward Gee, Infantry.
Second Lt. Alston Grimes, Infantry.
Second Lt. Nelson Parkyn Jackson, Air Corps.
Second Lt. Frederick Otto Hartel, Infantry.
Second Lt. Ivan Walter Parr, Jr., Infantry.
Second Lt. William Roberts Calhoun, Field Artillery.
Second Lt. Roy Dunscomb Gregory, Infantry.
Second Lt. Karl Truesdell, Jr., Air Corps.
Second Lt. Glenn Howbert Garrison, Infantry.
Second Lt. Edson Duncan Raff, Infantry.
Second Lt. Chester Braddock Degavre, Infantry.
Second Lt. Erdmann Jellison Lowell, Infantry.
Second Lt. William Agin Bailey, Infantry.
Second Lt. Seymour Eldred Madison, Infantry.
Second Lt. Robin Bruce Epler, Air Corps.
Second Lt. John Newman Scoville, Infantry.
Second Lt. William Field Due, Infantry.
Second Lt. Peter Demosthenes Clainos, Infantry.
Second Lt. John Frederick Schmelzer, Infantry.
Second Lt. Sydney Dwight Grubbs, Jr., Air Corps.
Second Lt. David Thomas Jellett, Infantry.
Second Lt. Millard Loren Haskin, Air Corps.
Second Lt. Joseph Anthony Remus, Infantry.
Second Lt. Ben Harrell, Infantry.
Second Lt. Richard Churchfield Blatt, Infantry.
Second Lt. Richard Allen Risden, Infantry.
Second Lt. Joseph Ermine Williams, Infantry.

Second Lt. Miller Payne Warren, Jr., Infantry.
Second Lt. Stanley Nelson Lonning, Infantry.
Second Lt. Robert Moore Blanchard, Jr., Infantry.
Second Lt. William Wilson Quinn, Infantry.
Second Lt. Charner Weaver Powell, Coast Artillery Corps.
Second Lt. Charles Pearce Bellican, Infantry.
Second Lt. Edward Spalding Ehlen, Infantry.
Second Lt. Thomas Tallant Kilday, Infantry.
Second Lt. Richard Mattern Montgomery, Air Corps.
Second Lt. Charles Hoffman Pottenger, Air Corps.
Second Lt. John Roberts Kimmell, Jr., Infantry.
Second Lt. William Vernard Thompson, Infantry.
Second Lt. Gerald Carrington Simpson, Infantry.
Second Lt. Robert Wilkinson Rayburn, Cavalry.
Second Lt. John Baird Shinberger, Cavalry.

TO BE FIRST LIEUTENANT WITH RANK FROM JULY 15, 1936

Second Lt. Adrian Leonard Hoebeke, Infantry.

PROMOTION IN THE PHILIPPINE SCOUTS

TO BE FIRST LIEUTENANT WITH RANK FROM JUNE 13, 1936

Second Lt. Emmanuel Salvador Cepeda, Philippine Scouts.

APPOINTMENT IN THE NATIONAL GUARD OF THE UNITED STATES

GENERAL OFFICER

To be brigadier general, National Guard of the United States

Brig. Gen. Samuel Tilden Lawton, Illinois National Guard.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Capt. Arthur B. Cook to be Chief of the Bureau of Aeronautics in the Department of the Navy, with the rank of real admiral, for a term of 4 years, effective upon the relinquishment of the duties of that office by Rear Admiral Ernest J. King.

Comdr. Harry A. Badt to be a captain in the Navy from the 1st day of May 1936.

Lt. Comdr. Otto Nimitz to be a commander in the Navy from the 3d day of January 1936.

Lt. Myron A. Baber to be a lieutenant commander in the Navy from the 4th day of October 1935.

Lt. Stanley J. Michael to be a lieutenant commander in the Navy from the 3d day of January 1936.

Lt. Clayton S. Isgrig to be a lieutenant commander in the Navy from the 1st day of March 1936.

Lt. Philip R. Kinney to be a lieutenant commander in the Navy from the 24th day of March 1936.

Lt. James A. Crocker to be a lieutenant commander in the Navy from the 25th day of March 1936.

Lt. (junior grade) Alexander C. Thorington to be a lieutenant in the Navy from the 1st day of August 1935.

Lt. (junior grade) William S. Veeder to be a lieutenant in the Navy from the 6th day of September 1935.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of October 1935:

Thompson F. Fowler
Robert N. McFarlane

Lt. (Jr. Gr.) John F. Delaney, Jr., to be a lieutenant in the Navy from the 4th day of October 1935.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of November 1935:

Paul B. Tuzo, Jr.
Marvin J. West

Lt. (Jr. Gr.) William E. Hank to be a lieutenant in the Navy from the 20th day of November 1935.

Lt. (Jr. Gr.) Norman W. Sears to be a lieutenant in the Navy from the 1st day of December 1935:

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of January 1936:

Benjamin May, 2d
Bennett S. Copping

Lt. (Jr. Gr.) Isaac S. K. Reeves, Jr., to be a lieutenant in the Navy from the 25th day of March 1936.

Ensign Harold Payson, Jr., to be a lieutenant (junior grade) in the Navy from the 4th day of June 1934.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 2d of June 1935:

John R. Spiers
Robert C. Leonard

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 1st day of June 1936:

Allan M. Chambliss	Leland P. Kimball, Jr.
David Lambert	Joseph C. McGoughran
Merle F. Bowman	Harold F. Christ
Gilbert N. Richards, Jr.	Richard B. Derickson, Jr.
Frederick W. Purdy	Everett J. Foster
Carter L. Bennett	Francis J. Blouin
Frederick W. Bruning	Albert C. Ingels
Walter L. Blatchford	Joseph P. Costello
Edward E. Shelby	Samuel Bertolet
Kenneth S. Shook	

Machinist Fred L. Kent to be a chief machinist in the Navy, to rank with but after ensign, from the 1st day of October 1935.

Pay Clerk Earl W. Layton to be a chief pay clerk in the Navy, to rank with but after ensign, from the 5th day of September 1935.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 4 (legislative day of Apr. 24), 1936

POSTMASTERS

ARKANSAS

Kay D. McNeely, Dermott.
John T. Lamb, Jr., Harrisburg.
Neil F. Brown, Junction City.
Lemma C. O'Keefe, Rosston.
Wendell H. Gorman, Strong.
Charles Roy Wise, Thornton.

KENTUCKY

Joe Keefe, Nicholasville.
Watson S. Thomas, Owingsville.

LOUISIANA

Ella A. McDowell, Hodge.
Sam H. Campbell, Oak Grove.

MICHIGAN

Arnold C. Misteli, Baldwin.
John E. Morris, Comstock Park.
Roy A. McLellan, Coopersville.
Walter D. McCaughey, Croswell.
George W. Penglase, Grosse Ile.
Mabel L. McCallum, Hesperia.
Frederick J. Hosley, Lowell.
George Rundle, Olivet.
August C. Eberlein, Sebewaing.

NEVADA

Arthur L. Gottschalk, Lovelock.
Effie M. Perry, Yerington.

NEW YORK

Joseph G. Mattes, Avon.

NORTH DAKOTA

Volrath H. Carlson, Drayton.
Ole H. A. Larson, Killdeer.
Richard T. Burke, Langdon.
Ethel L. Powers, Lawton.
Florence R. Makee, Noonan.
Leah R. Huffman, Rugby.
Chase E. Mulinex, Tolley.
Albert H. Baumann, Westhope.

PENNSYLVANIA

James M. Donahue, Coaldale.
Ferdinand O. Niebauer, Fairview.
Allen R. Brumbaugh, Greencastle.
William M. Cramer, Mifflin.
James H. Stewart, Tarentum.

TENNESSEE

George P. Brummitt, Gleason.
Hundley Broyles Welch, Pickwick Dam.
Charles Atkins Boone, Trenton.

TEXAS

James Harley Dallas, Brownfield.
Robert O. Rockwood, Wharton.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 4 (legislative day of Apr. 24), 1936

POSTMASTER

TENNESSEE

John E. Moffatt to be postmaster at Troy, in the State of Tennessee.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 4, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father and our God, Thou who dost bathe in noontide splendor and gladden with infinite glory the wide world, bestow upon us the treasures of knowledge and wisdom. We pray that we may be untroubled and unclouded by irregular desire and know things that are true in the daylight. Do Thou open our eyes to visions of Try truth, goodness, and promise; inspire us all to a deeper life of service and faith, until all disquietudes lose their power. We most fervently pray Thee that the laws of the land may be faithfully executed and that the affairs of state may be wisely administered; let the ties of peace and contentment be strengthened throughout our borders. And Thine shall be the praise, through Christ. Amen.

The Journal of the proceedings of Friday, May 1, 1936, was read and approved.

PERMISSION TO ADDRESS THE HOUSE

Mr. SNELL. Mr. Speaker, I ask unanimous consent that on Wednesday, after the reading of the Journal and the disposition of business on the Speaker's table, the gentleman from Kentucky [Mr. ROBSION] may have 20 minutes in which to address the House.

Mr. BANKHEAD. Mr. Speaker, reserving the right to object, I assume this will be an absolutely nonpartisan address.

Mr. SNELL. I hope it will be; and judging from the gentleman who is going to make it, I think it will be. He may, however, discuss the state of the Union a little in passing.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

THE ROBINSON-PATMAN BILL—PREVENTS PRICE DISCRIMINATION—INSURES EQUAL OPPORTUNITY AND FAIR PLAY IN TRADE AND COMMERCE—IT WILL LOWER PRICES TO THE CONSUMER MASSES WHO BUY FROM INDEPENDENT MERCHANTS AND SMALLER MASS DISTRIBUTORS

Mr. MILLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLER. Mr. Speaker, I do not often extend my remarks in the RECORD, but the above bill as reported to the House by the Committee on the Judiciary has been the subject of such misunderstanding that I feel I may be of service by presenting my views on it. The abuses which the bill seeks to correct are impossible of defense upon their merits, and if the false impressions and misunderstandings can be clarified, I feel that a bill can be passed that will be of great value to the consuming public of the Nation.

IDEALS UNDERLYING THE BILL

The bill is based upon the simple American ideals of equal opportunity and fair play. Equal opportunity expresses the right of every man to devote his own ability and efforts to his own advantage in the service of his fellow men according to the efficiency and skill with which those services are rendered and the value of their products. Fair play expresses his willingness to recognize the same rights in others. Equal treatment is merely the method by which we recognize and attempt to preserve these values among others when we have it in our power to effect in a substantial way their relative fortunes and destinies.

ITS HISTORICAL BACKGROUND

Our Government was founded upon ideals of equality. The growth of its political institutions has been one of progress toward their broader affirmation and fuller realization. Dedicated to freedom, its restrictions of law upon private conduct have been imposed, when necessary, only in the interest of a broader freedom and of the enjoyment of equality in those inalienable rights of life, liberty, and the pursuit of happiness which the founder of American democracy wrote into the Declaration of Independence. When we have found it necessary to impose governmental restraints upon the conduct of private business, it has been in response to the same ideal. If laissez faire was once our prevailing political economic philosophy, it was in the days when we were still engaged in the conquest of a continent and when we felt there was enough for all, let each take how much he might.

That day has passed, and a series of Federal laws for the regulation of business have marked the history of the last half century in recognition of the growing responsibility of business itself to this fundamental ideal of equal opportunity. Thus, the Interstate Commerce Act of 1887 required our railroads to accord equal treatment to their patrons and to refrain from discrimination between them in rates charged and service afforded. Actual fixation of railroad rates stands on a different footing, and did not come till 20 years later. It bears no relation to this bill. The Sherman Act of 1890 freed individual enterprise from the burden of oppressive agreements among competitors. The Clayton and Federal Trade Commission Acts of 1914 went still further, and set out certain varieties of private business conduct which, even in the absence of agreement, it condemned as oppressive to competitors and authorized their suppression.

Among these is price discrimination. Section 2 of the Clayton Act condemned in principle the practice of price discrimination in private competitive business just as the Interstate Commerce Act had done so a quarter century before in the business of public carriers.

The present bill merely carries this principle another step forward toward its more perfect and thorough application as found necessary in the light of our experience through the intervening years.

SECRECY ADMITS GUILT

So there is nothing new in the principle on which this bill is based; nothing new either to the law or to habits of popular thought and feeling. The one-price system, the practice of equal treatment of customers, is so well recognized in American business that for any merchant to announce a contrary policy would be to write in advance his business obituary. There is none of us who would not feel righteously indignant to find the occupant of the next barber chair, the diner at the next table, the customer at our elbow in the hat shop being charged 10 percent less than ourselves for the same article and service. So indelibly is this principle written in the public mind that even in the wholesale field departures from it are shrouded in secrecy. When the American Can Co. gave the Van Camp Packing Co. a price 18 percent lower than its competitors on tin cans, it kept the contract secret, even from its own sales force, and kept insisting to all its other customers that it was making the same price to all. When the Goodyear Tire & Rubber Co. sold tires to Sears,

Roebuck & Co. at prices 16 to 22 percent lower than to its own Goodyear dealers, after allowing for all differences in cost, it bound Sears-Roebuck by that contract not to mention it, orally or in writing, guarded it in its confidential files, permitted access to it only by a few officials of the company, concealed it from its own sales force; and when its own Goodyear dealers complained that they could not possibly compete against such an arbitrary price advantage, it denied first that it was even selling tires to Sears-Roebuck; and later, it had to admit this, it still denied that it was giving Sears-Roebuck any better prices than anyone else. To deny the moral villainy of such practices and their universal recognition as such by those who grant and receive them, as well as by those who suffer from them, is as absurb as the claim that a man does not know right from wrong when he still knows enough to dodge an officer of the law.

Now, as to the particular evil at which the bill is aimed.

THE MANUFACTURER'S TEMPTATION

The one-price policy of equal treatment is automatically self-enforcing in the retail trade. The possible advantage from granting unwarranted favors to particular customers is so slight in comparison with the loss of trade inevitable when other customers discover it that the policy maintains itself automatically without the support of law. Not so in the wholesale trade. Not so in sales by manufacturers to wholesale and retail distributors. The difference is due principally to the manufacturer's large burden of overhead cost and the peculiar influence of that overhead cost upon his business behavior. Overhead costs, comprising such items as interest on investment, rent, taxes, insurance, fall due regularly and must be met regardless of the volume of production—whether a factory runs at all or not, whether it produces little or much.

The manufacturer's anxiety to meet those costs is the vital spot of his vulnerability to the methods of large mass buyers. A manufacturer running under capacity can afford to take on a large block of new business at a price below his net cost so long as it will still yield him something additional against that troublesome overhead. Even the manufacturer running at full capacity can afford to renew a large block of business at a price below his net cost rather than lose it entirely, where he will also lose with it entirely whatever it does yield against that burden of overhead; and he knows he is likely to lose it entirely unless he accepts the sacrificial price demands of the large buyer so long as there is another competitor in the field running below capacity and therefore anxious to take that business away from him for the reasons I have just described.

WHO SUFFERS?

Now what is the harm of all this? The harm is that by whatever margin that manufacturer fails to make his total net cost and a reasonable profit on that order he must make it up somehow, some way from his other customers, thus widening still further the price disadvantage between them and the customer favored with the discrimination. For every manufacturer depends upon his sales to all his customers to meet his total of business costs and yield him his required minimum of reasonable profit. He must either charge each customer a price sufficient to cover his proportionate share of that cost and profit, or if he charges some less than that, he must charge others more than that. He cannot do otherwise or he will end up with a deficit. The price favors that he grants to a few large buyers, thus mean inevitably corresponding burdens upon all the rest, and upon the consuming public who depend upon them for the supply of its needs.

SIZE THROTTLES EFFICIENCY

All this has nothing to do with questions of relative efficiency. I am dealing only with those discriminations which lie beyond differences in efficiency. No one wants a system of equality that will require selling to every customer at the same price regardless of differing costs involved in the quantities purchased or the methods of service required. When I speak of a price to all representing his proportionate share of the manufacturer's cost and profit, I mean to make allowance for any differing costs of service that may arise, as the bill says, from the differing methods or quantities in which the goods concerned are sold or delivered to such customers; and I mean to make allowance for such differences of cost, whether in the realm of manufacture, or of sale, or of delivery of the goods concerned. I am dealing only with the excessive discriminations and price favors that exceed those differences in cost. It is those discriminations which represent an insuperable advantage to the large customer to whom they are granted, and an impossible burden to the rest who must make up the deficit, and it is only those discriminations which the bill prohibits.

DISCRIMINATIONS NOURISH MONOPOLY

Such practices naturally favor the larger buyer and seller against his smaller competitor. The larger the buyer and the larger the order he controls, the less the seller can afford to lose his business, the harder it will be to find other customers to replace it, and the further he will go in making price cuts to keep it. The larger the seller, the larger his distribution of business among smaller competing customers, the easier it is for him to recover among them any losses he sustains in sacrificial prices to the favored mass distributor. Price discriminations of the character I am discussing are thus in their very nature instruments for the promotion of monopoly. They tend to make those who use them larger and larger at the expense of their competitors, and the larger and larger they grow, the more and more effectively they can use them. It is no answer to count the number of competitors now existing and scoff at the danger of monopoly because none is yet at hand. A fine field of cotton today is no answer to the danger of the boll weevil tomorrow. A standing forest is no answer to a lighted match in the dry underbrush. We are not without bitter experience in this matter, no more than the cotton planter nor the forest ranger. We know from our past antitrust experience the vicious role price discrimination has played in the promotion of monopolies and restraints of trade. Many of them have grown to full flower to be stopped only by the remedies of the Sherman Act, but leaving behind them unredressed the financial and human losses of a host of ruined competitors. The Clayton Act was a step forward in the suppression of practices by which monopolies and restraints are promoted rather than waiting to attack them in their maturity. The present bill is merely another step in the same direction.

HALFWAY MEASURES

Section 2 of the Clayton Act prohibited price discrimination, but carved so many exceptions from it, and stated them in such loose language, that it has fallen short of its purpose; and those who profit from the abuses at which it was aimed have been able to evade it. It permitted the continuance of price differences on account of differences in quantities purchased, without placing any limiting measure upon them. It permitted local price cuts to meet competition without any limitation other than the vague and elastic requirement of good faith. It dealt not at all with discriminations outside the realm of price discriminations between customers, through the perversion of the brokerage function and the myth of advertising and service allowances. Naturally it could not deal with them, for they have developed since.

THE REMEDY

The bill is designed to remedy these omissions in three principal directions. It is aimed at the three principal forms in which price discriminations and preferences are now prevalently practiced in the channels of trade. These are the excessive quantity discount, the corrupted brokerage payment or allowance, and allowances in the pretended payment of advertising and promotional services.

QUANTITY DISCOUNTS—GOOD AND BAD

First as to quantity discounts. Quantity discounts that allow only for real savings and economies, whether in the manufacture, sale, or delivery of the goods purchased, made possible by the different quantities purchased, are not disturbed. They are economically sound. They stimulate effi-

ciency in trade and industry, and make possible lower prices to the ultimate consumer, and higher prices to the farmer and other producers of raw materials. With them this bill does not interfere. On the contrary it expressly excludes them from the prohibitions of the bill, whether they arise in the manufacturing process, in the selling process, or in the delivery process, anywhere, in fact, in the chain of manufacture and distribution that links together the producer of the raw materials and the buyer of the finished product. It excludes them and leaves them equally unhampered whether they arise from the differing quantities in which different customers purchase, or from the differing methods of sale or delivery which they require. Short of the quantity-limit proviso which I shall presently describe, I can see no field of economy in production or distribution that the wit of man could invent, the savings from which could not be expressed in price differentials between the various customers who do and do not take advantage of it. The bill only prohibits price discrimination in excess of such differences in cost, for it is there and only there, so far as we are here concerned, that the mass buyer evades his just and proportionate share of the manufacturer's burden of cost and unloads it upon the shoulders of his smaller competitor.

QUANTITY LIMITS ON POWER AND SIZE

I spoke a moment ago of the quantity-limit proviso. Sometimes a manufacturer may offer special discounts applicable only to such a large quantity order that none but one or two of the largest buyers in the whole field are able to take advantage of it. Even when supported by differences in cost, such a discount may well become in the hands of such an overshadowing purchaser a vehicle on the highway to monopoly, and the public can well afford to forego it as the price of their security from all the dangers of monopoly. Armour & Co., for example, who alone out of nearly a thousand meat packers now produces one-fourth of the Nation's meat products moving in interstate commerce, offers a special discount on fresh meats applicable only to customers who take in excess of $10,000,000 per year. At the time it was offered, no one buyer in the United States took that much fresh meat from anyone. No one buyer exceeded 75 percent of it. None except that one buyer exceeded 20 percent of it. None but two meat packers exceeded 75 percent of it to any one customer, and that was the same customer. None except those two packers sell as much as one-fourth to any one customer. It was a discount, in short, offered by an overshadowing manufacturer to an overshadowing buyer to induce him to switch business away from competitors, so as to make that manufacturer still more overshadowing, and offering in return a price advantage on which that buyer could also grow to ever greater size. To put a safe limit on this sort of thing, the bill authorizes the Federal Trade Commission to fix quantity limits, beyond which further quantity discounts shall not be allowed. But it can only fix those limits as to quantity, it cannot fix them upon the discounts themselves; and it can only fix those quantity limits with reference to entire commodity lines or industries. It cannot fix them differently for one buyer or seller from another. It cannot use this power to violate the principle of equal opportunity upon which the bill as a whole is founded.

NO BROKERS—NO BROKERAGE

Another prevalent form of discrimination now in use lies in the exaction of brokerage commissions or allowances where true brokerage services have not been rendered. As the Committee on the Judiciary said in its report—

> The true broker serves as the representative of the seller to find him market outlets or as the representative of the buyer to find him sources of supply.
>
> If the broker is not used, the buyer or seller must perform those functions himself and sustain a corresponding cost in his own buying or selling department. Large mass buyers, however, have corrupted this function by setting up their own employees or subsidiary corporations and calling them brokers, refusing to buy except through them, compelling the manufacturer to pay them brokerage on those purchases as though they were the manufacturer's representatives, and pocketing the proceeds as another form of price advantage. In other words, the manufacturer instead of paying the broker to find a buyer, is compelled in effect to pay the buyer to find the broker. Obviously the broker renders no service in such case to the person who pays him, and his compensation merely constitutes an added burden of cost which the manufacturer must spread over his other customers. The bill prohibits the payment of brokerage direct to the buyer, or to anyone acting in fact for the buyer or under his control. In so doing, it will cleanse the streams of commerce of such violations of an important fiduciary function and prevent its prostitution to purposes of discriminatory abuse.

SHOULD THE MASS DISTRIBUTOR BE PAID FOR MAKING A PROFIT?

The third prevalent evil at which the bill is aimed lies in the grant of special allowances for so-called advertising or promotional services. Mass buyers have constructed an amazing myth around this type of allowance and are using it in an attempt to justify in the public eye another form of discrimination. Remember, please, that the business of mass distributors, like that of any other merchant, is selling to the public the goods which they have purchased at wholesale from the manufacturer or other source of supply. They make their profit on the resale of those goods. They buy them only for that purpose; and if they do not sell them, once they have them in stock, they become a dead loss. They buy those goods in large orders from the manufacturer at sacrificially low prices, as I have already described. But this is not enough. They now claim that the resale of those goods, which they must in any case resell for their own advantage and profit, is a special favor to that manufacturer, and that anything that they do to promote that resale is a special service for which they can demand an additional payment. No one but a large mass buyer—large enough to confront his manufacturer with the financial distress resulting from the loss of a large block of his business—could get away with such a chimerical claim; and the larger the buyer, the more of it they are able to get away with. For example, it was shown in the committee's hearings that the A. & P. chain, with 15,000 stores and $800,000,000 of annual sales, obtains from Standard Brands an advertising allowance of $144,000 a year on Fleischmann's yeast alone.

The Kroger chain, with more than one-fourth as many stores and one-fourth the volume of sales, gets an allowance from the same people on the same article of only $6,000 a year, or one twenty-fourth as much. Mass buyers expand this story with all sorts of grotesque embellishments. They say, for instance, "X manufacturer is paying us extra for displaying his product near the cash register, or near the door, where our customers are more likely to see it and buy it as they pay their checks and pass out"; yet our committee hearings showed so many such allowances given to different manufacturers of the same competing commodities that if this service were performed for all, the cash register would be completely buried and the door obstructed to entry or exit. They have even collected these allowances for displaying their own goods on their own shelves, and in their own show windows, something that even the country crossroads' grocer has done since time immemorial without ever getting paid for it except in the profit he makes on the sale of the goods themselves. The bill puts an end to this chicanery, and to the competitive discriminations which it makes possible by forbidding the granting of such allowances unless they are made similarly available to all competing customers who are able to furnish the same services, proportionally to those services and to their purchases of the goods concerned.

These are the important provisions of the bill. There are other minor provisions designed principally for the added protection of legitimate spheres of business, but they do not affect these underlying principles nor the importance of its immediate consideration.

MISUNDERSTANDINGS ANSWERED

But I do want to give a moment's attention to some of the gross misapprehensions that have been spread about with regard to this bill.

NO PRICE FIXING

Its opponents keep calling it at every turn a "price fixing" bill. It has nothing to do with price fixing. It leaves the seller absolutely free to fix his own level of prices in response to the usual market influences and to his costs of production. It lays him under not the slightest obligation to maintain any sort of relationship between his prices and those of his competitor. It merely requires him to maintain an equitable relation between the prices which he charges to his various customers, the measure of that equity to be based upon differences of cost in serving them.

NO LIMIT ON COMPETITION OR EFFICIENCY

It does not limit competition, except that vicious sort of competition which sells below cost in order to destroy competition. It has nothing to do with methods of production or distribution. It lays no obstacle across the path of anyone to prevent him from selecting and using the most efficient and economical methods of production, sale, or distribution that human genius can invent. There is nothing in it to prevent the translation of any economies so accomplished in the service of particular customers into corresponding price discounts, nor to prevent the consumer from reaping their ultimate benefits. It merely says to the large mass buyer and to the manufacturer who sells to him: "Superior efficiency is your only title to preference; you cannot resort to mere size and to the mere power which that size places in your hands to crush the advantage which real efficiency gives to your competitor."

WILL DECREASE LIVING COSTS

Opponents of the bill have insisted at every turn that it will result in huge increases in living costs to the consumer, with the usual emphasis upon special injuries to the housewife, the laborer, and the farmer. It can have no such effect. Living costs depend upon the actual physical costs of production and distribution. As I have already said, the bill has nothing to do with them. It does not affect production costs. It merely prevents the seller from loading an unfair portion of that cost onto part of his customers and absolving a select few from their share of it. It will, on the contrary, therefore, lower prices to those millions of people who purchase from the independent merchant and from cooperatives and smaller chains, for it will relieve them of that unjust burden of cost, which they now have to carry for the large mass buyer.

NOT AGAINST CHAIN STORES AS SUCH

I say to cooperatives and smaller chains, because it is a mistake to regard this bill as an antichain-store bill. I have shown you already that the smaller chain suffers from these abuses at the hands of their larger chain competitors just as does the independent. I have shown you that, even between the two largest chains now in existence, the smaller is discriminated against in favor of the larger. Out of some 900 or a thousand chains in the grocery field alone, I should estimate that not more than half a dozen receive the sort of excessive discounts and allowances at which this bill is aimed. It is for the protection of the other 994, and of the public who buys from them, as much as it is for the protection of their 300,000 or more independent competitors and of the millions of the public who buy from them.

EMPTY THREATS

All sorts of business disturbances have been predicted from this bill. They are fabricated by its opponents to play upon the fears of the people. They say if the bill is passed the chains will go into manufacturing themselves. They cannot do this economically for they cannot manufacture the hundreds of commodities which they sell in the limited quantities needed for their own business as cheaply as they can be manufactured in the greater quantities demanded by the whole trade; and they cannot manufacture them for the whole trade, because they cannot expect to sell them to their retail competitors. Then, it is said, if this bill is passed the chains will turn to the patronage of manufacturers who sell exclusively to them. But if they do they cannot get the price advantages at which this bill is aimed, for those are advantages which can only be granted to favored customers at the expense of the rest. If there are no others there is no one to favor and no one to absorb the corresponding burden. Such a manufacturer would have to charge that chain with his whole requirement of cost and profit, and that is precisely the end at which the bill is aimed. It is designed to bring production and distribution up to a basis of economic efficiency on the part of the favored few, and down to that basis on the part of all the rest.

NOT CLASS LEGISLATION

This bill is not class legislation. It is not limited to particular commodities, trades, or industries. It is just as broad as the present Clayton Act, which it proposes to amend. On the contrary, its opponents have attempted to have it limited to particular commodities, or to exclude particular industries from it in the hope, no doubt, that if it cannot be defeated in Congress it might then be defeated in the courts.

ITS ECONOMIC IMPORTANCE

Now, in conclusion, I want to emphasize briefly its great importance. It is important, not only to the independent businessman, commonly so called; it is important to every businessman who has competitors considerably larger than himself. For that added size enables such a competitor, under the present law, to bid for unfair price advantages of the kind at which this bill is aimed. But it is important not alone to the millions of businessmen who fall in that class; it is equally important to the still greater millions of the consuming public who depend upon them for the supply of their needs. It is important to the equally many millions of the producing public, including the farmer and the laborer who produce the raw materials and furnish the labor that go into the supply of those needs. For the more equal the competitive opportunity which we can secure to those now oppressed by the abuses against which this bill is directed, the more they will have with which to pay that laborer for his work and those farmers for their products.

ITS HUMAN IMPORTANCE

But all this has only to do with its economic importance. Human values are greater than property values. The backbone of our Nation live in smaller cities and communities and in rural districts which depend upon independent enterprise as represented in their local merchants and manufacturers for the support of their educational, social, and spiritual institutions, those institutions upon which our Nation must depend for the translation of its material welfare into the real satisfactions of life and into the moral and spiritual forces upon which the continuous growth of our civilization necessarily depends.

PERMISSION TO ADDRESS HOUSE

The SPEAKER. Under the special order the gentleman from New York [Mr. SISSON] is recognized for 15 minutes.

Mr. SISSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a list of organizations which have indicated their support of the repeal of the so-called "red rider" and certain other important material directly affecting the issues involved therein.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD and to include therein a list of certain organizations that are interested in the so-called Sisson bill, and to insert certain other data. Is there objection?

There was no objection.

Mr. SISSON. Mr. Speaker, I ask leave to extend my remarks in the RECORD and to include therein a list of organizations which have passed resolutions and otherwise gone on record as urging the repeal of the rider in the appropriation bill of last year for the District of Columbia with reference to the teaching of communism in the schools of the District of Columbia, and also certain important material directly bearing upon this legislation.

Ladies and gentlemen of the House, it is my purpose to place in the RECORD for the information of the Members of

the House a brief account of the history of this legislation and its effects upon the teachers and the students in the public schools of the District of Columbia, and its bearing upon our American institutions, including freedom of speech, freedom of the press, and academic freedom.

I shall be obliged, in the course of my remarks, to refer a few times to the gentleman from Texas [Mr. BLANTON]. I trust, however, that the House, as well as the gentleman, will understand that I do this with the greatest reluctance, and only because even a brief historical record could not be given without mentioning the gentleman a time or two.

In one of his several speeches in this House on this subject, under extension of remarks on March 30, 1936, the gentleman closed his remarks with this peroration:

> The time has come when we Democrats must weed all pinks and reds out of our Government. I have lowered my visor; I have unsheathed my sword; I have entered the lists; I am at war to the finish against all Communists and subversive enemies of good government.

I should like to have it recorded of me also and handed down to my descendants that I am now and always have been opposed to communism and to any other kind of ism or thing which is subversive of our institutions and our form of government. I cannot hope, however, to compete in the public view with the gentleman from Texas in his spectacular method of warfare. I have no visor; I carry no sword; I do not know how to conduct myself wearing helmet or armor or brandishing a sword. If I may be forgiven for a personal allusion to the reason why I am not so accoutered, as the gentleman from Texas describes himself, and, adopting the grandiose style of the gentleman, I was born of poor but honest parents, and—I trust this will not be misunderstood—I was born "a poor barefoot boy." Naturally, I have not learned to fight with any of the weapons used by the gentleman from Texas.

Neither have I learned to argue or debate by hurling epithets.

The gentleman from Texas, on numerous occasions, and with increasing frequency, in his remarks on this floor and in the many pages of matter which he has had printed in the RECORD, has sought to dispose of those who disagreed with him by calling them" Communists." Now, I would not retort in kind by calling the gentleman from Texas anything. I note, however, that the Committee on Appropriations of the other body the other day disposed of some legislation sponsored by the gentleman from Texas by striking it out on the ground that it was "communistic." However, that is their language, not mine.

The gentleman from Texas has gone to great lengths in an effort to create the impression that there is communism in the schools of the District of Columbia and thereby to justify and show the necessity of the so-called "red rider."

In the CONGRESSIONAL RECORD of April 2, after having spoken on this same subject on several previous occasions in the House, the gentleman inserted in the RECORD 29 printed pages. Most of the matter in these 29 printed pages does not even remotely relate to the schools of the District of Columbia. Much of the matter is an attempt to prove that Dr. Frank W. Ballou, Superintendent of Schools, is a Communist. None of the matter could be considered, except by the most inverted and fantastic kind of reasoning, to be relevant to this legislation. Much of the matter in the 29 printed pages was printed—and, of course, at the public expense—for the third time at the instance of the gentleman from Texas. I am informed that the cost to the taxpayers of the printing of the matter contained in the 29 pages was over $1,600.

The Committee on Appropriations for the District of Columbia, of which the gentleman is chairman, held extensive hearings on appropriations for the District. Those hearings were printed and comprised 787 printed pages. It was, of course, entirely proper for the Committee on Appropriations to hold hearings on the subject of appropriations, and I am not implying any criticism of this; but several days of this subcommittee of five were devoted to hearings alleged to be held on the subject of character education, but actually devoted to an inquisition into the subject of communism in the schools in the District of Columbia, and an attempt to prove that communism was advocated in the schools and that Dr. Ballou is a Communist. The part of the hearings in this inquisition on the subject of communism in the schools occupied 268 printed pages. These 268 pages were then reprinted in a separate volume at the instance of the gentleman from Texas and at the public expense, and distributed to all of the Members of Congress. These hearings were held in executive session, and Dr. Ballou, Superintendent of Schools, Mrs. Doyle, the president of the Board of Education, and Professor Jones, head of the department of social studies, including history, were summoned before the subcommittee and ordered to answer such questions, mainly as the gentleman from Texas dictated. I join with the gentleman from Texas in the hope that the Members of this House will read these hearings. Frequently a question would be asked by the gentleman from Texas of such a witness as Mrs. Doyle or Dr. Ballou or Professor Jones which would be anywhere from one-half page to a page long in the RECORD, and then the witness was directed to answer the question categorically. Frequently the witness was not allowed to explain, qualify, or give his statement in his own words. In other words, it was like one of those star-chamber performances made infamous in other countries before freedom of speech and fair trial prevailed. It was a one-sided trial, where only the prosecution was represented.

I would not have the hardihood or gall to inflict upon this House or put in the RECORD answers in refutation to all of the insinuations, misleading inferences, and unwarranted conclusions contained either in these hearings or in the matter which the gentleman from Texas has put into the RECORD on other occasions. I would not dare to do it unless I had a suit of armor such as the gentleman has described himself as wearing. The witnesses were browbeaten and bulldosed in a manner that is certainly not creditable to the House of Representatives, and I wonder how any man with a sense of fairness and justice could have sat through it without a protest. I certainly hope that the Members of this House will examine the record made by the gentleman from Texas and permitted by the other three members of the subcommittee, who apparently sat mostly in silence and permitted it to go on. It was not a hearing; it was an inquisition such as might have been conducted by Philip of Spain or the bloody Jeffries, infamous as the hanging judge in English history in the time of James II.

And, despite all this, not one single instance was produced by any of the witnesses where they dared or ventured to name any teacher who, they claimed, had advocated communism in the schools of the District of Columbia.

Hearings were held on the Sisson repeal bill for 2½ days before the Subcommittee on Education of the District Committee, composed of the gentleman from Maryland [Mr. KENNEDY] as chairman, the gentleman from Indiana [Mr. SCHULTE], the gentleman from Missouri [Mr. SHORT], the gentleman from Maine [Mr. BREWSTER], and the gentlewoman from Indiana [Mrs. JENCKES]. These hearings were held in open, not secret, session, where the public had access, as is the custom in America. The witnesses had full opportunity to present testimony, both pro and con. Mr. Sullivan and General Fries, who were among the star witnesses in the star-chamber proceedings held by the gentleman from Texas before his committee, appeared before this Committee on Education also, and their testimony occupied many pages of that record. Again, not one scintilla of evidence was produced where any teacher had advocated communism or had done anything contrary to his or her constitutional oath.

In his 29 pages in the RECORD which appeared on April 2 the gentleman from Texas made a great effort to prove that Dr. Ballou is a Communist. Time and space will not permit me to answer in detail all of the statements, misleading inferences, and unfounded conclusions in these 29 pages. But let me show you the gentleman's method of reasoning and of attack upon Dr. Ballou. He starts out with the assumption that certain men are well-known Communists; among these being Dr. Charles A. Beard, Prof. George S. Counts, and Dr.

W. W. Charters. His authority for the statement that Dr. Beard—probably generally recognized as our greatest living American historian—and these other gentlemen are Communists is a book called "The Red Network", written by Mrs. Elizabeth Dilling. The author of this book, Mrs. Dilling, who is cited by the gentleman from Texas as his authority as to who are Communists, attempted to get this book accepted by the D. A. R. some years ago, but when the matter was brought to the attention of the present president general of that organization it was refused. The D. A. R. organization is generally considered to be at least sufficiently conservative, rather than liberal. Mrs. Dilling lists several hundred persons in that book as Communists or dangerous radicals. Among these, besides those mentioned by the gentleman from Texas, are such well-known and dangerous characters as Jane Addams, Newton D. Baker, United States Senator William E. Borah, Mr. Justice Louis D. Brandeis and Mrs. Brandeis, Mrs. Franklin D. Roosevelt, our late beloved colleague, Hon. Anthony J. Griffin, one of the most useful and respected Members who ever sat in this House, a large proportion of the presidents of our American colleges and universities, and a considerable number of the present Members of the other body of this Congress. Dr. Ballou, unfortunately for the gentleman's contention, is not so listed, but the gentleman, by his inverted process of reason, makes Dr. Ballou a Communist. Why? Forsooth, because Dr. Ballou at sometime or other had been associated in the survey of some educational question with Dr. Beard, Dr. Counts, and Dr. Charters, and about 20 other educators.

It might at this point be profitable to inquire if it can be discovered from the gentleman's very extensive speeches and remarks in the RECORD upon this subject as the result, of course, of his very intelligent and extensive investigation, how he would define a Communist; and I am sure that the only answer that anyone could give to that question who has followed the gentleman's method of argument would be that a Communist is someone who disagrees with or disapproves of the gentleman from Texas; and based upon that definition and to the extent that the gentleman is known, that would probably include the overwhelming majority. I am sure if it were necessary for the gentleman's contention he could very easily go back to a much earlier period than his investigation has covered and prove, for example, that most of the characters who have appeared in either profane or sacred history were Communists or tainted with communism, as adjudged by Ku Klux Klan standards. Certainly neither the Master of Men nor His Twelve Apostles could escape that scathing condemnation—and least of all, Solomon, who proposed once to settle a dispute between the two women, each of whom claimed to be the mother of a child which was brought before him, by cutting the child in two and giving each one half. The gentleman spends so much time upon this floor and uses up so much space in the CONGRESSIONAL RECORD and costs the taxpayers incidentally so much to print what he has to say in recommending his own superior wisdom, virtue, and courage that I wonder sometimes if he could not as a result of his 20 years' service in Congress find anyone else than himself to testify for himself. It would certainly be a saving to the taxpayers if he would bear in mind the injunction of the same Solomon, "Let another man praise thee"; or, if he would paraphrase the language of Shakespeare, "not to protest his own virtue over much."

Now, I have a very great respect for the dignity of this House. I am very proud to be a Member of it. I want no action or words of mine to lower that dignity or stain or pollute the pages of its RECORD with obscenity or filth. It is only such a knight as the gentleman is who does this. I have, though, sometimes thought that what seems to be a prevalent custom here of expressing one's admiration and respect for another when one's feelings are somewhat the opposite is not entirely to be commended, and I trust that it is not unparliamentary for me to say that I cannot share the gentleman's estimation of his own wisdom, virtue, and courage.

Now, what is the record about this "red rider"? Was there any necessity or excuse for slipping it into an appropriation bill last year?

This question, in my opinion—and there is evidently a large number of people all over the country who agree with me about it—has become one of Nation-wide importance. If, therefore, you have the slightest doubt in your mind that the "red rider" ought to be repealed, I ask you to examine the record—and by the record I mean the following:

First. The manner in which the "red rider" was passed.

Second. The hearings held by the subcommittee on education of the District of Columbia Committee on February 25, March 2 and 9 on the Sisson repeal bill, H. R. 11375.

Third. The facts and data which I shall put into the record under extension of remarks on this occasion.

Fourth. And here, for once, I agree with the gentleman from Texas [Mr. BLANTON], the hearings held in executive session before the subcommittee of the Committee on Appropriations on the District of Columbia appropriation bill for 1937, and also the 29 pages which the gentleman from Texas put into the RECORD on April 2.

It is a great deal to ask of you, but if you will examine all of the facts you can come to but one conclusion; and that is that it is of great importance to our American teachers and the boys and girls in our schools, and to the dignity and good name of Congress, that the repeal bill should be passed.

This matter is of no personal concern to me, any more than it is of personal concern to any other Member of Congress. It will not affect my political fortunes one way or the other, whether the repeal bill reaches the floor of this House, is discussed on the merits and is passed, or not. The only thing about it that is of personal concern to me is that I discharge my own duty and fulfill my own responsibility.

An examination of the record will show, among other things, the following facts:

First. There is not, nor has there been, any indoctrination of communism by either the Board of Education, Superintendent Ballou, or the teachers in the schools of the District of Columbia; nor has there been any effort made before or since the passage of this "red rider" to advocate or secure sympathy for communism in the District of Columbia schools.

Second. There was not the slightest necessity or excuse for the slipping of this rider into an appropriation bill, or for its passage in any other manner.

Third. The "red rider" does not represent the wish or will of Congress, and not over a dozen Members of both of the bodies of Congress combined knew that it was slipped into the appropriation bill or was proposed as permanent law until after it had been done. An agreement was made last year in a conference between the gentleman from Texas and one or two of the Senate conferees on the appropriation bill to the effect that the item in the appropriation bill for so-called character education, which had been stricken out in the House, should be restored, provided that the gentleman from Texas might write into the bill a clause that—

> No part of this item of appropriation for character education should be available to pay the salary of any person in the schools of the District of Columbia who advocated communism.

No one involved in that argument except the gentleman from Texas believed that it was necessary, but it was thought at that time to be harmless. The agreement was not kept, but instead, after leaving the conference the gentleman from Texas caused to be inserted the present provision, which, by the inclusion of the word "hereafter", was made permanent law, and it was made to apply to the whole appropriation for the District of Columbia schools instead of to this single item, and which, by the inclusion also of the word "teaching", was made ambiguous as to whether even the facts in a proper factual manner about the political, social, and economic system in Russia and elsewhere could be presented to students of history and social studies. The senior Member from my own State in the other body will verify my statement as to what the real agreement was and that it was not kept by the gentleman from Texas.

Fourth. No such law as this "red rider" is in existence in any of the several States. No such law compelling teachers

or anyone else to take an oath each time before drawing their pay that they have not taught or advocated any doctrine subversive to their Government has, so far as quite an extensive research discloses, ever been passed before in this country, and there is no instance in recorded history where it has ever been done in any other country, even if you go back thousands of years. Its existence in a Federal statute is making Congress ridiculous in the eyes of the country.

Fifth. This law is injuring the spirit and morale of the teachers and is making them ridiculous in the eyes of their pupils. It is destroying the relation of confidence between teachers and pupils, without which the most important purposes of education cannot be secured. * * * The teachers and even the janitors and all of the other employees in the District of Columbia schools have to take an oath each pay day in the form prescribed by the Comptroller General, in substance, that they have not advocated or taught communism in the schools or elsewhere.

Sixth. This law is gaining Communists and communism free advertising and exploitation that they could not have gotten otherwise for millions of dollars. It invests Communists and communism with an appearance of strength and importance that they do not possess. That here, in the Nation's Capital, Congress should find it necessary to put such a law upon the statute books lends more strength and encouragement to communism than anything else I can imagine.

Seventh. It prevents the boys and girls in the high schools in their study of history, civics, and other social studies from learning the facts as to the system prevailing in Russia, and instead of equipping these boys and girls to think for themselves and to see the strength and fairness of our institutions and our Government by comparing our Government and its institutions with others, it attempts to put their minds in a strait jacket and to tell them what to think and not how to think. We do not expect to teach our boys and girls how to avoid contracting tuberculosis, typhoid, or other contagious, infectious, or communicable diseases, including the social diseases, by seeking to prevent them from learning that such diseases exist and how to avoid them. No teacher should be retained in our schools who would seek to advocate communism for us in this country, and no teacher in the District of Columbia schools would be retained if it were found that he or she had done that. Every teacher in the District of Columbia schools was obliged, under the law before the passage of this red rider, to take the same oath to support the Constitution of this country that we, as Members of Congress take, and if a teacher were found who had attempted to indoctrinate his or her pupils with communism or any other ism subversive of our Government and its institutions, that teacher could be and would be removed by the Board of Education.

Eighth. This "red rider" is entirely contrary to and subversive of the traditional American system of running our public schools.

What is the traditional American system of running the public schools? The traditional American way of running our public schools has been for years to have a board of education, selected from the representative citizens of the school district or city. They are not educational experts, but they determine the general policies of the schools. They employ a superintendent, principals, supervisors of teaching, who are experts to map out the courses of study and prescribe the methods of instruction. That is the American way and that is the way that has succeeded. We do not have in our States or in the various communities within our States a Congress or a legislative body to stick their noses into the courses of study. Nothing could be more vicious than for any political body or sect acting through a legislature to be able to prescribe courses of study. [Applause.] For example, I am a Democrat. I should object if the teachers in the schools attempted to make either Republicans or even Democrats of the boys and girls who are under their charge.

The members of the Board of Education in the District Columbia are not elected by the voters and taxpayers of the District, because there are no voters. They are appointed by the Supreme Court of the District of Columbia. There are nine members of the Board of Education. The president of the Board, Mrs. Henry Grattan Doyle, is an educated woman of fine character and exceptional ability; the mother of three fine young American citizens, who themselves are in the District schools. The other members of the Board are all educated, public-spirited, patriotic men and women, splendid, useful, American citizens, every one of them, serving without compensation, faithfully, efficiently, without praising themselves, without complaining about persecution—even such persecution as they have had, both from the Hearst newspapers and, I am sorry to say, from a Member of this House. They are serving in the cause of public education, without which this country, its Government, and institutions as we love them could not long endure.

I served 10 years on a board of education before coming to Congress. I know something of what such boards have to endure in the way of petty complaints and unjust criticism. I never met or knew nine better citizens than the members of this Board of Education here. Among their members, for example, is a lawyer, generally considered to be one of the two or three leaders of the local bar. There are, I believe, two other lawyers, both of them eminent and respected in their profession. There is a physician, respected in his profession. There is a well-known teacher of law with a national reputation as an authority on constitutional law. The others are of the same standard of character and of the highest standing in this city. Most, if not all, of the members of the Board are parents.

Is it fair to leave the imputation resting upon them that they have attempted to indoctrinate the pupils with communism and make Communists of them? That they have attempted to instill immorality and indecent ideas in the pupils of the schools here, as has been charged and put into the records of committee hearings by the gentleman from Texas and the gentlewoman from Indiana? [Applause.]

[Here the gavel fell.]

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BANKHEAD. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from Alabama.

Mr. BANKHEAD. I have not kept up with the details of this controversy. Will the gentleman state for my information and the information of the Members of the House exactly the terms of this so-called "red rider" and what limitation and prohibition it puts upon the teachers?

Mr. SISSON. I shall be glad to do so for the distinguished majority leader and the Members of the House.

The so-called "red rider" which is attached to the appropriation bill in substance provides, so far as the public schools of the District of Columbia are concerned, that for the fiscal year ending in June and thereafter no part of the appropriation shall be available to pay the salary of any person advocating or teaching communism in the schools of the District of Columbia.

Mr. BOILEAU. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. Is not the gentleman in error? Does not that refer to the whole appropriation bill?

Mr. SISSON. It refers to the whole appropriation for all of the public schools, although it was intended, as a matter of agreement between the gentleman from Texas and the senior Member of the other body from my own State of New York, that it should only apply to the item of appropriation for character education.

Mr. BOILEAU. The gentleman said that "hereafter no part of the above appropriation shall be used." Does it not refer to the whole bill?

Mr. SISSON. It means the whole appropriation for all the public schools.

Mr. BOILEAU. And for all types of teaching?

Mr. SISSON. Yes.

Mr. Speaker, there are over 2,900 teachers in the public schools of the District. It would not be surprising if one, two, or three might be found who had been infected with some "ism" and had been guilty of airing his or her views in the District schools; but in spite of the diligence of the gentleman from Texas and the gentlewoman from Indiana and a few busybodies in the District, no such instance has been found.

Mr. MAVERICK. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from Texas.

Mr. MAVERICK. Is there not a certain implication in this communism business? For instance, one of my colleagues told me that communism consisted of the nationalization of women and the overthrow of the Government; in other words, immorality and treason. In other words, according to this concept, the effect of this is psychological, and each 2 weeks or month the teachers must swear under oath that they have not taught or advocated immorality, obscenity, or treason?

Mr. SISSON. The gentleman in effect is correct, according to my understanding.

Mr. Speaker, I want to point out one thing which I think all Members know, and the teachers make no objection to this; neither does anybody else. Under the law today and under the old law before the passage of this "red rider" each teacher took the same constitutional oath that we Members of Congress take, and there is no objection to that. If they violated this oath and advocated communism or any other "ism" subversive of our Government, or even advocated that their pupils should be Democrats, Republicans, or anything else, they could be and would be removed by the Board of Education.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from New York.

Mr. FITZPATRICK. Assuming that the teachers in the District of Columbia may explain communism or any other form of government, how much further would the gentleman care to have them go?

Mr. SISSON. How much further?

Mr. FITZPATRICK. If they may explain communism or any other form of government, how much further would the gentleman ask them to go?

Mr. SISSON. I would not ask them to go any further. The point is there is a great dispute, and neither the gentleman from Texas nor any of the proponents of the red rider agree that communism in a factual way should be taught, or that the social, political, or economic system in Russia may be taught—not even in a factual way. They say it should be mentioned, if at all, by denouncing it.

Mr. FITZPATRICK. Has not the corporation counsel stated that they may explain communism under the "red rider"?

Mr. SISSON. Who knows what another corporation counsel may rule? The Comptroller General has ruled otherwise and has prescribed an oath that they shall not advocate or teach communism.

[Here the gavel fell.]

Mr. SISSON. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none.

Mr. GASSAWAY. Mr. Speaker, I object, if the gentleman is going to discuss communism.

The SPEAKER. Is there objection to the gentleman from New York proceeding?

Mr. BOILEAU. Mr. Speaker, I make the point of order the gentleman's objection comes too late.

The SPEAKER. The Chair will not rule that it came too late because if the gentleman was on his feet to object he has that right.

Is there objection to the gentleman from New York [Mr. SISSON] proceeding for 2 minutes?

There was no objection.

Mr. MAVERICK. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from Texas.

Mr. MAVERICK. I just wanted to say that the gentleman from New York [Mr. SISSON] is a true friend of education and American citizenship. It takes nerve, courage, and intelligence to make this fight, and the gentleman has those qualities. The gentleman knows that our party stands for civil liberty, religious and academic freedom, and you are one of the leaders in the country in that fight.

Mr. SISSON. There are over 2,900 teachers in the public schools of the District. It would not be surprising if, in this number, a few were found—1 or 2 or 3—who were infected with a belief in some "ism" subversive of our Government and our institutions, which they might have attempted to air. I think it is remarkable that no such instance has been found, despite the diligent efforts of the gentleman from Texas, the gentlewoman from Indiana, and a few professional busybodies in the city of Washington. Yet not one instance was found of a single teacher who had attempted to do so, or who had violated his or her constitutional oath. It was a remarkable showing and speaks well for the administration of the superintendent of schools, Dr. Frank Ballou, and of this Board of Education, and it speaks well for these teachers. I suppose most of these teachers are Republicans; I hope that some of them are Democrats. Undoubtedly some are independent in their political affiliations, but no instance was shown where any teacher had even tried to make Democrats, Republicans, or Socialists, to say nothing of Communists, of their pupils.

When I was president of a board of education of nine members I took the stand that the superintendent should not be permitted to make any inquiry of prospective teachers before he hired them as to either their political affiliations or their religious affiliation. I believed that that was the American way. We have a right to find out that teachers are of good character and that they would not advocate anything which would destroy our form of government and its institutions. I think also that a teacher should believe in the rights guaranteed by the first 10 amendments to the Constitution, including freedom of speech and of the press and religious liberty. But we have no right to pry into their minds or souls and select them in accordance with political or religious affiliation. I have a great admiration and respect for our American public-school teachers. They are the salt of the earth. Upon them rests the sacred duty to awaken and inspire and strengthen the intelligence, the minds, the souls of their charges—the boys and girls. They ought not to be heckled and harassed and bullied. They ought not to be insulted by such a law as this "red rider."

Of Dr. Ballou I have already spoken. He stands among the leaders of his profession. Incidentally, I happen to know that he does not agree with me politically. Instead of being a radical, he is known in his own profession and among his associates as a conservative. I do not happen to agree with him in all of his conservatism; but if I were on a board of education, I would not hesitate for a *moment* to hire him as the head of a school system. He is a safe man in that kind of place. He is a scholar, a tireless worker, a sound educator, an honest Christian gentleman.

I hope you will read in the RECORD what the Association of School Superintendents of this country think of him. It is a monstrous thing for him to be unjustly charged with being a Communist, of seeking to inculcate immorality in the schools, as he has been by the gentleman from Texas and by one of the gentleman's star witnesses—this Russian Serkowich, a man of doubtful reputation; a man warned by the Better Business Bureau of this city to desist from various stock promotions. This Serkowich, the clerk of the gentlewoman from Indiana, one of the star witnesses of the gentleman from Texas in his star-chamber inquisition into the schools of this District. This Serkowich, who hid when he learned that I had asked the Subcommittee on Education to have him summoned before that committee in

order that he might be questioned about his testimony and his charges in the star-chamber proceedings before the Subcommittee on Appropriations.

The chairman of the Subcommittee on Education, the gentleman from Maryland [Mr. KENNEDY], very promptly ruled and ordered that Serkowich should be produced before that committee. The gentlewoman from Indiana, in whose employ he was, promised that he would be produced. He could never be found thereafter until the Subcommittee on Education had closed its hearings. He would not have had the gentleman from Texas there to protect him. In this respect Serkowich, of course, followed the example of his employer, the gentlewoman from Indiana, who came in before the committee of which she was supposed to be a member, refused to listen to any of the evidence, made her monstrous charges against the Board, in the course of which she even charged them with attempting to carry out the system prevailing in Russia of immorality, of the nationalization of women, and then refused to answer a single question, although she had put herself in the category, not of one of a tribunal to hear the testimony, but of an ordinary witness. She made her charge and ran away. And then, again following the tactics of the gentleman from Texas, she attempted to prevent a consideration of this question upon its merits. She attempted to suppress the facts and the truth by locking up her own statement in her desk and running back to Indiana so as to prevent and delay the printing of the hearings.

Now, who wants this infamous "red rider" kept on the statute books? The Hearst newspapers; General Fries, who attempted to blacken Dr. Ballou's professional reputation by withholding the truth and by willfully bearing false witness against Dr. Ballou. Read General Fries' testimony at pages 154–171 of the hearings of the Subcommittee on Education, and particularly notice where he was questioned by the chairman of the Subcommittee on Education, the gentleman from Maryland [Mr. KENNEDY], who very effectively brought out the fact that General Fries was willfully bearing false witness and was suppressing the truth.

Who wants this "red rider" on the statute books? The Ku Klux Klan. One of its local organizations is listed as a member of General Fries' so-called federation of citizens and as having endorsed the "red rider." The gentleman from Texas, who alternately praises and denounces Hearst, depending upon whether Hearst is at that particular time with the gentleman from Texas or against him; a few busybodies who have always been for repression and suppression.

Who are demanding the repeal of the "red rider"? Look at the record, the hearings of the Subcommittee on Education. See some of the editorials from the Republican, Democrat, and Independent press of the country. Look at the list of organizations on pages 273–275 of those hearings. The whole press of the country, with practically the sole exception of the Hearst newspapers; the National Education Association, representing the hundreds of thousands of American public-school teachers; nearly every parent-teachers' organization in the city of Washington; every real civic organization in the city of Washington.

In the 29 pages which the gentleman from Texas inserted into the RECORD under date of April 2 he makes a long argument in which he assumes, as an assumption which does not need proof, that Columbia University and Teachers College, as a part of Columbia University, are both communistic. He assumes that practically everyone connected with the faculty of Teachers College and of Columbia University are Communists. I do not think he mentions Dr. Nicholas Murray Butler, and he apparently did not know all of the professors by name or have a list of them, but he certainly listed a large number of writers and educators. Again he cited as his authority the Red Network, by Mrs. Dilling, of which I have already spoken. He has pestered the Board of Education, particularly since the passage of this "red rider", by demanding all kinds of information and statistics, which it has taken a great deal of time of the superintendent and his secretarial staff, as well as of the Board of Education, to supply. Sometime ago he sent a questionnaire to the Superintendent, Dr. Ballou, commanding the Superintendent to furnish complete information as to the educational training of each and every of the more than 2,900 teachers of the schools of the District of Columbia and also the number of them who were graduates of or who had taken courses at Teachers College of Columbia University. He also wanted to know if Dr. Ballou was not an associate of Dr. George F. Counts when he, Dr. Ballou, was at Teachers College in Columbia. He also wanted to know what compensation, if any, Dr. Ballou had received in the shape of expenses or honorariums for making addresses in other parts of the country on educational subjects. Dr. Ballou furnished him with all of this information, including the information as to the educational training of the more than 2,900 teachers, with the exception of about 15 of them who were away on leaves of absence for sickness and who could not be reached. The Superintendent furnished this, although he might very properly have told the gentleman from Texas that it was none of his business. The gentleman from Texas has all of this information. Down to the present time he has not made it public, although he had permission to do so. He has suppressed it. I think it is proper for me—and I intended to include it in my request—to make this correspondence between the gentleman from Texas and the Superintendent, Dr. Ballou, a part of this RECORD, and I hope also that in one way or another Members of the House will examine it. The Teachers College in Columbia is a place where teachers from all over the country not only attend for the purpose of taking the regular courses but also attend during their summer vacations. It is something that most school systems encourage teachers to do. Teachers College in Columbia University is, of course, by reason of its location, more readily available to the teachers from the Northeastern States and from the District of Columbia than most other similar teachers' professional schools.

The number of the teachers in the District of Columbia schools who have at one time or another attended or taken summer courses in Teachers College, as furnished to the gentleman from Texas by Superintendent Ballou, is 713. Of this 713, 565 took summer courses only. The total number of teachers in the schools of the District of Columbia is 2,968, so that the number of teachers in the schools of the District of Columbia who have never attended the Teachers College at Columbia University is 2,255. I do not know what the average would be, if it is a matter of any importance, of teachers from other cities in Pennsylvania, New York, Maryland, New Jersey, the New England States, who have attended Teachers College. Obviously it would be, of course, much higher in New York. I do know, however, that in my own city of Utica—a city of about 100,000 population—there are more teachers who secured some part or all of their training in Teachers College than any other similar institution. There are not quite as many teachers from Columbia University in the gentleman's own State of Texas in proportion to the total number of teachers as there are in the District of Columbia schools or as there are in New York; this by reason of location and distance. But there are a large number, and for the information of the Members of the House we have prepared a little graphic map showing where there are teachers in the State of Texas, including the gentleman's own congressional district, who have taken some part or all of their training in Teachers College at Columbia. I commend it to the attention of the gentleman from Texas in order that after he gets through with his other battles he may go to work on his own State and his own district.

So after the gentleman goes up into New Jersey in the coming election and defeats the gentlewoman from New Jersey for reelection, as he has promised to do, and then after he goes up into my district in central New York and defeats me for reelection, and then after he goes out to Indiana and saves the gentlewoman from that State from being defeated—and, of course, I do not know that he has promised to do that—but inasmuch as he unquestionably had something to

do with getting her into this communistic trouble, surely such a gallant knight would not refuse the lady assistance, then, after he explains to the voters down in his own district how he can spend so much of his time away from his duty of looking after his own district and so little of his time in looking after his own constituents, why, then he can go to work on Texas. Of course, after polishing his armor and grinding his sword and pulling down his visor, this Don Quixote can enter the lists against the teachers down there who have committed the crime of attending Teachers College at Columbia University.

In the gentleman's remarks which are in the RECORD under date of April 2, he called Dr. Charters, who had been called in here to advise about character education, a "pimp" for Moscow University. Dr. Charters was never in Moscow University; in fact he was never in Russia. He was listed as an exchange professor between Moscow University and the American University, with which he is connected, as every educated man knows is customary between American and European universities. Then he called another distinguished educator a "pimp" for something else. Offhand, it would seem to me that his statement with respect to those two gentlemen came pretty close to being libelous per se. Maybe so and maybe not, I never bother to examine the laws of libel; I do not have occasion to do so, so far as I am concerned, personally. Neither do I use a sword. But of course, this chivalrous knight with his visor and his sword, this Don Quixote, is protected by the constitutional immunity of a Member of Congress, not to be called to answer in any other place for what he says here; or at least he is protected so far as a suit at law is concerned.

Now, I am sorry to have been obliged to refer to the gentleman from Texas, or the gentlewoman from Indiana. I have done so most reluctantly, and only because it was necessary to do so in directing your attention to the record.

On the merits of the issue, the infamous "red rider" should be removed from the Federal statute books.

I have appended hereto, for your information, some factual data with references to the RECORD, in answer to the 29 pages which the gentleman from Texas inserted in the RECORD under date of April 2.

I have also appended hereto certain facts in answer to the hearings held before the Subcommittee on Appropriations, of which the gentleman from Texas [Mr. BLANTON] was chairman.

I have also included a letter to me from Mr. S. D. Shankland, executive secretary of the department of superintendence, giving facts regarding the career of Dr. Frank W. Ballou, and the estimation in which he is held by the members of his own profession.

All of these things are directly in answer and directly in point to the issues raised by the gentleman from Texas, in his various remarks in the CONGRESSIONAL RECORD, and in his examination of witnesses in the hearings held before the subcommittee of which he was chairman.

I have also included correspondence between the gentleman from Texas [Mr. BLANTON], and Superintendent Ballou, regarding the number of teachers in the schools of the District of Columbia who attended Teachers College at Columbia University.

The matter referred to is as follows:

DEPARTMENT OF SUPERINTENDENCE,
NATIONAL EDUCATION ASSOCIATION OF THE UNITED STATES,
Washington, D. C., April 17, 1936.

Hon. FRED J. SISSON,
United States House of Representatives, Washington, D. C.

DEAR SIR: I have noted the recent public discussion concerning the administration of the Washington, D. C., public schools by Superintendent Frank W. Ballou. For your information I take the liberty of placing before you some facts relating thereto, particularly in connection with Dr. Ballou's national standing as an educator.

The department of superintendence of the National Education Association of the United States is the national organization of superintendents of schools. Dr. Ballou was president of the department in 1925–26. This is the highest honor which the superintendents of schools of the country have it in their power to confer on a fellow superintendent.

During Dr. Ballou's administration of the department, the annual convention was held in the city of Washington. This meeting, in February 1926, brought to this city some 10,000 visitors. Again in 1932 the department met in Washington at the invitation of Dr. Ballou. Twice at the invitation of Dr. Ballou and his staff the annual summer conventions of the National Education Association have been held in Washington, first in 1924 and again in 1934. These meetings brought to the Nation's Capital the leading educators of the country.

Some 10 years ago it became evident that the courses of study in public schools needed extensive revision. Increased enrollments, especially in the intermediate and secondary schools, made prompt action imperative. Accordingly, at a convention of the department of superintendence, it was voted to organize a commission on the curriculum, with a view to pooling the best thinking of educators and laymen on the problem. Dr. Ballou was one of 12 distinguished educators invited to undertake this task, with Supt. Edwin C. Broome, of Philadelphia, as chairman. The commission on the curriculum made exhaustive studies over a period of years, publishing their finding in four yearbooks which went far toward improving public-school courses of study. A number of outstanding contributions to this undertaking should be credited to Dr. Ballou. For example, there was prepared under the direction of Dr. Ballou and with the cooperation of the members of the staff of the Washington public schools and of scientists in the vicinity of Washington a report on elementary science and nature study which has been generally recognized as an authoritative guide to local school systems in dealing with this subject. Prompted by the success of the commission on the curriculum, the department of superintendence voted to organize a similar commission to study the entire problem of school supervision. A commission of eight members was appointed for this purpose under the chairmanship of Albert S. Cook, State superintendent of schools in Maryland. Dr. Ballou was again chosen to membership. The yearbook on Supervision, published under the direction of this commission, is still the standard authority in this field.

Again, in 1933, Dr. Ballou was chosen as one of the nine members of a commission to study the relationship of education to changing social and economic conditions. This commission, which was headed by John W. Studebaker, United States Commissioner of Education, prepared the 1935 yearbook of our organization.

So far as I can recall, no other superintendent of schools has served on as many of the yearbook commissions of the department of superintendence as Dr. Ballou. In addition to his service as an officer of the department and as a member of these important commissions, Dr. Ballou has met other calls made upon him by the department in recognition of his qualities of leadership. He was chairman of our committee on resolutions in 1930; member of the committee on school costs in 1932; chairman of the committee on financing educational research, 1933 to 1935. For several years Dr. Ballou has been one of the three delegates representing the department of superintendence on the governing organization of the American Council on Education.

Dr. Ballou has been a frequent speaker on the programs at our annual conventions. To illustrate his philosophy of education, may I quote from his remarks at the convention 2 years ago, in connection with a statement of our fundamental faith in education:

"Members of the educational profession will continue to consider themselves the spokesmen for the children now in our schools. Officers and teachers will continue to recognize and discharge their civic obligation, their professional responsibility, and their personal privilege to develop public opinion to a realization of the fact that education is 'the debt eternal' which this generation of adults owes the next generation now in our schools. It is our professional and patriotic duty to do everything within our power to see to it that the children of today shall be provided with an adequate education in order that they may meet and solve effectively the problems that will face them as citizens of the future. The Nation, the State, and the community count on the educational profession to prepare the boys and girls for the school of life, possessed of that knowledge, that power to think straight, and those ideals of citizenship that are essential to the preservation of the democracy itself. * * *

"Let us never permit ourselves to forget that what we want the citizens of the next generation to know or to be able to do or to be must be provided for in the current educational program. A system of public education founded on the principle of equal educational opportunity for all the children of all the people represents the spirit of America. It is responsible, in no small measure, for the achievements of American life. It will continue to be increasingly responsible in the future as the Nation moves out of economic demoralization and forward to new challenges and new victories. To reduce the amount and quality of our educational program is to reduce the standard of enlightenment among our people and to break down social morale."

It seems to me that all of us can stand with Dr. Ballou on such a platform. Later in the same address, in reference to "the spirit of America", Dr. Ballou spoke as follows:

"The economic depression is now challenging and threatening the established educational program by means of which this Nation has risen in a comparatively short period of years in the life of a nation, from a few struggling colonies on the Atlantic seaboard in 1776 to a place of outstanding leadership among the nations of the world at the present time. The basis of this out-

standing achievement in American democracy is to be found in the unique program of American education and in the spirit of America which has stimulated and guided the American people to higher and higher success. The present crisis in education will be met in the spirit of America.

"What is the spirit of America? It is difficult to define, but we all know it when we see it.

"It is the spirit of the colonists, of the circuit riders and the missionary priests, of the colonial schoolmen, of noble women, of great judges and jurists, of the builders of our railroads, of the Empire State Building, of our subways, our airways, our steamship lines, and of our telephone and telegraph systems. It is the spirit of unselfish service for the common good. It is the spirit and glory of America that 20,000,000 people can be unemployed, and face starvation, and still hope for the arrival of the better day through the instrumentalities of organized government and not through revolt and revolution. * * *

"There are possibilities for almost unlimited hope notwithstanding the fog of today's confusion. How are those possibilities of hope to be realized? Primarily in putting first things first in our thinking and in our lives. If this be done, schools will not be allowed to close. Rather, the doors of the schools will be opened wider and truth and inspiration will be exalted. If first things are put first, love of home and family, love of country, respect and tolerance for all mankind, and unselfishness will take on a new meaning and value and permanence, and will again become the compelling ideals in the thoughts and actions of men. * * *

"The school, the home, and the church will find their places as the cornerstones of the intellectual, social, and spiritual temple which we must create in the minds and hearts of the youth of America. Then shall we exalt the spiritual over the material, truth and beauty over profit, and goodness above gold."

The devotion to American ideals, and the advancement of those ideals through public education which is expressed in the statement just quoted are typical of Dr. Ballou's entire career as a leader in the educational profession.

Very sincerely yours,

S. D. SHANKLAND,
Executive Secretary.

APRIL 30, 1936.

REPLY TO STATEMENTS MADE BY REPRESENTATIVE BLANTON AS PUBLISHED IN CONGRESSIONAL RECORD, APRIL 2, 1936, VOLUME 80, NO. 77

THE BOOK CONCLUSIONS AND RECOMMENDATIONS

Mr. BLANTON assumes that the book Conclusions and Recommendations, the final and sixteenth volume of the report of the commission on the social studies, American Historical Association, is communistic. He suggests, and nothing could be more untrue, that its purpose is to communize the teachers and through them the school children of this country. He attempts to make it appear that Dr. F. W. Ballou refused to sign the report of the commission because Conclusions and Recommendations is "too communistic" (CONGRESSIONAL RECORD, p. 4851). Mr. BLANTON repeats this statement (CONGRESSIONAL RECORD, p. 4858), "because it was communistic he (Dr. Ballou) refused to sign it." Dr. Ballou never made the statement that Conclusions and Recommendations is communistic.

What group other than the "red rider" group led by Congressman BLANTON ever made the charge that Conclusions and Recommendations is communistic? This small book is only one of the 16 volumes in the report of the commission of the American Historical Association. The members of this commission were able and outstanding educators representing a highly respected and time-honored association. There are statements in this book relative to collectivism, but to any fair-minded reader it is perfectly clear that the writers merely suggest a collectivistic society under our democratic institutions. Fair reading of this book and also the other 15 volumes of this report reveal the patriotism and loyalty of the authors to our democracy. The authors do not even suggest communism as a form of government for this country.

Dr. F. W. Ballou never made the statement that Conclusions and Recommendations is communistic, as he is charged by Representative BLANTON. He said that he did not sign the book because he could not agree with the authors in their view of a "collectivistic society" (hearings, p. 563). Dr. Ballou made it very clear to the Subcommittee on Appropriations that he is an "individualist." He gave other reasons for not signing the report (hearings, p. 565), "the commission would not formulate some definite recommendations in that volume which I could put into the hands of the teachers and say were to be the guiding principles for the teaching of the social studies." The volume "criticizes testing and teachers' training", I disagree entirely on that point of view. Dr. Ballou's entire background and instincts are conservative, and this is known not only by his associates but also throughout the country. He showed his conservatism by declining to sign the report; he was with the conservative group on the commission. The liberal group on this commission went no further than to suggest a collectivistic society under our democratic institutions. Communism is as repugnant to them as it is to Mr. BLANTON.

Mr. BLANTON fails to show in the CONGRESSIONAL RECORD (CONGRESSIONAL RECORD, p. 4858) that Dr. Ballou in his testimony before the Appropriations Committee addressed the teachers in the school system here before Conclusions and Recommendations was even published and at that time gave his views relative to the forthcoming book (hearings, p. 562). In this meeting "I gave a description of some of the things that the report covered, and some of the things I disagreed with, so that the teachers of Washington were entirely familiar with the fact that while I was secretary of the commission I did not sign the report, and they knew the reasons why I did not sign it."

Mr. BLANTON states (CONGRESSIONAL RECORD, p. 4858) that Dr. Ballou has placed this book, Conclusions and Recommendations, "in his Washington schools as a textbook" (CONGRESSIONAL RECORD, p. 4858). This is a false statement, as Mr. BLANTON was given full information by both Mr. Jones and Dr. Ballou. This book is not now and never was used as a textbook. This book was suggested to social-studies teachers by Mr. Jones, head of department, for their personal libraries (hearings, p. 527). Mr. BLANTON failed to reveal in the CONGRESSIONAL RECORD that Mr. Jones told him (hearings, p. 524), in speaking of Conclusions and Recommendations: "The teachers know my attitude and my views. They get these views in meetings and through bulletins." "This book was discussed in a meeting called for the particular purpose of discussing the book."

Mr. BLANTON fails to give accurate statement of facts; to illustrate (CONGRESSIONAL RECORD, p. 4855): "When Professor Jones denounces Dr. Counts' book as 'terrible' and 'damnable.'" Professor Jones, in fact, denounced certain statements taken and read from the book by Mr. BLANTON. These statements were brief and read out of the context. If preceding and following statements were read and studied, the meaning might have been entirely different (hearings, p. 530).

CHARACTER EDUCATION

Mr. BLANTON again quotes only in part:

(CONGRESSIONAL RECORD, p. 4838.) Mr. BLANTON in quoting Dr. Ballou says, "What we are trying to do is to set up a new philosophy of education." And then in reference to teachers, "Whose philosophy has got to be changed fundamentally."

The Subcommittee on Appropriations of the District of Columbia has made much with respect to quoting the partial statement of Dr. Ballou at the hearings on the 1936 appropriation, in which they left out of his context the phrase, "We are trying to set up a new philosophy of education", the inference of this being that this new philosophy is to be a philosophy of a new social order. However, the phrase, when taken in its original context, gives a real lead toward what this philosophy might be. Dr. Ballou's original statement, in answer to a question by Mr. CANNON, was as follows: "What we are trying to do is to set up a new philosophy of education which includes character development as one of the outcomes of education."

The true implication of this statement is that education needs to give greater attention to character development. It may be well to examine the background of the evolution of this statement. This we can best do by quoting a number of excerpts from a speech by the Honorable ROYAL S. COPELAND, Senator from New York, in a speech delivered before the National Education Association, department of superintendence, Cleveland, Ohio, February 28, 1934. At this time it will be noted from the excerpts that Senator COPELAND calls upon the educators of the country to examine their present philosophy, to reorganize and reinterpret that philosophy in terms of certain basic thoughts which we have a right to assume Dr. COPELAND embraced as a result of his experience as chairman of the Senate's Subcommittee on Crime.

The following are the excerpts which give the bases for Dr. Ballou's statement that we are trying to set up a new philosophy of education:

"Most of us regard character building as the primary responsibility of the home. But, if I may jump to my conclusion on this point, I am forced to recognize that there is no immediate hope of greatly improving the home conditions of those who may later follow criminal careers. To accomplish this end is a long-range process.

"What would happen to a proposal that the public schools assume the responsibility for a basic crime prevention program?

"Have not educators tended to define the job of the schools in terms of developing tool skills, and of mastering narrowly defined content? Have they not placed unduly exclusive emphasis upon 'sharpening the minds' of those who are to be the lawyers and the executives of the future, as well as the minds of the average run of us who pass through the school system?

"Has not our attention been too sharply focused on the universal mastery of scientific method to the exclusion of the personal and social needs of the masses of our children?

"Have not teachers and teachers' colleges, in their zeal for a predetermined curriculum and for a universal intellectual discipline, forgotten that their objective is good citizens rather than subject matter conformity? In all candor, I believe they are shooting over the target.

"Far be from me to criticize, but in humility of spirit I contend that there is something in education more vital than sharpening the mind.

"My purpose is to stimulate your interest and to cause you to focus your attention upon what I personally regard as important—a restudy of the objectives of education from the viewpoint of the individual child who must live in a complex and changing society.

"What I here suggest is that our pursuit of intellectual discipline shall not be so exclusive as to leave character building to chance, nor so undiscriminating with regard to individual limitations and needs as to provoke or perpetuate negative reactions and antisocial attitudes in some of our children. Let us not forget that while appropriate intellectual training may go far toward correcting antisocial attitudes, it is also true that inappropriate or wrongly motivated learning efforts may produce opposite results.

"The testimony of several leading educators at the subcommittee hearings indicates that unconstructive attitudes and the formation of antisocial groups among school children frequently originate in or are perpetuated and aggravated by academic maladjustments. Hence the importance of maintaining continuous records, both of growth in academic and intellectual achievements and extracurricular experiences, personal and social adjustments, and character development.

"Are these failures inevitable or are they due largely to the fact that our curriculum is still so rigid that many of our pupils are confronted with academic tasks which are beyond their abilities, irrelevant to their interests and needs, and which foredoom them to what our inflexible academic standards call 'failure'?

"As a first movement in a major attack let us secure from the public a new mandate. Let us have new specifications of the results expected from public education or a restatement of objectives. I believe that in drawing these specifications there must be written in large letters certain primary conditions. We expect results in character and in everything that is essential to good citizenship rather than results measured chiefly in terms of facts learned or in terms of pure intellectual activity or sharpened minds."

These excerpts give the true basis and background of the statement that a new philosophy is needed and is being evolved in public education. For the conclusion of his speech Senator COPELAND makes the following statement, which would indicate that the schools of the District of Columbia had been selected primarily by the Congress of the United States in an attempt to put this new philosophy into practice. We quote again from that address:

"To make a clinical test, to use the words of my profession, and to demonstrate the type of development proposed, Dr. Ballou, superintendent of the Washington schools, is arranging to initiate the proposed plan in the District of Columbia. This will involve evolution in many areas. You can see that he must face problems in administration, records, individual instruction, materials of instruction, training teachers in service, adult classes, and evening classes. In community contacts there will be a new relationship to the movies, the press, the facilities for recreation, the church, the juvenile courts, children organizations, and many more."

During the past 2 years the public schools have attempted to put into practice the hopes expressed by Senator COPELAND at Cleveland. An examination of the projects carried on during this time will give evidence of the sincerity of this effort, and the practices to be found are based on the philosophy of Senator COPELAND.

AMERICAN HISTORICAL ASSOCIATION—INVESTIGATION OF THE SOCIAL STUDIES IN THE SCHOOLS

Commission on Direction

Frank W. Ballou, Superintendent of Schools, Washington, D. C.

Charles A. Beard, formerly professor of politics, Columbia University; author of many books in the fields of history and politics.

Isaiah Bowman, director, American Geographical Society of New York; president of the International Geographical Union.

Ada Comstock, president of Radcliffe College.

George S. Counts, professor of education, Teachers College, Columbia University.

Avery O. Craven, professor of history, University of Chicago.

Edmund E. Day, formerly dean of School of Business Administration, University of Michigan; now director of social sciences, Rockefeller Foundation.

Guy Stanton Ford, professor of history, dean of the Graduate School, University of Minnesota.

Carlton J. H. Hayes, professor of history, Columbia University.

Ernest Horn, professor of education, University of Iowa.

Henry Johnson, professor of history, Teachers College, Columbia University.

A. C. Krey, professor of history, University of Minnesota.

Leon C. Marshall, Institute for the Study of Law, Johns Hopkins University.

Charles E. Merriam, professor of political science, University of Chicago.

Jesse H. Newlon, professor of education, Teachers College, Columbia University; director of Lincoln Experimental School.

Jesse F. Steiner, professor of sociology, University of Washington.

FRANK W. BALLOU,
SUPERINTENDENT OF SCHOOLS,
Washington, D. C., April 17, 1936.

Hon. FRED J. SISSON,
United States House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN SISSON: I hand you herewith correspondence which I have recently had with Congressman BLANTON. I do not consider this correspondence personal, but rather official. The first letters were made public because it was necessary to secure the approval of the Board of Education for circularizing the teachers. The subsequent letters from Mr. BLANTON and my answers were issued to the press by me in view of the obvious public interest in the superintendent's answers to Congressman BLANTON'S questions.

I am giving you copies of this correspondence because under the circumstances I thought you would like to have the information which I have furnished Congressman BLANTON.

Yours very sincerely,

F. W. BALLOU,
Superintendent of Schools.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 25, 1936.

Dr. FRANK W. BALLOU,
Superintendent of Schools,
Franklin School, Thirteenth and K Streets NW.,
Washington, D. C.

MY DEAR DR. BALLOU: As the chairman of the subcommittee handling the District appropriation bill and on behalf of our committee, I will ask you to please furnish me with the following information, and, if possible, I would like to have it tomorrow, to wit:

(1) What was the total amount that you received from the American Historical Association or the Commission on Social Studies, or from anyone connected with the above, covering expenses, honorariums, or fees during the 5-year period that you acted as the secretary for said Commission on Social Studies?

(2) Please advise whether or not you are a graduate of the Columbia University and how long you attended the Teachers College of Columbia University.

(3) Please advise whether or not during any period of time that you attended the Teachers College of Columbia University you were in any way associated with either Dr. George S. Counts or Dr. Charles A. Beard, and, if so, then in what relation.

(4) Do you know whether Dr. W. W. Charters ever attended Columbia University or the Teachers College of Columbia University?

(5) Please have a check-up made of the record you have on scholastic attainment of every teacher in the Washington schools and advise how many of them have at any time attended the Teachers College of Columbia University.

(6) Please advise how many of the teachers in the Washington schools are graduates of the Teachers College of Columbia University.

(7) What expense and/or honorariums did you receive in 1934 and 1935?

Thanking you in advance for furnishing the above data at the very earliest moment possible, I am,

Very sincerely yours,

(Signed) THOMAS L. BLANTON.

FRANK W. BALLOU,
SUPERINTENDENT OF SCHOOLS,
FRANKLIN ADMINISTRATION BUILDING,
Washington, D. C., March 25, 1936.

Hon. THOMAS L. BLANTON,
Chairman, Subcommittee on the District of Columbia Appropriation Bill, United States House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN BLANTON: I have before me your letter of March 25, 1936, sent to me by special delivery, asking me to submit to you, as chairman of the Subcommittee on the District of Columbia Appropriations Bill, and on behalf of your committee, certain information, "and if possible I would like to have it tomorrow." I am giving you such information as is available within the time limit which you have set. I shall repeat your question and reply thereto.

"(1) What was the total amount that you received from the American Historical Association or the Commission of Social Studies or from anyone connected with the above, covering expenses, honorariums, or fees during the 5-year period that you acted as the secretary for said Commission on Social Studies."

I received no honorariums or fees either from the American Historical Association or the Commission on Social Studies. During the period that I was a member of said Commission on the Social Studies I did receive the amount of money represented by the expenses incurred by me in traveling to and from the place of meeting and while in attendance during the meetings.

The amount of such expenses is not readily available, and I doubt if I can give definite information on that subject because I do not keep a record of such expenses.

"(2) Please advise whether or not you are a graduate of the Columbia University and how long you attended the Teachers College of Columbia University."

I received a bachelor of science degree from Teachers College, Columbia University, in 1904. I attended Columbia University between 1902 and 1904 and the summer session of 1903.

"(3) Please advise whether or not during any period of time that you attended the Teachers College of Columbia University you were in any way associated with either Dr. George S. Counts or Dr. Charles A. Beard; and if so, then in what relation."

At the time when I was in attendance at Teachers College, Columbia University, between 1902 and 1904, I had never heard of Dr. Counts or Dr. Beard. I find on consulting Who's Who in America

that Dr. Counts was born on December 9, 1889, and, therefore, he would have been 13 years of age when I entered Teachers College in 1902.

Also, I find on consulting Who's Who that Dr. Beard was a graduate student at Columbia University (not Teachers College) between 1902 and 1904, having received his master of arts degree in 1903 and his doctor of philisophy degree in 1904. I never saw Dr. Beard during that period, and did not meet him for many years thereafter.

"(4) Do you know whether Dr. W. W. Charters ever attended Columbia University or the Teachers College of Columbia University."

I do not have personal knowledge as to whether Dr. W. W. Charters ever attended Columbia University or the Teachers College of Columbia University. The statement relative to Dr. Charters in Who's Who does not show that Dr. Charters was ever connected in any way with Columbia University or any department making up that institution.

"(5) Please have a check-up made of the record you have on scholastic attainment of every teacher in the Washington schools and advise how many of them have at any time attended the Teachers College of Columbia University."

Obviously, with a personnel of more than 2,900 teachers, it is impossible to supply you by tomorrow morning with the information requested concerning teachers who have at any time attended Teachers College of Columbia University. It is a fact that many of our teachers, in common with the teachers of the Eastern States, have attended the Teachers College of Columbia either during the regular school term or especially during the summer session. This institution is usually considered one of the outstanding schools for the preparation of teachers who take leave of absence to pursue work during the regular session or spend their summer vacation period in attendance at the summer session of that institution.

"(6) Please advise how many of the teachers in the Washington schools are graduates of the Teachers College of Columbia University."

Again, the limited time which you have indicated and the large number of teachers concerned make it impossible to furnish you with accurate information as to the number of teachers now employed in the Washington public schools who are graduates of Teachers College of Columbia University. In view of the fact that we employ between 2,900 and 3,000 teachers, it is altogether probable that a considerable number of those teachers have attended Teachers College of Columbia University in preparation for their teaching career.

"(7) What expense and/or honorariums did you receive in 1934 and 1935?"

This information is not readily available and cannot be prepared in time to reach you tomorrow morning. To prepare this information it will be necessary for me to go back over my own personal records, and the question has to do with some matters concerning which I do not keep a systematic record.

In this letter I have undertaken to furnish you as promptly as possible with the information which is available with which to answer your questions.

Yours very sincerely,

FRANK W. BALLOU,
Superintendent of Schools.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 26, 1936.

Dr. FRANK W. BALLOU,
Superintendent of Schools,
Franklin Building, Thirteenth and K Streets NW.,
Washington, D. C.

DEAR DR. BALLOU: I am just in receipt of your letter of March 25 in answer to my letter of that date. I will ask you to please furnish me at the earliest date possible complete answers to questions 1, 5, 6, and 7 contained in my letter of March 25 and which in your letter you failed to answer.

Regarding question 1, while you state that you received no honorariums or fees you do admit that you received certain money representing expenses, and I will ask you to please check up and advise me the approximate total amount that you received covering expenses, or for any other purpose, during the 5 years you acted as secretary to the Commission.

Regarding questions 5 and 6, the information I requested is available, because it will be found in the files of your teachers filed with your office or the Board of Education at the time they were appointed, or in such additional data as is kept in their files since their appointment.

Regarding question 7, it ought to be a very easy matter for you to check back and ascertain the aggregate of honorariums and money covering expenses that you received in 1934 and 1935 for lectures or services rendered outside of your position as Superintendent of the Washington schools.

Thanking you to give us this information at the earliest date possible, I am,

Very sincerely yours,

THOMAS L. BLANTON.

FRANK W. BALLOU,
SUPERINTENDENT OF SCHOOLS,
FRANKLIN ADMINISTRATION BUILDING,
Washington, D. C., March 31, 1936.

Hon. THOMAS L. BLANTON,
Chairman, Subcommittee on the District of Columbia Appropriation Bill, United States House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN BLANTON: Your letter of March 26, 1936, was duly received. In your letter you renew your request that I furnish you with certain information for which you ask in your letter of March 25, 1936, which I could not furnish because it was not available. In paragraphs 5 and 6 you ask for a statement indicating the number of teachers who have attended the Teachers College of Columbia University at any time and the number of teachers who are graduates of the Teachers College of Columbia University.

In connection with the hearings on the District of Columbia appropriations bill for 1936, in response to your request, I furnished you with information regarding paragraphs 5 and 6 insofar as those inquiries relate to teachers recently appointed. That information may be found on pages 515 to 519 in the testimony of the hearings.

The files of the board of examiners contain information relating to those teachers who were graduates of Teachers College when appointed. A record of information on file in the office of the board of examiners would not show the number of teachers now employed in the public schools of Washington who have since appointment secured degrees from Columbia University.

Moreover, teachers are not asked to report to this office or to any other office their attendance at summer school in any institution of higher learning. Accordingly, there is no record to show how many teachers in the Washington schools have attended Teachers College or received degrees from Teachers College since appointment.

The information necessary to answer paragraphs 5 and 6 of your letter can be secured only by formal inquiry of all teachers in the Washington schools.

In accordance with the practice in such cases, this request will be brought to the attention of the Board of Education at the meeting tomorrow afternoon for the authorization to circularize the teachers of the public schools of Washington to secure this information for you.

As soon as this information can be procured, as well as the other information for which you ask can be assembled, I shall submit that information to you.

Very cordially yours,

FRANK W. BALLOU,
Superintendent of Schools.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 1, 1936.

Dr. FRANK W. BALLOU,
Superintendent of Schools,
Franklin Building, Thirteenth and K Streets NW.
Washington, D. C.

DEAR DR. BALLOU: I have your letter of March 31 replying to my letters of March 25 and 26.

Respecting the inquiries I made, about which you yourself have the information in your own personal files, it does occur to me that you could have furnished this information within the time that has elapsed since my letter of March 25 reached you by special delivery on that date. I would like to have such information right away. I thought it would be preferable and least inconvenient to you to send us this data in a letter rather than have you come before our committee and be interrogated about it. I hope you will send it right away.

Very sincerely yours,

(Signed) THOMAS L. BLANTON.

FRANK W. BALLOU, SUPERINTENDENT OF SCHOOLS,
FRANKLIN ADMINISTRATION BUILDING,
Washington, D. C., April 14, 1936.

Hon. THOMAS L. BLANTON,
Chairman, Subcommittee on the District of Columbia Appropriations Bill for 1937, United States House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN BLANTON: I have before me your letter of April 1, 1936, with further reference to your letters of March 25 and 26.

In my letter to you of March 25, 1936, I answered questions (2), (3), and (4), contained in your letter of March 25, and partially answered question (1); and in my letter to you of March 31, as a partial answer to your questions (5) and (6), I called your attention to certain information as contained in the hearings on the District of Columbia appropriations bill for 1936.

This letter will answer questions (1), (5), (6), and (7), contained in your letter of March 25. I shall repeat your question and reply thereto.

"(1) What was the total amount that you received from the American Historical Association or the Commission on Social Studies or from anyone connected with the above, covering

expenses, honorariums, or fees during the 5-year period that you acted as the secretary for said Commission on Social Studies?"

You have already been advised in my letter of March 25, 1936, that I did not receive any fees, honorariums, or other compensations for my services on the Commission on Social Studies of the American Historical Association either as a member of that commission or as secretary of that commission.

The information regarding the amount of money which I received for expenses attending the meetings of the commission on the social studies has now been compiled and is submitted to you in the following statement, which shows the time and place of the meeting and the amount of the expense account which I submitted to the commission on the social studies. In each case I received a check for the exact amount of the expense account submitted. I did not attend the session of the commission on November 7, 1929, and did not attend any of the sessions of March 29–31, 1930; hence there was no expense account submitted in connection with the meeting of March 29–31, 1930. No expense account was submitted by me and I did not receive any expense money for my attendance at the meetings held in Washington, D. C., in 1929 and 1931.

Attention is invited also to the fact that the amount of money which I received for expenses in connection with my attendance at the meetings of the commission covers only the expenses incurred and paid for by me. The fact is that at our meetings at the University of Chicago, at Princeton Inn, and at Briarcliffe Manor the hotel and meals were paid for by the director of the commission in my case, as in the case of other members of the commission, and the amount of such expenses was paid by the commission and is not included in the items of expense submitted by me.

List of meetings of the commission on social studies, American Historical Association, attended by the superintendent of schools, with expense items indicated

Meeting date and place:	*Expense item*
Feb. 16–17, 1929: New York City, N. Y., Carnegie Corporation (board of directors' room)	$30.61
Mar. 29–30, 1929: Washington, D. C., Mayflower Hotel	None
Nov. 7, 8, 9, 1929: New York City, council room—social science research council	31.15
(Not present Nov. 7.)	
Mar. 29–31, 1930: Asheville, N. C., Grove Park Inn	None
(Did not attend.)	
Apr. 8, 1930: New York City, Faculty Club—Columbia University	28.53
Oct. 16–18, 1930: Briarcliffe Manor, New York	33.50
May 7–8, 1931: Washington, D. C., Shoreham Hotel	None
Oct. 27–28, 1932: Princeton, N. J., Princeton Inn	18.17
Oct. 12, 13, 14, 1933: Judson Court—University of Chicago, Chicago, Ill	79.93
Dec. 21–22, 1933: Princeton, N. J., Princeton Inn	13.65
Total	236.54

The above tabulation represents all of the meetings of the commission which I attended, and the expense account for each meeting indicates the amount of money which I personally spent in attendance at the meetings and for which the Commission on the Social Studies reimbursed me by check. This is to certify that I received no other money in connection with my services as a member of the Commission on the Social Studies either from the commission or from any other source whatsoever.

"(5) Please have a check up made of the record you have on scholastic attainment of every teacher in the Washington schools and advise how many of them have at any time attended the Teachers College of Columbia University.

"(6) Please advise how many of the teachers in the Washington schools are graduates of the Teachers College of Columbia University."

In order to secure accurate information to answer the above two questions the superintendent circularized the teaching staff of the public schools. A tabulation of the replies to this questionnaire shows that 565 teachers attended Teachers College of Columbia University and 148 teachers graduated from Teachers College of Columbia University. The following statement is submitted herewith for your information:

Division of pay roll	Number teachers who graduated from Teachers College, Columbia University	Number teachers who attended but did not graduate	Number teachers who have never attended Teachers College	Total number teachers
Teachers College	27	31	35	93
Senior high schools	60	131	411	602
Junior-senior high school		1	21	22
Junior high schools	36	165	434	635
Vocational schools	1	22	65	88
Special subjects	4	19	44	67
Elementary schools	20	192	1,218	1,430
Annual substitutes		3	21	24
Character education research assistants		1	6	7
Total	148	565	2,255	2,968

This tabulation does not include 15 teachers who, because of ill health or other circumstances, have not sent in replies. It also does not include two salaries represented by vacant positions due to teachers leaving the service. In view of the fact that this is vacation week and the schools are not in session, it is not possible at this moment to secure the information concerning the 15 teachers who, for the reasons indicated, did not fill out the questionnaires.

"(7) What expense and/or honorariums did you receive in 1934 and 1935?"

The information for which you asked in the above question is contained in the following statement:

Service	Date	Gross allowance	Expenses	Net income
2 addresses, Twentieth Annual Conference of Superintendents of Schools, Bridgewater, Mass.	Apr. 16 and 17, 1934.	$150.00	$50.09	$99.91
1 address, Sixty-third Annual Commencement, Fairmont, W. Va.	June 4, 1934	100.00	27.88	72.12
2 addresses, Ninth Annual Convention, State Teachers College, Lock Haven, Pa.	Oct. 5, 1934	125.00	32.00	93.00
1 address, Eightieth Annual Convention, Atlantic City.	Nov. 9, 1934	100.00	25.00	75.00
Adjunct professor, George Washington University.	1934	36.00		36.00
Total		511.00	134.97	376.03
Harvard University Summer School, chairman of a conference.	July 22–25, 1935	100.00		100.00
1 address, Mid-Summer Institute for Superintendents and Headmasters, Keene, N. H.	Aug. 20, 1935	50.00	10.00	40.00
1 address, Twenty-seventh Annual Conference of Superintendents of Schools of Maine, Castine, Maine.	Aug. 23, 1935	60.00	10.00	50.00
1 address, Camden County Teachers' Institute, Haddonfield, N. J.	Oct. 9, 1935	57.64	7.64	50.00
Adjunct professor, George Washington University.	1935	144.00		144.00
Total		411.64	27.64	384.00

The above information is complete and accurate to the best of my knowledge and belief.

In my letter of March 31, 1936, I advised you that the information necessary to answer paragraphs 5 and 6 of your letter of March 25 could be secured only by formal inquiry of all Washington teachers, and that in accordance with the practice in such cases I would place your request for this information before the Board of Education at its meeting on April 1 for consideration and appropriate action. I advised you further that as soon as this information, together with other information for which you asked, had been assembled it would be submitted to you.

At the meeting of the Board of Education held on April 1 the following motion was made by a Board member and passed by the Board:

"I move that Dr. Ballou be advised to give the information requested in paragraphs 5 and 6 as soon as he can conveniently obtain the same, and that he accompany the information with a letter advising the chairman of the District Appropriations Committee that neither the Board of Education nor the Superintendent of Schools recommends any particular college or university for any teachers to attend, and that in the appointment of teachers no preference is given to any standard or accredited institution."

In addition to the above motion, the Board instructed the Superintendent to make a statement in this communication covering the method of appointment of teachers in the Washington schools. In accordance with the instructions of the Board, I submit the following statements:

1. In the written and oral examinations held for qualifying persons for appointment as teachers in the Washington public schools, in accordance with the provisions of law, the boards of examiners accept work done by candidates in any accredited colleges or universities at its face value, no preference whatsoever being given to the credits earned in one accredited institution as compared with credits earned in another accredited institution.

2. Neither the Board of Education, nor the boards of examiners, nor the Superintendent of Schools, nor any other officer in the school system, as far as the Superintendent knows, has advised teachers to attend one college or university rather than another, either in preparation for admission to the Washington schools or in the pursuit of further education after appointment.

3. Appointments of teachers are made from rated lists of candidates who have passed written, oral, and physical examinations, and the candidate who stands no. 1 on the appropriate list of eligible candidates is invariably appointed when a position is to be filled. The rated lists of candidates qualified for appointment as teachers by the boards of examiners and submitted to the Board of Education by the Superintendent of Schools do not contain any information as to the colleges or universities from which the individual candidates received degrees. The appointments are recommended by the Superintendent and are approved by the Board of Education without any knowledge of the college or university of which candidates are graduates.

On returning to my office late this afternoon, I was advised of your conversation with my secretary over the telephone regarding the submission of the information requested by you.

The information which you requested has been prepared for you as promptly as it was possible to prepare it. To comply with your insistence that I answer your inquiry by 9 a. m. tomorrow means that some of the information submitted must still be incomplete. As already indicated above, the information concerning 15 teachers is still incomplete and cannot be completed until after the teachers return to service from the Easter vacation period on April 20.

Yours very sincerely,

FRANK W. BALLOU,
Superintendent of Schools.

On March 30, on the floor of the House, Congressman BLANTON claimed a "great victory." He referred to a vote of the Federation of Citizens' Associations on March 28 adopting a report of their special committee on the elimination of communistic matter from the public schools of the District of Columbia.

Congressman BLANTON claims his victory by a "vote of over 2 to 1." The facts are:

At that meeting 56 delegates of a total of 130 were present. Four of the delegates did not vote.

Of the 33 voting against tabling the report of the special committee, at least 4 delegates were representing groups which had written to the School Board specifically endorsing the Sisson bill, H. R. 11375. They were Selden M. Ely, North Capitol Citizens' Association; C. D. Franks, Friendship Heights Citizens' Association; Reed F. Martin and Walter Irey, Takoma Park Citizens' Association.

Twenty-two citizens' associations wrote directly to the School Board endorsing H. R. 11375; two wrote favoring the rider; the rest voted confidence in the School Board. The School Board voted unanimously for the repeal of the "red rider."

Other organizations, not members of the federation, which have gone on record in favor of H. R. 11375 against the rider are: Professional Directors of Religious Education in the District of Columbia, Washington Newspaper Guild, Washington Teachers' Union of the American Federation of Teachers, Junior High School Teachers' Association, Elementary Principals' Association, Education Association of the District of Columbia, Board of Managers of the District of Columbia Congress of Teachers and Parents, Parent Education Lay Teachers Group of the District of Columbia Congress of Parents and Teachers, and the Parent-Teachers Associations of the Horace Mann, Bancroft, Jackson, and Cooke Schools.

Hundreds of letters from eminent persons in various professions throughout the country have been received by the School Board commending it for its emphatic stand against "gag" legislation, and in defense of the so-called communistic textbooks used in the classrooms.

Some of these people are: Prof. Mary Wooley, president of Mount Holyoke College; William J. Bogan, superintendent of schools, Chicago; Ray Lyman Wilbur, Secretary of the Interior under Mr. Hoover, and an endless list of persons, who, though not directly affected by this measure were sufficiently aroused by the ridiculous and dangerous violation of our constitutional rights.

The Central Labor Union, representing all organized labor in the District of Columbia, has gone on record in favor of H. R. 11375, as well as the citizens of the District of Columbia as represented through their responsible and respectable newspapers.

In view of these facts Congressman BLANTON'S "victory" appears empty and his boast that Washington citizens are in favor of the absurd measure is out of harmony with the facts.

The "red rider" was condemned by a prominent lawyers' association—the Committee on Federal Legislation of New York County Lawyers' Association—in the following decision:

"The question is not one of approving or disapproving communism. It is one of good administration and constitutional liberty. This is arbitrary interference with administration. The Communist doctrines ought not to be taught with the taxpayers money, any more than the doctrines of any other party ought, but there is no reason for singling the party out for special legislative treatment. It is entitled to equality of treatment with all other political parties.

"The spirit of the Constitution, as found in the Bill of Rights, protects freedom of speech; property rights, including the right to earn a living; and, generally, guarantees to American citizens freedom of thought, expression, and action.

"The provision in the District of Columbia appropriation bill relating to the teaching of communism is not in accordance with the spirit of these constitutional provisions for orderly liberty and ought to be repealed."

Trickery and falsification have been resorted to in an effort to force the Congress of the United States to pass this legislation and every means has been used to hide from them the true facts.

Mr. BLANTON. Mr. Speaker, in view of the fact that much of the speech of the gentleman from New York [Mr. SISSON] has been in criticism of me because I helped to pass what he calls the "red rider" to stop communism in schools, I ask unanimous consent to proceed for 15 minutes to reply thereto.

Mr. CLARK of Idaho. Reserving the right to object, Mr. Speaker, it is very difficult and unpleasant to object to the gentleman's request, but we are prepared to go ahead with the Consent Calendar. Many Members have bills on that calendar, and we should like to get them disposed of; but in view of the situation, I shall not object to this request, but shall object to any further requests for time until we have disposed of the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, the facts connected with what is termed the "red rider" issue are so well known to and understood by the substantial Members of this Congress that I would not deem it necessary to take this floor at this time were it not for the cowardly attack made this morning by the Washington Post on the distinguished Speaker of this House. I am not going to permit that cowardly attack to go unanswered.

The Washington Post yesterday quoted the gentleman from New York [Mr. SISSON] as stating that he had thrown the responsibility of not taking up the Sisson bill upon the shoulders of the Speaker of the House. Then this morning, in an editorial headed "Up to the Speaker", the Washington Post said that the " 'red rider' was imposed by trickery", and then said, "To this cowardly and contemptible procedure Speaker BYRNS is now making himself a party." The Post said that "the Speaker was responsible for refusing the Sisson bill its place on the calendar of April 27", and the Post further said "the Speaker will also be responsible if this policy of sabotage is continued on May 11." The Washington Post further said, "Just why is the Frazier-Lemke farm-mortgage refinancing bill to be brought to a vote on May 11, of all days?"

The able and distinguished Speaker of this House has the respect, confidence, and warm affection of every Member of Congress. [Applause.] He has had nothing whatever to do with delaying the Sisson bill, or with setting the Frazier-Lemke bill. If the Post were possessed of even ordinary information, it would know that a bill released under the discharge rule takes its place on the calendar for the first discharge day thereafter, and May 11 happens to be the first discharge day after the said Frazier-Lemke bill went upon the discharge calendar and, under the rules of the House, it takes precedence over the Sisson bill and every bill on the calendar.

SISSON BILL IS NOT ON THE CALENDAR

As a matter of fact, Mr. Speaker, the posted Members of this House know that the Sisson bill has never yet been reported to this House and has never been on the calendar and is not now on the calendar. But the Washington Post did not know that.

WASHINGTON POST IS ADEPT IN TRICKERY

The only persons mentioned on the editorial page of the Washington Post as being connected with publishing it are "Eugene Meyer, publisher", and "Floyd R. Harrison, comptroller." This publisher is a past grand master in trickery. A few of us lately have found out all about how he got his millions, and I wish I had the time to give you the facts about it. I have already told you how he got the Washington Post. Only a few years ago when he was trying to buy it from Edward McLean he then offered $5,000,000 for it. But at that time Edward McLean was not helpless in an institution. A few years later David Lawrence executed a written contract agreeing to pay $3,000,000 for the Post. Certain manipulations prevented the sale. Then Mrs. Edward McLean offered $2,500,000 for it. Her offer was not accepted. Then Eugene Meyer, whose Post today prates about the Speaker engaging in trickery, entered into a conspiracy and collusion with parties in Washington who, through a paper company holding an account against the Post, brought an equity proceeding against it at a time when Edward McLean was afflicted, caused a receiver to be appointed, caused the Washington Post to be sold, and it was bought in by a dummy of Eugene Meyer's for $825,000, and Eugene Meyer immediately incorporated the property for $1,250,000, spent additional money on it in paying some debts and renovating it, and now renders the entire property, including intangibles of $218,456, for a total aggregate value of only

$656,576, upon which he pays a total tax of only $7,663.08 per annum. Last year Eugene Meyer rendered seven automobiles for taxes—three Plymouth cars, one Witt-Will car, one Dodge car, one Chevrolet car, and one Ford, upon all of which he paid an aggregate tax of only $45.67, and for his annual registration and license tags he paid only $1 per car, or $7 for his seven cars; and because I complained about the Washington newspapers wanting Congress to contribute $5,700,000 of the people's money out of the United States Treasury to pay civic expenses here in Washington for Washington people, so that he could continue to get away with paying such a nominal tax, and because I wanted to keep communism out of the public schools, he has been paying a bunch of Bolshevik reporters to write and publish attacks upon me in his paper.

WASHINGTON POST COMPTROLLER

Mr. Eugene Meyer's comptroller for his Washington Post, Mr. Floyd R. Harrison, renders no real property for taxes, and renders no personal property for taxes, and does not pay one red cent in taxes to the District of Columbia, but he now has a mandamus suit pending against him to make him pay taxes, and because I insisted that he should pay taxes on his property, and not have the people of the States to contribute $5,700,000 for him and others here each year out of the Treasury, he and his boss cause me to be attacked regularly in the Washington Post.

ANSWERING IN THE DARK

I have heard what the gentleman from New York [Mr. SISSON] has said here in his 22 minutes' speech, but I do not know what he is going to print in the RECORD as his extension of remarks, which he did not speak here on the floor; hence it will be impossible for me to answer all that he may put into the RECORD. I want the readers of this RECORD, wherever they may be, to determine which part of his printed remarks he spoke here where I could hear him, and which part he printed after Congress adjourned that I did not know about. I have heard of his contentions that he has made from time to time, hence I will attempt to answer some of them.

RECENT MARCH OF COMMUNISTS ON CAPITOL

Recently when a bunch of organized Communists marched on the Capitol, one of them was arrested and from his person a lot of papers were taken, and as my name was mentioned in one of them they were turned over to me. In one document it said, in substance, as I quote from memory only, that they were to stir up trouble, cause dissentions, and "concentrate against BLANTON, of Texas, as he was fighting communism, and was the Communists' worst enemy."

CONCENTRATE ON BLANTON

I will leave it to all of my colleagues here as to whether or not there later followed a communistic concentration against BLANTON, of Texas. But I was able to withstand it.

CAN WITHSTAND ALL SISSON BILL ATTACKS

I shall be able to withstand this attack the gentleman from New York [Mr. SISSON] has made on me today. When readers of the RECORD analyze it, they will see that there was an attempt to injure me in my district. But it will not injure me. My constituents and I think alike on this question of keeping communism out of our public schools.

FIGHT FRAMED UP

In the Washington Times for April 20, 1936, under headlines, "Fight Mapped to Repeal 'Red Rider'", it was stated that there would be a conference between Mr. FRED SISSON, of New York; Mr. MAURY MAVERICK, of Texas; Mr. BYRON SCOTT, of California; and Mr. VITO MARCANTONIO, of New York; to "map out tactics they will employ" and that they would "devise plans by which they will be able to maneuver the Sisson bill through as rapidly as possible", and I have the right to presume that this speech against me today is a part of said "mapped-out tactics" and said "devised plans" and said "maneuvers."

EVEN CHICAGO PEOPLE HAVE HEARD ABOUT IT

Now, let us see what outsiders say about the bill of the gentleman from New York. He called our law to stop communism the "red rider." Here is the latest edition of a magazine that is gotten out by one of the greatest patriots in the Nation, Mr. Harry Jung, of Chicago.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In just a minute, please.

Mr. Jung has done more for American institutions in the United States than anybody else I know of except Francis Ralston Welsh, of Philadelphia.

This magazine says, "The Sisson bill is a 'sissy' bill." [Laughter.] He says it ought to be called the "sissy" bill, because it seeks to put communism back into the schools when by your unanimous vote, and the unanimous vote of the Senate, the Congress has voted to take it out.

TERM "SLIPPED IN" LAUGHABLE

I want to give you a history of how the so-called "red rider", which is the law that prevents communism from being indoctrinated in the public schools here, came to be passed by Congress.

Now, he says we have no evidence of communism. Why, way back yonder before he came to Congress—and all you who have been here know about it—there was a lady teacher in the Western High School, while teaching English, tried to indoctrinate her class with communism, and the Board of Education suspended her and the order is on the minutes of the School Board now. She was suspended from the Western High School for teaching communism.

Now, I am going to tell the gentleman from New York something. Did you know that 4 years after Dr. Ballou came to Washington one of our good former distinguished colleagues——

Mr. SISSON. Will the gentleman yield?

Mr. BLANTON. Not just now. I did not interrupt the gentleman; I sat patiently during his 22 minutes. Did you know that one of our former colleagues, a Republican, a splendid man, Dr. Summers, of the State of Washington, got up here on this floor on May 3, 1924, 4 years after Dr. Ballou took charge of the schools, and introduced and passed the first "red rider" against teaching communism? He said that the teachers in the Washington schools had been teaching there is no God, and that our Government was inferior to other governments. He said that the time had come to stop it, and without a vote against it he then passed the first "red rider", and it passed the Senate and was signed by the President and became law.

But to keep within the point of order he attached it as a limitation. That was on the statute books for a year. The next year he passed it again as a limitation in spite of all this hue and cry about "factual instruction" and "academic freedom"—that is the cry of the Communists and anarchists when you want to get rid of communistic teachings. "Academic freedom!"

Dr. Summers passed the first "red rider" on May 3, 1924, as I have stated and it was on the statute books for 2 next years. Then Dr. Ballou got his organization to work; they got it started. They demanded "academic freedom!"

Mr. LORD. Point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. LORD. We on this side should like to hear the gentleman. We can see that he is talking, but we on this side cannot hear what the gentleman says.

Mr. BLANTON. I always speak to the side where the audience is the largest. [Laughter.]

Now, just to show that the Washington Post cannot be depended upon, in an issue in April 1936 it says that Honolulu is 2,200 miles long. Why, one of our big 16-inch guns on one side of the island can shoot over the city of Honolulu and the entire island and knock a battleship out of water on the other side. Twenty-two hundred miles long!

Mr. SISSON. Will the gentleman yield?

Mr. BLANTON. Not just now. The Post says the city of Honolulu is 2,200 miles across it; is not that ridiculous? I quote from the Post:

> It is 2,200 miles from one end of the city to the other. It takes about 4 hours to fly from Chicago to New York. To fly across Honolulu in this time you would have to travel more than 500 miles an hour.

The whole island of Oahu is only 29 miles across, and yet the Post talks about Honolulu being 2,200 miles long! You cannot believe a thing you see in that Washington Post.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. No; I am sorry I cannot. After that 1924 "red rider" and the 1925 "red rider" had expired, in 1928 there was a big investigation of the schools here about communism. I wish you would see what the Washington Star said about it—where they found three different organizations of students, communistic, in three schools trying to communize the student body—three different ones in 1928.

The gentleman asks, Who is against it? The American Legion of Washington sent its high officers before the committee that held hearings on his bill, where he was almost presiding, although he was not a member of it. He was himself conducting much of the hearings. They said, "We are against it." The American Legion is against it, and all sorts of fun was made of them. They had a crowd of pinks there to laugh the American Legion officials down every time they said anything against the "sissy" bill. In addition to that, General Fries, who had charge of our Chemical Warfare Service in France, a retired major general, who is at the head of the American Legion and also who represents a hundred different organizations in Washington, appeared there and said, "We don't want this 'red rider' repealed; we don't want this 'sissy' bill; we don't want communism back in the schools." George E. Sullivan, who was a representative of the Federation of Citizens Association—63 different organizations of citizens' associations—appeared there and testified against this "sissy" bill and said they did not want it.

Mr. SISSON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. SISSON. If the gentleman means by referring to the "sissy" bill to call me a sissy, I object to his remarks, because I can take care of myself without wearing a sword or a visor.

Mr. BLANTON. That is not a point of order, Mr. Speaker. I have a right to call this the "sissy" bill. One of the greatest patriots in the United States has named it that—Mr. Harry Jung, of Chicago; and anything that Mr. Jung says about a bill being against the interest of the country, I believe. I have been following him for years on Americanism and Americanization matters.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I am sorry I cannot yield. Let me tell you another thing. If you look on page 278 of this hearing on the "sissy" bill, you will see where the Communists of the District of Columbia were allowed by the chairman to express their antagonism against the "red rider", and their endorsement of the "sissy" bill. My God, has it come to pass that a committee of Congress will let Communists place their views in hearings on a bill being passed to repeal a law that stops communism in the schools?

Mr. DEEN. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I have only 15 minutes.

Mr. DEEN. Just one short question.

Mr. BLANTON. Very well, I yield.

Mr. DEEN. The gentleman stated that the chairman of the committee allowed Communists to place their views in the hearings. Who is the chairman?

Mr. BLANTON. He is the gentleman from Maryland [Mr. KENNEDY]. The chairman put that in, a statement from the Communists of the District of Columbia in favor of the "sissy" bill and against the "red rider." You will find it on page 278 of this hearing.

There was an appropriation of $78,000 that they asked for character education, and I showed that Dr. Ballou, who asked for that, for 5 years had been associating with Communists, Dr. Charles A. Beard, Dr. George S. Count, for 5 years, acting as secretary, and after spending $600,000 all they did was to bring out a book, Conclusions and Recommendations, and I made Dr. Ballou himself admit it was so communistic that he would not sign it. He would not sign it because he knew if he did sign it he would not hold his place in this public-school system 5 minutes; but he has put the book here in the schools; he has put that communistic book, Made in Russia, in the schools; he put this blackguarding, obscene, blasphemous book, The Boy and Girl Tramps of America, in these schools, and they have been read so much by the children that the back of one of them is worn off and it was put in the bindery.

I say to the gentleman that every member of our committee was unanimous in dropping this character education. Every member of our committee was unanimous, holding that communism has gotten a hold on these schools.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for 5 minutes.

The SPEAKER. It there objection?

There was no objection.

Mr. BLANTON. I yield to my colleague.

Mr. MAVERICK. I do not want to ask any questions.

Mr. BLANTON. I thank the gentleman.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Kentucky.

Mr. MAY. Every Member of Congress, before he takes his seat and before he can draw his money, is required to take a constitutional oath. What objection is there to requiring a teacher who is teaching or attempting to teach communism in the schools in the District of Columbia to take such an oath?

Mr. BLANTON. This hearing on the "sissy" bill says it interferes with their "academic freedom."

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I am sorry, I have not the time. I want to answer the gentleman from Kentucky. I am going to give you the full history of the "red rider." I want you to get this, my colleagues. This "red rider" passed this House after being read at the Clerk's desk by unanimous vote. Where was the gentleman from New York [Mr. SISSON] if he objected to it? Why did he not get up and call a quorum? Why did he not get up and make a point of order? Why did he not offer an amendment? Why did he not ask to speak against it? He was as silent as the grave. It passed the Senate by unanimous vote. His Senator and the chairman of that committee, every Senator who was in that conference understood what it was. After being read it was passed by unanimous vote. All this "red rider" does is to prevent teachers from indoctrinating. The gentleman from New York [Mr. FITZPATRICK] was correct when he said that the Corporation Counsel had given an opinion to the Board of Education that this law does not stop factual instruction. It only stops indoctrinating. He said that teaching and advocating meant indoctrinating.

Mr. MAVERICK. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. If I have time, just a minute. So long as the teachers do not indoctrinate, this law does not curtail them in any respect.

We told Dr. Ballou a half a dozen times that if he would instruct his teachers that they must obey that law as interpreted by Corporation Counsel Prettyman, we would have the Comptroller General withdraw the affidavits.

Dr. Ballou told me in my office he would not do it. Dr. Ballou told me, "I will never agree to have my 2,900 teachers restricted in any manner. I want them to be able to teach everything they please."

Mr. MAVERICK. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Not now. Because he would not do that, the Comptroller General required these affidavits but in no way prevents proper factual instruction.

I believe that the membership of this House would express themselves again as they expressed themselves on that District bill, when on a roll call vote there were only 26 Members who voted against that bill. With 83 pages, it passed almost unanimously. I will agree with the gentleman from New York [Mr. SISSON] right now, that if he will get the Speaker to recognize him now, to take his bill up under suspension, although that bill is not reported and is not on the calendar, if the Speaker will recognize the gentleman right now to call it up under suspension of the rules, I am willing

for the Speaker to recognize him right now, and we will snow that "sissy" bill under with such a big vote that you will never hear from it again. [Applause.]

Mr. MAVERICK. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Let me finish one statement and then I will yield.

I have been preparing a speech for three weeks. I have been gathering information from the departments. I hope to print that speech, which I have permission to do, on Thursday or Friday. I want you to look for it in the Appendix. I want you to read the evidence I am going to present to you; evidence from the best people in Washington and from the best people in the Nation regarding this "sissy" bill. I will guarantee to you that those who love their country, those who love their schools, those who love their children, those who love posterity in the Nation, when they read that evidence, will never vote for this "sissy" bill. [Applause.]

HISTORY OF THE PRESENT RED RIDER

Mr. Speaker, so that the facts may never again be misrepresented to anybody by anybody, I am going to relate just how, when and where, the present law to stop indoctrinating communism came to be passed by this Congress. Every posted Member of this House knows that it was not slipped through. Every posted Member of the Senate knows that it was not slipped through. The old regulars, both in the House and Senate, who know what is going on all knew when it was passed, and why it was passed.

DISCOVERING WHO PUT COMMUNISM IN PUBLIC SCHOOLS

Our subcommittee of the Committee on Appropriations, which frames the annual appropriation bill for the District of Columbia, upon the insistence of Superintendent Frank W. Ballou and Senator COPELAND, allowed in the 1934–35 bill the sum of $63,385 to install character education in the Washington schools. We assumed that it would be installed in all of the 175 different schools of the public-school system of Washington, and that the kind of character education that Superintendent Ballou had in mind would be the worth-while kind that would help to cultivate in the hearts and minds of the 99,000 Washington school children a greater respect for law and order, for our Constitution and institutions, honesty, truthfulness, kindness, regard for the rights and interests of others, loyalty, devotion, and patriotism to flag and country, sobriety, clean living, and abstention from vices and harmful practices. We never dreamed that Superintendent Ballou had an ulterior motive or that he intended to inculcate subversive doctrines. A year passed. That $63,385 was spent, and wasted.

Superintendent Ballou then demanded $87,540 for character education in the 1935–36 bill. Reputable teachers advised us it was a farce and that nothing worth while had been accomplished. We learned that there had been no attempt and there was no plan to attach it to but 10 schools, 5 white and 5 colored, wholly ignoring the other 165 public schools in Washington which embraced most of the school children in the District of Columbia. We learned that to guide it Dr. Frank W. Ballou had placed his said coworker and cocollaborator, Dr. W. W. Charters, in charge of it, notwithstanding the fact that Dr. W. W. Charters is a professor in the great Ohio State University, which at all times needs his undivided attention at Columbus, but Superintendent Ballou and his Washington Board of Education nevertheless employed Dr. Charters and allowed him to commute back and forth from Columbus, Ohio, to Washington, D. C., and paid him out of the appropriation made by Congress the sum of $50 per day and all traveling and subsistence expenses.

HOUSE STOOD OUT AGAINST FURTHER WASTE

We members of the House committee refused to allow Superintendent Ballou this additional $87,540 requested by him for so-called character education, and we refused to put it in the House bill last year, and on a proposal then vigorously made from the House floor to insert the $87,540 by way of an amendment, the House of Representatives voted down the amendment and refused to allow it.

BALLOU THEN CENTERED FORCES ON SENATE

Then Superintendent Ballou importuned the Thomas-Copeland subcommittee of the Senate to give him his $87,540, which, remember, was additional to the $63,385 the Thomas-Copeland subcommittee of the Senate had caused to be given Ballou the preceding year, and Senator COPELAND caused the appropriation for character education to be inserted in the bill as a Senate amendment. In the conference that ensued between the House and Senate the House conferees refused to agree to it. The conference became deadlocked and the Senate conferees held it up for many weeks. The House conferees were given to understand that unless they agreed to the Copeland amendment, allowing the appropriation for character education, there would be no bill, even though the conferees might agree on all of the other 113 amendments the said Senate subcommittee had placed on the House bill.

BALLOU SAID HIS CHARACTER EDUCATION WAS NOT TEACHING MORALS

Our committee knew that in his address in New York City on his Washington Experiment in Character Education, Dr. Ballou had said, "It is not teaching morals." We began to wonder just what it was teaching. In his testimony before our subcommittee (hearings, p. 477) Dr. Ballou testified: "What we are trying to do is to set up a new philosophy of education." And referring to his teachers who were teaching character education, Dr. Ballou said: "Whose philosophy has got to be changed fundamentally" (hearings, p. 482). Such a ridiculous assertion caused the following comment from the distinguished gentleman from Missouri:

Mr. CANNON. It seems to be a rather startling statement that the philosophy of all teachers engaged must be changed in order to introduce character training in the schools. I had supposed that the philosophy of every good teacher includes character training (p. 482).

Later the following question was asked and answered:

Mr. BLANTON. Do you mean, Doctor, that the philosophy of education of the 2,900 teachers of the Washington schools has to be changed fundamentally?

Dr. BALLOU. I mean exactly that.

TERM "CHARACTER EDUCATION" WHOLLY MISLEADING

Dr. Ballou well knew that if you were to ask 1,000 parents whether or not they would be in favor of "character education", or "character training", as he sometimes expresses it, all would say "yes" without hesitation, as they would all assume it would be the right kind. They would not assume that it meant "character debasement." They would assume that would inculcate honesty, truthfulness, kindness, patriotism, respect for law and order, clean living, and abstention from vices. They would not know that back in his mind undisclosed to them Dr. Ballou had no intention whatever of teaching these worthy traits of character, or that in his speech in New York he would admit that his "Ballou character education" was not teaching morals, he knowing at the time that his "new philosophy" system was teaching "immorals" and moral debasement.

DID NOT KNOW THEN WHAT WE KNOW NOW

At that time our committee had made no investigation of the matter, and never dreamed of the terrible situation that later we discovered exists in the Washington public schools. We House conferees were faced with the problem of adjusting 114 amendments the Senate had placed on the House bill. The only way the matter could be adjusted was for an agreement to be reached between the House and Senate conferees. It was necessary that the annual supply bill should be passed, for otherwise the District of Columbia would be without its $40,000,000 appropriations needed for the coming fiscal year. We House conferees were assured that the bill could not pass unless the House agreed to the Copeland amendment granting Dr. Ballou his second annual appropriation for his "character education."

COMPROMISE

Finally, in order to pass the District appropriation bill before Congress adjourned, the House conferees agreed that they would allow the appropriation for character education

if the Senate would agree to a provision that would prevent communism from being taught or advocated in the Washington schools, and the Senate conferees agreed to insert the following language:

Hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism.

Which provision after being read by the Clerk on both the House floor and Senate floor on June 6, 1935, was agreed to unanimously by both House and Senate, and is now permanent law, and went into effect July 1, 1935.

CRITICISMS ABOUT PASSAGE OF "RED RIDER" UTTERLY RIDICULOUS

The CONGRESSIONAL RECORD for June 6, 1935, shows that Congressman CANNON of Missouri, in the House of Representatives, moved the adoption of the so-called "red rider", and that from the desk the Clerk of the House read it to the House, to wit:

Hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism.

The above proposal was duly read by the Clerk in the open session of the House without a voice raised against it, and the RECORD shows it was adopted by a unanimous vote. If it did not suit the gentleman from New York [Mr. SISSON], then was his time to speak. Then was his chance. Then was his opportunity. Then was his duty to tell the House what objections he had to it. He then had an opportunity to speak against it. He could have made a privileged motion to concur in the Senate amendment without the above proviso, which would have had precedence over the Cannon motion. If there was not a quorum there he could have made the point of order and forced a quorum. If he had wanted to vote on the matter he could have called for it, and then could have called for a division, and then could have called for tellers; and, finally, he could have called for the yeas and nays. But he did nothing. He allowed it to pass unanimously. He cannot say that he was asleep and did not hear the Clerk read it. He cannot say he was not paying attention. He cannot say that he did not know what was going on in the House of Representatives. For in any of such contentions he would be admitting a failure of duty on his part for which no other Member was responsible.

There is no rule of the House that requires the leaders to report to all of the 435 Members everything they propose to take up in the House every day.

NOT "RED RIDER", BUT RIDER AGAINST "REDS"

This law was not for "reds." It was against "reds." It was to curb "reds." It was to keep them out of schoolrooms. It was to keep their subtle, poisonous influence away from children.

LIKEWISE PASSED IN SENATE UNANIMOUSLY

On June 6, 1935, this law to stop communism in schools, called by communistic sympathizers the "red rider", was read at the clerk's desk in the Senate and passed by unanimous vote of the Senate.

MANAGERS OF BOTH HOUSE AND SENATE UNDERSTOOD

During the conference, in the presence of the managers of the Senate and the managers of the House, I dictated the wording of the provision to our clerk of our House subcommittee, and he prepared this so-called "red rider", and it was presented to the conferees in conference and agreed upon by them, and then it was presented to the House by the gentleman from Missouri [Mr. CANNON], and read by the Clerk, and passed, and was presented to the Senate by Senator THOMAS of Oklahoma, and read by the clerk at the desk of the Senate, and passed by the Senate, and personally I did not have one thing to with actually drawing it up or handling it, as it was handled by Chairman CANNON and by Senator THOMAS. Hence all this claim by the gentleman from New York about it being "slipped in" is so utterly ridiculous, that it is absurd. It was law on June 10, 1935. It has been law ever since. If it were so terrible, why did not the gentleman from New York [Mr. SISSON] make one move to stop it? He surely cannot plead that he is absolutely impotent. He surely cannot plead that he was asleep.

Mr. Speaker, it was mentioned by the gentleman from New York [Mr. SISSON] that the hearings on the requested appropriation for character education and the incidental question of communism, conducted by me as acting chairman of the subcommittee of the Committee on Appropriations, embraced 268 printed pages. He failed to mention to you that the hearings conducted on the "Sissy" bill embraces 283 printed pages. After holding the hearings I conducted, all members of our subcommittee voted unanimously not to allow the $78,660 for so-called character education, as we reached the unanimous opinion that it was being used subversively to propagate communism in the schools, and we saved this $78,660 by not putting it into the bill, and the Committee on Appropriations, with its 39 members, approved our action, our bill being favorably reported without a vote against it; and, after 3 days' debate, our bill was passed by the House by record vote, with only 26 Members of the House voting against it. Our 268 printed pages accomplished something by saving $78,660 in money, and also keeping communism out of our public schools. The gentleman's 283 pages of printed hearings have accomplished nothing. Instead of furnishing proper support for the "sissy" bill that seeks to repeal the law that prevents teachers from indoctrinating communism, the great weight and preponderance of the evidence offered at such hearing was against the "sissy" bill, and in favor of the present law that stop communism, which he calls the red rider.

EVIDENCE WORTH READING

I want my colleagues to get the said 283 pages of hearings the gentleman from New York [Mr. SISSON] caused to be printed and read the evidence of Mr. George E. Sullivan, beginning on page 104, he appearing for 63 different citizens' associations of the District of Columbia, and the evidence of Gen. Amos A. Fries, president of the District of Columbia Public School Association, commencing on page 154, the evidence of Mr. E. Brooke Fetty, of the American Legion, commencing on page 171, the evidence of Mrs. Margaret Hopkins Worrell, president of the Columbia Heights Citizens' Association and legislative chairman for the Ladies of the Grand Army of the Republic, commencing on page 194, the evidence of Mr. Frank L. Peckham, chairman of the committee on public Schools department of the American Legion, commencing on page 199, and the evidence of our colleague from Indiana, Hon. VIRGINIA E. JENCKES, commencing on page 203, and I believe that you will conclude beyond doubt that if ever star-chamber proceedings were carried on, where witnesses were browbeaten and made fun of because they opposed communism in schools, you will find it there; yet you will find convincing evidence for not disturbing this law that prevents communism and for being against the "sissy" bill.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

TEACHERS AND CONGRESSMEN BOTH TAKE OATHS; WHY REQUIRE EXTRA ONES OF TEACHERS?

Mr. MAVERICK. Mr. Speaker, I want to call attention to the fact that the school teachers of the District of Columbia swore to an oath of allegiance just like we who are Congressmen. Then every 2 weeks or a month, with the janitors and the substitute teachers, they have to creep in and take another oath to get their pay.

It is just the same as if the law should require Congressmen, after taking an oath of allegiance to the Constitution, to come in every 2 weeks or every month thereafter and swear all over again that they had not committed treason or immorality or had not taught or advocated it. In effect, it is like swearing to something, then constantly swearing over and over again that you have not lied or committed perjury. The teachers take an oath of allegiance just like we do; but

thereafter by law we force them to swear to it over again every 2 weeks or every month.

Is there a Congressman who, having taken the oath of allegiance, would permit himself to have his honesty and patriotism constantly questioned, and then be required to take oaths swearing he had not in effect violated his oath for the past 2 weeks or a month in order to get his pay check? I do not believe there is a one.

This extra "oath" is nothing but a humiliation, and we should not impugn the integrity and patriotism of our school teachers any more than we should that of ourselves. These teachers have self-respect, and we should support it as we do our own. Let us repeal this unfair and brutal law. It is unnecessary and useless, anyhow.

NO PARALLEL TO "RED RIDER" EXISTS IN ALL HISTORY

Mr. Speaker, I have had various associations, number of teachers and professors, the Congressional Library research staff look through history and law books representing thousands of years. They have, it is true, found brutality, hatred, malice, and the requirement of curious and unusual oaths. But no one has found in all history, past or present, where a government has required an oath and then oath after oath that one has kept an oath. No parallel to "red rider", even in nations where liberty does not exist or in the most benighted nations on earth, can be found.

[Here the gavel fell.]

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

ONE HUNDREDTH ANNIVERSARY OF THE FOUNDING OF PRATTVILLE, ALA.

The Clerk called the first business on the Consent Calendar, House Joint Resolution 241, to provide for the observance and celebration of the one hundredth anniversary of the founding of Prattville, Ala.

The SPEAKER. This joint resolution requires three objections. Is there objection to the present consideration of the House joint resolution?

Mr. WOLCOTT, Mr. TABER, Mr. MARTIN of Massachusetts, and Mr. RICH objected.

PACIFIC OCEAN FISHERIES

The Clerk called the next bill, H. R. 3013, to provide for the construction and operation of a vessel for use in research work with respect to Pacific Ocean fisheries.

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

Mr. WOLCOTT, Mr. TABER, Mr. MARTIN of Massachusetts, and Mr. RICH objected.

CONSENT CALENDAR

PACIFIC OCEAN FISHERIES

Mr. BLAND. Mr. Speaker, I was seeking recognition to ask unanimous consent that the bill which was just objected to be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia that the bill just objected to, H. R. 3013, be passed over without prejudice?

There was no objection.

PERRY'S VICTORY AND INTERNATIONAL PEACE MEMORIAL, PUT IN BAY, OHIO

The Clerk called the next bill, H. R. 8474, to provide for the creation of the Perry's Victory and International Peace Memorial National Monument on Put in Bay, South Bass Island, in the State of Ohio, and for other purposes.

Mr. RICH. Mr. Speaker, has this bill been approved by the general advisory board on parks in accordance with the law passed last year?

Mr. O'CONNOR. Mr. Speaker, I understand the monument has been erected and that now it is just a question of continuing it and maintaining it at practically no cost to the Government.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to establish by proclamation the following-described Government lands, together with the Perry's Victory Memorial proper, its approaches, retaining walls, and all buildings, structures, and other property thereon, situated in Put in Bay Township, South Bass Island, Ottawa County, Lake Erie, State of Ohio, as the "Perry's Victory and International Peace Memorial National Monument", for the preservation of the historical associations connected therewith, to inculcate the lessons of international peace by arbitration and disarmament, and for the benefit and enjoyment of the people:

Commencing at the intersection of the middle line of Delaware Avenue and Chapman Avenue, in the village of Put in Bay, and running thence south 88°59′ east in the middle line of said Delaware Avenue, and the same extended; 495 feet to Lake Erie; thence north 49°59′ east along said lake shore 346 feet; thence north 43°14′ east along said lake shore 212 feet; thence north 53°13′ east four 400 feet along said lake shore; thence north 46° 6′ west about 730 feet to Lake Erie; thence southwesterly and westerly along said lake shore to the middle line, extended, of said Chapman Avenue; thence south 1°30′ west along said middle line, and the same extended, about 520 feet to the place of beginning, and containing 14.25 acres of land and known as a part of lots nos. 1 and 2, range south of county road, and a part of lot no. 12, East Point, in South Bass Island, in the township of Put in Bay, county of Ottawa, State of Ohio.

SEC. 2. That the administration, protection, and development of the aforesaid national monument shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916, entitled "An act to establish a National Park Service, and for other purposes", as amended.

SEC. 3. After the said national monument has been established as provided in section 1 hereof, the Secretary of the Interior is hereby authorized to accept donations of land, interests in land, buildings, structures, and other property as may be donated for the extension and improvement of the said national monument, and donations of funds for the purchase and maintenance thereof, the title, and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior: *Provided*, That he may acquire on behalf of the United States out of any donated funds by purchase when purchasable at prices deemed by him reasonable, otherwise, by condemnation under the provisions of the act of August 1, 1888, such tracts of land within the said national monument as may be necessary for the completion thereof.

SEC. 4. The members of the Perry's Victory Memorial Commission created by act of Congress March 3, 1919, having by their patriotic and active interest faithfully conserved for posterity this important historical area and objects shall hereafter act as a board of advisers, and with such other powers as the Secretary of the Interior may direct, in the maintenance of such national monument and shall consist of the present surviving and active members of the Commission provided for in said act, namely, on the part of the United States, John A. Johnston and Hugh Rodman, and on the part of the several States: Ohio, Webster P. Huntington, Carl B. Johannsen, and A. V. Donahey; Pennsylvania, Milton W. Shreve, Thomas C. Jones, and George M. Mason; Michigan, James E. Degan; Illinois, Chesley R. Perry, William Hale Thompson, and Richard B. Folsom; Wisconsin, Charles B. Perry, A. W. Sanborn, and S. W. Randolph; New York, Charles H. Wiltsie and Jacob Schifferdecker; Rhode Island, Harry E. Davis; Kentucky, Samuel M. Wilson, W. J. Moore, and Robert H. Winn: *Provided*, That as vacancies occur in the Commission on the part of the United States, they shall remain unfilled until only one Commissioner of the United States remains; thereafter there shall be only one Commissioner of the United States: *Provided further*, That as vacancies occur in the Commission on the part of the several States, they shall remain unfilled until only one Commissioner from each State remains; thereafter there shall be only one Commissioner from each State. After the membership of the Commission has been reduced in accordance with the provisions of this act, vacancies shall be filled in the manner set forth in the act of March 3, 1919. The members of the Commission shall receive no compensation, but shall be paid their reasonable expenses as provided for in the Standard Government Travel Regulations as amended while in attendance at meetings of the Commission upon call of the Secretary of the Interior, and necessary secretarial expenses, such as stenographers' fees, postage, stationery, and printing, subject to the approval of the Secretary of the Interior.

SEC. 5. Employees of the Perry's Victory Memorial Commission at the time of the enactment of this legislation may, in the discretion of the Secretary of the Interior, be employed by the National Park Service in the administration, protection, and development of said national monument, without regard to civil-service laws and requirements or restrictions of law governing the employment and compensation of employees of the United States.

SEC. 6. Nothing in this act shall be held to deprive the State of Ohio, or any political subdivision thereof, of its civil and criminal jurisdiction in and over the area included in such national monument, nor shall this act in any way impair or affect the rights of

citizenship of any resident therein; and, save and except as the consent of the State of Ohio may be hereafter given, the legislative authority of said State in and over all areas included in such national monument shall not be diminished or affected by the creation of such national monument nor by any terms or provisions of this act.

SEC. 7. That the provisions of the act of March 3, 1919 (40 Stat. 1322–1324), and acts supplemental thereof and amendatory thereto and all other acts inconsistent with the provisions of this act are repealed to the extent of such inconsistency.

With the following committee amendment:

Page 4, line 16, strike out "Richard B. Folson" and insert "Richard S. Folsom."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL DISTRICT JUDGE, EASTERN DISTRICT OF PENNSYLVANIA

The Clerk called the next bill, H. R. 11072, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT, Mr. TABER, and Mr. HOLMES objected.

BLUE RIDGE PARKWAY

The Clerk called the next bill, H. R. 10922, to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. TABER, Mr. HOLMES, Mr. WOLCOTT, and Mr. RICH objected.

AMENDMENT OF LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

The Clerk called the next bill, H. R. 8293, to amend the Longshoremen's and Harbor Workers' Compensation Act.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, this bill has been on the calendar a number of times. It was once recommitted to the Committee on the Judiciary for the purpose of eliminating the limitation of $7,500 in case of death or total disability. It is an unfair limitation. If the Judiciary Committee is willing to accept the amendment, I shall not object. Otherwise I shall object.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. SUMNERS of Texas. The member of the committee who has special charge of this bill I do not find on the floor at the moment. I would not feel authorized to agree to the amendment. Why not let the bill be passed over without prejudice?

Mr. CELLER. Mr. Speaker, if the gentleman will yield, I may say to the gentleman from Texas there has been a tremendous demand for this bill on the part of labor. I am a member of the Committee on the Judiciary. I can see no real added cost to industry if we adopted the amendment. No State in the Union has this kind of limitation of $7,500. I say to the Members of the House that we would be doing a very fine thing if we struck out that limitation.

Mr. BLAND. That provision was in the bill when it was formerly presented. Then it was taken out by the Committee on the Judiciary.

Mr. O'CONNOR. That is not exactly correct. At the last session the Judiciary Committee reported the bill without the limitation, and in this session they reported the bill with the limitation.

Mr. BLAND. I thank the gentleman for the information.

Mr. O'CONNOR. Why, we do not know at the moment.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MONUMENT TO THE MEMORY OF GOUVERNEUR MORRIS

The Clerk called the next bill, H. R. 11854, to provide for the erection of a monument to the memory of Gouverneur Morris.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT, Mr. TABER, and Mr. DIRKSEN objected.

PERMANENT MEMORIAL TO THOMAS JEFFERSON

The Clerk called the next bill, H. R. 12027, to authorize the execution of plans for a permanent memorial to Thomas Jefferson.

Mr. DIRKSEN. Mr. Speaker, I object.

Mr. BOYLAN. Mr. Speaker, will not the gentleman withhold his objection?

Mr. DIRKSEN. Mr. Speaker, I withhold my objection to permit the gentleman to make an explanation.

Mr. BOYLAN. Mr. Speaker, I hope the gentleman will withdraw his objection. This bill was introduced at the request of a joint legislative committee appointed by both Houses numbering in its membership also three members appointed by the President.

The bill merely asks for an authorization. It is not the intention of this special committee to ask for a dollar of appropriations from the present Congress. All we ask is an authorization, and I am sure the gentleman, student of history that he is, versed in the affairs of our country, having read the Declaration of Independence and having a knowledge of the work of Jefferson, surely would not object to a mere authorization.

Mr. DIRKSEN. May I say to the gentleman that, being a student of history, I know that an authorization is the forerunner of the appropriation to come afterwards.

Mr. BOYLAN. I assure the gentleman that no appropriation will be asked in this Congress.

Mr. DIRKSEN. But it will be at some future time.

Mr. BOYLAN. There is no question about that, but whether or not the gentleman and myself will be Members of that Congress is an unknown question.

Mr. DIRKSEN. I think we are making a great contribution to the welfare of the country in the future, if we are not here, by objecting at this time and saving somebody else the trouble.

Mr. BOYLAN. Surely the gentleman would not have any legitimate reason to object. I would be glad to answer any qualm of conscience that might rest on the soul of the gentleman.

Mr. DIRKSEN. May I say to the gentleman that I have no qualm of conscience. I hope I can contribute my little bit by preventing the reaching into the Treasury for money to build a lot of memorials that are unnecessary when there are millions of our people in need and distress.

Mr. BOYLAN. We understand that. The gentleman also knows that if Thomas Jefferson himself were here he would not want this memorial, but surely the gentleman as a student of history and as a member of the bar has read something about the legislative and administrative work as well as the many precedents he established during his years of service.

Mr. DIRKSEN. May I say to the gentleman that living memorials which accomplish some useful and worthwhile purpose are much better than marble memorials; therefore I renew the objection.

Mr. BOYLAN. Memorials have been erected to the memory of men of the gentleman's party.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. DIRKSEN. Mr. Speaker, I object.

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORITY OF KLAMATH INDIANS TO SUBMIT CLAIMS TO THE COURT OF CLAIMS

The Clerk called the next bill, H. R. 10001, to amend an act entitled "An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes", approved May 26, 1920.

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

Mr. TABER. Mr. Speaker, reserving the right to object, how much is that going to cost?

Mr. PIERCE. Mr. Speaker, this bill would give the Klamath Indians the right to go back to the Court of Claims and present their claim for loss by reason of the Government taking their timberland. Sixteen years ago my predecessor introduced a bill which gave the Klamath Indians the right to go into the Court of Claims. They did this, and the Court of Claims found that 87,000 acres of fine timberland had been taken from these Indians by the Government and given to a wagon-road company, then transferred to a timber company. This timberland was practically taken from the Indians for nothing. The timber company, the ultimate beneficiary, paid less than 4 percent of the value of the lands, as found by the Court of Claims. At the time it was taken from the Indians it was worth $2,980,000. The court also found that the Indians had received $1,978,431 in gratuities from the Government, which should be credited on the amount due from the Government.

This case went to the Supreme Court on certiorari, and the Supreme Court confirmed the findings of the Court of Claims, but held there was not sufficient power in the jurisdictional act to give the Indians relief.

When the land was first taken the Interior Department asked the Indian tribe to accept the settlement, which acceptance was secured by the usual method of those days. A bare majority of the Indians signed a request asking that the grant be confirmed for the sum of $108,750, which was less than 4 percent of its value as found by the Court of Claims.

I introduced this bill early in the session. It went to the Attorney General, as well as to the Secretary of the Interior and the Budget. The Attorney General suggested certain amendments, and these are all contained in the recommendation as made by the Secretary of the Interior and are now included in the bill.

Mr. RICH. Will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is this not the same bill about which the gentleman from Missouri [Mr. COCHRAN] placed in the RECORD a letter he received from the Comptroller General last week when he objected to the bill?

Mr. PIERCE. This is the same bill to which the gentleman objected, but, nevertheless, the Comptroller General has written another letter to the gentleman from Missouri [Mr. COCHRAN], and I am sorry the gentleman is not present to present it. The Comptroller General gave in this letter a revised version of the bill. The Comptroller General has again gone over it. The justification for the bill was the taking of this valuable tract of land at less than 4 percent of its value.

Mr. RICH. Does the Comptroller General make the statement in the letter that he approves this bill?

Mr. PIERCE. No; he does not approve it, because it is not his business to approve. A very good reason for the Congress to pass this bill is the unconscionable act of taking this timberland for less than 4 percent of its value. That is why the bill was introduced 16 years ago.

Mr. MOTT. Will the gentleman yield?

Mr. PIERCE. I yield to my colleague from Oregon.

Mr. MOTT. I trust none of the gentlemen who have been in the habit of objecting to these Indian bills will object to this one. This land is not located in my district, but it is in the State of Oregon, and I am very familiar with the situation. I know those Indians down there in the Klamath Reservation have been robbed continuously and have not secured a square deal from the Government or these timber owners. All they are asking now is to go into the Court of Claims and have this thing definitely settled once and for all. This is a meritorius bill, and I do not think there should be any objection to it.

Mr. PIERCE. I thank the gentleman.

Mr. EKWALL. Will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Oregon?

Mr. EKWALL. May I say that I am also familiar with the Indian situation in Oregon. While this particular Indian tribe is located in the district of my colleague [Mr. PIERCE], I know it to be a fact that these Indians have been treated very badly in the past. It seems to me, therefore, that none of us should object to their going to the Court of Claims, and if they have a legitimate claim let that fact be established. If they have not a legitimate claim, I think we can depend on the Court of Claims to turn them down. Mr. Speaker, I hope no objection will be made to this bill.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Michigan.

Mr. DONDERO. How much money is involved?

Mr. PIERCE. A little less than $1,000,000 if their claim is allowed in full.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent that the bill S. 3797 be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. BACON. Mr. Speaker, reserving the right to object, is the Senate bill identical with the House bill?

Mr. PIERCE. Yes; the House bill is identical with Senator STEIWER's bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That in the suit numbered E–346 heretofore instituted in the Court of Claims by the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians under an act entitled "An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes", approved May 26, 1920, jurisdiction is hereby conferred upon said court, and it is hereby authorized and directed, irrespective of any release or settlement, to reinstate and retry said case and to hear and determine the claims of the plaintiffs on the merits, and to enter judgment thereon upon the present pleadings, evidence, and findings of fact, with the right of appeal, rather than by certiorari, to the Supreme Court of the United States by either party: *Provided*, That any payment heretofore made to the said Indians by the United States in connection with any release or settlement shall be charged as an offset, but shall not be treated as an estoppel.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 10001) was laid on the table.

COMPENSATION OF DIRECTOR OF FEDERAL BUREAU OF INVESTIGATION

The Clerk called the next bill, H. R. 11616, to fix the compensation of the Director of the Federal Bureau of Investigation.

Mr. FADDIS. Mr. Speaker, reserving the right to object, I objected to this bill 2 weeks ago, but upon investigation I believe it to be a very meritorious measure. It is a bill that is certainly a tribute to the Director of the Federal Bureau of Investigation and the signal and valuable services he and his Bureau have performed for this Nation. I believe the bill should be passed as a tribute to his work.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, effective on the first day of the first month next following the approval of this act, the compensation of the Director of the Federal Bureau of Investigation of the Department of Justice shall be $10,000 per annum.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE CONSENT CALENDAR

SALE OF INTOXICATING LIQUOR IN ARMY POST EXCHANGES, ETC.

The Clerk called the next bill, H. R. 11300, to provide that the sale of or dealing in beer, wine, or intoxicating liquor in Army post exchanges and military establishments shall be subject to regulation by the Secretary of War.

Mr. MAIN. Mr. Speaker, I object.

IRRIGATION LANDS ON INDIAN RESERVATIONS

The Clerk called the next bill, S. 1318, 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.

Mr. TABER, Mr. WOLCOTT, and Mr. McLEAN reserved the right to object.

Mr. GREEVER. Mr. Speaker, this bill applies to a small number of people who purchased lands under Indian irrigation projects, and in some instances these charges represent obligations that accrued at the time they were owned by the Indian allottees or their assigns, and they did not know when they bought them that there was any fixed lien against them. For this reason the Secretary of the Interior, in view of the existing situation, has made the suggestion that they should be protected by having this bill passed in order that these cases may be investigated just the same as the Fact Finders Act investigated other reclamation charges back in 1924, and have a report made as to which ones should be canceled or adjusted.

Also, there are a good many portions of this land that have been in such position that they have seeped and will not have the charges paid on them, or any part of them, unless there is some adjustment made.

This bill was introduced by the senior Senator from Wyoming to take care of these particular objections, and I think it is a very meritorious bill because these people have bought something really under false pretenses from the Government and should be protected or should have these charges adjusted.

Mr. TABER. Is not this just another case where the usual way is being followed of getting out of the payment of charges on these irrigation projects?

Mr. GREEVER. No; I may say to the gentleman from New York that is not the case. I know a great many of these people myself and I know they are people who pay their bills, and I know they bought these lands under a misapprehension in many cases, and I know the lands in some instances have been seeped to such an extent that they cannot farm them properly, and the charges will not be paid unless there is an adjustment.

Mr. ROGERS of Oklahoma. Mr. Speaker, if the gentleman will yield further, there is nothing in this bill to require any further action than an investigation, and nothing could be done about the matter until authorized by the Congress.

Mr. TABER. No; the language is to investigate and adjust the irrigation project.

Mr. ROGERS of Oklahoma. This is for an investigation.

Mr. TABER. No; an investigation and adjustment.

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

Mr. TABER, Mr. McLEAN, and Mr. WOLCOTT objected.

UNITED STATES TRAVEL COMMISSION

The Clerk called the bill (S. 33) to encourage travel to and within the United States by citizens of foreign countries, and for other purposes.

Mr. RICH, Mr. McLEAN, and Mr. WOLCOTT objected.

MEMORIAL TO OFFICERS AND MEN OF THE U. S. S. "TULIP"

The Clerk called the bill (H. R. 3450) authorizing an appropriation for the erection of a memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. *Tulip* near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes.

Mr. TABER, Mr. CLARK of North Carolina, and Mr. COSTELLO objected.

COMMEMORATION OF THE BATTLE OF EUTAW SPRINGS, S. C.

The Clerk called the bill (H. R. 255) to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina.

Mr. RICH, Mr. TABER, and Mr. DIRKSEN objected.

Mr. FULMER. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

The Clerk called House Joint Resolution 525, to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. RICH. I would like to ask the gentleman from New York if the bill gives authority to get the people of this country to support the Constitution of the United States? If it does it would be a mighty fine thing.

Mr. BLOOM. I promise the gentleman that. [Laughter.]

Mr. RICH. That is one of the greatest needs that we have.

Mr. CLARK of North Carolina, Mr. WOLCOTT, and Mr. McLEAN objected.

ADDITIONAL DISTRICT JUDGE FOR OKLAHOMA

The Clerk called the bill (S. 2137) to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma.

Mr. TABER, Mr. WOLCOTT, and Mr. RICH objected.

Mr. DISNEY. Mr. Speaker, if the gentlemen will withhold their objections I would like to make an inquiry. I heard something said about omnibus bills for the appointment of judges.

Mr. WOLCOTT. Perhaps it is well to say something about the attitude of the objectors. I speak only for myself and not for the official objectors on the Democratic side. There has been a practice grown up in the House of transferring to the Consent Calendar almost all legislation which comes out of the committees and which the Rules Committees will not grant rules upon or where rules have not been asked for by the committees.

That has been occasioned by our practice of dispensing with business in order on Calendar Wednesday. If the Members of the House will read this calendar as carefully as the official objectors read it, the Members will come to only one conclusion and that is that just about two-thirds of the bills on the calendar should never be there or passed by unanimous consent.

Mr. DISNEY. Of course, the gentleman is not referring to this particular bill?

Mr. WOLCOTT. No. I think there may be less merit in my objection to this particular bill than in my objections to others, but I have said before, with respect to these judgeship bills, that all of a sudden it seems necessary to create about eight Federal judgeships in the United States. If there is a condition in the United States which necessitates six or eight additional judgeships, surely that is a condition which deserves consideration by the entire body of this House, and it should not be necessary to have to consider a matter of that importance in the limited time available in the consideration of the Consent Calendar. Some of our objections seem to be somewhat personal. We never object for personal reasons. We never object unless we think there is merit in our objection, and I hope it will never be said of me or of the other official objectors on either side, that we objected to any bill because of the personality behind the bill. But I may say to the gentleman and to all of the Members of the House that we are put

in the peculiar position of having to safeguard the people of the United States and the integrity of this Congress against the passage of tremendously important legislation by unanimous consent. For that reason we have been forced to object to a great many bills in which there may be a great deal of merit.

Mr. DISNEY. The gentleman does not object to this bill on its merits? He agrees that this bill is a meritorious bill?

Mr. WOLCOTT. I see less merit in my objection to this bill than, perhaps, to some of the others that I have objected to, but the whole question is of such importance to the people of the United States that it should be brought out on the floor and discussed. Whether that should be done under suspension of the rules, whether it should be done by a rule on this particular bill or by a rule on an omnibus bill—although I am not in favor of omnibus bills particularly—I do not undertake to say, but in some way, time and consideration should be given to this condition which necessitates the appointment, according to the Judiciary Committee, of some eight new district judgeships. For that reason I must object to the bill.

Mr. SUMNERS of Texas. Would the gentleman agree to let the bill go over without prejudice?

Mr. WOLCOTT. I have no objection to that.

Mr. SUMNERS of Texas. Then I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection?

Mr. ANDREWS of New York. Mr. Speaker, I reserve the right to object, to ask the chairman of the Committee on the Judiciary what thought has been given to bringing in a general bill by his committee with respect to judgeships throughout the country?

Mr. SUMNERS of Texas. I think the committee will consider that right away.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. MICHENER. This matter of judgeships is a serious one. It is easy enough to come on the floor and suggest an omnibus judgeship bill. As a member of the Committee on the Judiciary I have always opposed omnibus judgeship bills, because an omnibus bill is the very place where logrolling is done. We have never had an omnibus judgeship bill under consideration here and never will have one that does not include judgeships that should not be included. The bill is formulated, and the judgeships are put in, and then two or three others are included that should not be there, and by that process the votes of delegations from two or three different States are obtained.

Mr. WOLCOTT. I said I did not care how it was brought out, whether by an omnibus bill or under a rule.

Mr. MICHENER. If we want a lot of extra judges, who ought not to be appointed, let us have an omnibus bill, and we will get them.

Mr. DISNEY. The gentleman will admit that this bill is a meritorious bill. It has been recommended by the Judicial Council.

Mr. MICHENER. This bill qualifies under that.

Mr. DISNEY. Can the gentleman not prevail on gentlemen on his side to let the bill go through? It merely provides for an additional judge.

Mr. MICHENER. But the gentleman should remember this, that Members on this side of the aisle have not yet reached the point where they will give way any views they have just because someone asks them to do it.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. SUMNERS of Texas. The gentleman will not object to letting the bill go over without prejudice?

Mr. WOLCOTT. No.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

EMPLOYMENT OF SPECIAL COUNSEL

The Clerk called the bill (S. 3781) limiting the operation of sections 109 and 113 of the Criminal Code, and section 190 of the Revised Statutes of the United States, with respect to counsel in certain cases.

The SPEAKER. Is there objection?

Mr. McLEAN. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

VALIDATING PAYMENTS OF DISBURSING OFFICERS OF THE ARMY

The Clerk called the next bill, S. 3687, to validate payments, and to relieve the accounts of disbursing officers of the Army on account of payments made to Reserve officers on active duty for rental allowances.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all payments made to military personnel of the Army on account of rental allowances, where the Secretary of War, under the authority of the act of March 4, 1915 (28 Stat. 1069; U. S. C., title 10, sec. 718), has determined that no quarters are available for such personnel, are hereby ratified and validated, and the Comptroller General of the United States is hereby directed to credit the accounts of disbursing officers of the United States with such payments, and to accept as final and conclusive in the audit of such accounts the determinations made by the Secretary of War under that act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VALIDATING PAYMENTS OF DISBURSING OFFICERS TO RESERVE OFFICERS

The Clerk called the next bill, S. 3688, to validate payments, and to relieve disbursing officers' accounts of payments made to Reserve officers promoted while on active duty.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That payments made by Army disbursing officers to Reserve officers of the Army of increased pay and allowances on account of promotion while on active duty are hereby ratified and validated, notwithstanding any construction of the Comptroller General of the provisions of section 201 of the Economy Act of June 30, 1932, as contained by section 4a, act of March 3, 1933, and section 4a, title 2, act of March 20, 1933, and the Comptroller General shall allow credit in the accounts of said disbursing officers for payments so made if otherwise correct.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL JUDGE FOR DISTRICT COURT OF UNITED STATES FOR KENTUCKY

The Clerk called the next bill, S. 3344, to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky.

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

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. SPENCE. Mr. Speaker, will the gentleman reserve his objection?

Mr. WOLCOTT. I will reserve the objection.

Mr. SPENCE. Mr. Speaker, I think this is a meritorious bill. Kentucky has but two judges. All the States adjacent to Kentucky, with comparable business, have three judges. The people of Kentucky would like to have this one additional judgeship created. The bar association has endorsed it. I believe it would furnish much-needed relief. It has been said that "justice delayed is justice denied." That is what is happening to the litigants in Kentucky.

Mr. DONDERO. Mr. Speaker, will the gentleman yield for a question?

Mr. SPENCE. I yield.

Mr. DONDERO. Does this provide for one additional judge for the eastern district and one for the western district of Kentucky?

Mr. SPENCE. No. It provides one additional judge and none of the machinery for the judgeship. For instance, no additional clerks or marshals. It is simply one judge to aid both districts in the performance of their duties.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. MAY. It is what they call a judge at large or sometimes called a floating judge. It does not increase expenses other than the salary of the additional judge.

Mr. SPENCE. That system has been adopted in many other States and it has been found successful.

Mr. DONDERO. One judge to be shifted about at large throughout the State of Kentucky?

Mr. SPENCE. That is correct.

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

Mr. WOLCOTT. Mr. Speaker, I object.

ENLARGEMENT OF GOVERNORS ISLAND, N. Y.

The Clerk called the next bill, H. R. 12009, to authorize the enlargement of Governors Island and consenting to the use of a portion thereof as a landing field for the city of New York and its environs.

The SPEAKER. Is there objection?

Mr. FADDIS. Mr. Speaker, reserving the right to object, the author of this bill and myself have agreed upon an amendment to the bill, which is agreeable to the gentleman.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. GIFFORD. Mr. Speaker, I object.

The SPEAKER. Are there further objections?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this is one of those cases where a bill of highly controversial nature is on this calendar and should not be passed by unanimous consent. For that reason I object.

Mr. FADDIS. Will the gentleman reserve his objection?

Mr. O'CONNOR. Mr. Speaker, before the objection stage I ask unanimous consent that the amendment which the gentleman from Pennsylvania will propose be reported.

The SPEAKER. Without objection, the proposed amendment will be reported.

There was no objection.

The Clerk read as follows:

Proposed amendment to be offered by Mr. FADDIS: Page 2, line 3, strike out the period, insert a semicolon and the following:

"*Provided*, That no portion of said Governors Island shall be made available by the Secretary of War that is needed for military purposes or for use by Army troops stationed on the island."

The SPEAKER. Is there objection to the consideration of the bill?

Mr. KENNEY, Mr. WOLCOTT, and Mr. GIFFORD objected.

Mr. PEYSER. Mr. Speaker, I ask unanimous consent that the bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ACQUISITION OF LAND FOR MILITARY PURPOSES IN CALIFORNIA

The Clerk called the next bill, H. R. 8050, to authorize the acquisition of land for military purposes in San Bernardino and Kern Counties, Calif., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to acquire by purchase, condemnation, or otherwise, all privately owned land and rights within the boundaries of the area in San Bernardino and Kern Counties, Calif., reserved and set aside for the use of the War Department as a bombing and gunnery range by Executive Order No. 6588, dated February 6, 1934, and the sum of $130,000 is hereby authorized to be appropriated from any funds in the Treasury not otherwise appropriated, which sum shall remain available until expended.

SEC. 2. That the land to be acquired hereunder upon acquisition shall, together with the public lands so reserved, be used for and developed as a bombing and gunnery range, aviation field, and other military purposes.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PORT NEWARK ARMY SUPPLY BASE

The Clerk called the next bill, H. R. 9042, to provide for the sale of the Port Newark Army Supply Base to the city of Newark, N. J.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to sell the Port Newark Army Supply Base, Newark, N. J., to the city of Newark, N. J., for the sum of $1,000,000, the sum of $100,000 to be paid when the city receives title and possession of property, the balance to be paid at the rate of $100,000 per annum, with interest at the rate of 3 percent per annum on the unpaid portion, with permission to the city of Newark to anticipate payment of the unpaid balance at any time. The city of Newark to maintain the channel, which is the means of ingress and egress to the Port Newark Army Supply Base and embraces the entire port of Newark, to a depth of 30 feet from the Newark Bay to all pierheads.

With the following committee amendment:

Strike out all after the enacting clause down to and including line 10 on page —, and also on page 2, strike out lines 1 to 5, inclusive, and insert the following:

"That the Secretary of War be, and he is hereby, authorized and directed to sell the Port Newark Army Supply Base, Newark, N. J., to the city of Newark, N. J., for the sum of $2,000,000, the sum of $100,000 to be paid when the city receives possession of the property, the balance to be paid at the rate of $100,000 per annum until paid in full, with permission to the city of Newark to anticipate the payment of the unpaid balance at any time: *Provided*, That title to the property shall pass to the city of Newark and a quitclaim deed be delivered by the Secretary of War only after receipt by him of the final payment: *Provided further*, That the city of Newark shall maintain the channel, which is the means of ingress and egress to the Port Newark Army Supply Base and embraces the entire port of Newark to a depth of 30 feet from the Newark Bay to all pierheads.

"SEC. 2. In the event of war or a national emergency declared by the Congress to exist, the Secretary of War shall have the right to take over from the city of Newark the said Port Newark Army Supply Base and shall pay as liquidated damages to the said city for the said taking of a sum equal to 3 percent per annum on the amount theretofore paid on the purchase price of the said property by the said city during each year or part thereof the said property is occupied under such taking by the United States, the said property to be returned to the city of Newark upon the expiration of such war or national emergency.

"SEC. 3. If the city of Newark shall not elect to acquire said property as provided in section 1 of this act on or before July 1, 1936, by payment of first $100,000, the authority granted to the Secretary of War under said section 1 shall cease and terminate.

"SEC. 4. In the event that the city of Newark, N. J., shall not elect to acquire said property under the provisions of this act on or before July 1, 1936, then the Secretary of War is hereby authorized to advertise said property for sale in journals or newspapers having wide and general circulation in the States of New York, New Jersey, Pennsylvania, and Maryland, and shall continue to advertise the same weekly for the full period of 8 weeks, which said advertisement shall designate a time not less than 90 days subsequent to July 1, 1936, at which said property shall be offered for sale at public auction to the highest bidder, said sale to be conducted at outcry by some officer of the United States Army, or by some noncommissioned officer, upon the said property itself, to wit: The Port Newark Army Supply Base in the city of Newark, N. J., and said property shall be sold for cash to the highest bidder at the same time: *Provided*, That no bid for less than $2,000,000 shall be accepted unless the person declared to be the highest bidder at said auction sale shall pay to the Secretary of War, or to his lawfully authorized agent, at said time and place of sale, the sum of $100,000, either in cash or by duly certified check upon a responsible bank, and such sale shall not be confirmed until 30 days after the date of the auction, during which 30 days the Secretary of War shall receive such evidence as may be submitted to him by any citizen of the United States to the effect that said sale was not fair, for any reason, whether by reason of an agreement among prospective bidders to chill the bidding or to restrict the bidding to one or more irresponsible bidders, or for any other reason whatsoever that to the Secretary of War may seem fair and just in order to protect the interests of the United States Government, and if the Secretary of War shall be satisfied by reason of any showing that may be made to him that said sale was unfair, or the price at which the same was awarded to the highest bidder was unreasonably low, or that bids were chilled, or for any other reason that may appear to the Secretary of War as fair and reasonable in order to protect the interest of the United States, then, in such case, he may declare such bidding to be null and void, and reject any and all bids and shall refuse

to confirm the attempted sale by auction and shall return to the bidder the said $100,000 or the $100,000 certified check, as the case may be, and shall thereafter readvertise said property for sale, under the same terms and conditions, at such subsequent time and place as shall comply with the provisions of this act, and the said Secretary of War shall continue from time to time to readvertise and to reoffer for sale said Port Newark Army Supply Base until a bidder shall be found whose bid is fair and reasonable in amount, free from any influence that may taint the same and render it unfair and unjust to the United States Government, and upon final compliance with all provisions of this act the Secretary of War shall then be authorized to execute, deliver, and convey by quitclaim deed the title of the United States Government to such purchaser, upon payment of the full purchase money as the same shall be ascertained by said public auction sale.

Mr. SUMNERS of Texas. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the objection I have—and I think it is an objection each Member of the House has—is that none of us has had an opportunity to know anything about this amendment. It is a long amendment, and the author of the bill, as I understand, moves to strike out the bill, leaving only the enacting clause, and substitutes a new bill. Is that right?

Mr. FADDIS. Yes.

Mr. HILL of Alabama. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. HILL of Alabama. The gentleman is not correct. The amendment just read is a committee amendment, authorized by the Committee on Military Affairs in order more fully to safeguard the interests of the Government.

Mr. SUMNERS of Texas. Is this proposed amendment in the committee report?

Mr. HILL of Alabama. The gentleman from New Jersey made the report on the bill, and the committee reported the amendment. It is printed in the bill. We struck out everything after the enacting clause and inserted in lieu thereof the committee amendment.

Mr. SUMNERS of Texas. Then this really is a committee amendment.

Mr. HILL of Alabama. Yes; and is printed in the committee report.

Mr. HARTLEY. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. HARTLEY. Is it not a fact that the committee amendment strengthens the Government's position?

Mr. HILL of Alabama. That is the purpose, to safeguard and strengthen the Government's interest.

Mr. McLEAN. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. McLEAN. This situation developed at the Port of Newark Army Base as a result of an investigation made by the Committee on Military Affairs, that the Government was losing considerable money by reason of a lease which had been entered into with some private interests. This lease expires in November and the War Department is anxious to make some disposition of this property so the Government will receive some income from it. The city of Newark offered the Government $1,000,000 for its interest in the property. The Committee on Military Affairs after considerable investigation and consideration, and upon the recommendation of the War Department, which communications appear in the report, revised the bill to provide a price of $2,000,000 instead of the $1,000,000 offered by the city of Newark, and added certain provisions as to the terms upon which the amount should be paid, in monthly installments covering a period of 20 years, and that is what makes the committee amendment so long.

Mr. SUMNERS of Texas. I misunderstood the parliamentary situation. I understood that the author of the bill was offering an amendment instead of calling attention to the committee amendment already offered.

Mr. McLEAN. No; this is the committee amendment.

Mr. HILL of Alabama. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield, but I am fully satisfied.

Mr. HILL of Alabama. The author of the bill, the gentleman from New Jersey [Mr. HARTLEY] did propose to offer an amendment; but we said to the gentleman from New Jersey that we of the Military Affairs Committee who were present on the floor would oppose the bill if he offered it, and the gentleman from New Jersey said he would not offer his amendment. The only amendment that has been offered, therefore, is the committee amendment to strengthen the bill safeguarding the Government's interest.

Mr. THOMASON. Mr. Speaker, if the gentleman will yield, there are extensive hearings on the bill and a long report from the committee.

Mr. SUMNERS of Texas. Mr. Speaker, I am satisfied.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMPLOYMENT OF COUNSEL IN CERTAIN CASES

The Clerk called the next bill, H. R. 11615, limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. TABER. Mr. Speaker, I object.

CIVIL GOVERNMENT FOR PUERTO RICO

The Clerk called the next bill, H. R. 10312, to amend section 40 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes."

Mr. McLEAN. Mr. Speaker, reserving the right to object, this creates two additional judgeships. I ask unanimous consent that it may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

NATIONAL CELEBRATION OF THE BIRTH OF CHARLES CARROLL

The Clerk called the joint resolution (S. J. Res. 151) making provision for a national celebration of the bicentenary of the birth of Charles Carroll of Carrollton, wealthiest signer of the Declaration of Independence.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. TABER. Mr. Speaker, reserving the right to object, I understand this is a joint resolution making provision for a national celebration for the bicentenary of the birth of Charles Carroll of Carrollton, wealthiest signer of the Declaration of Independence. Why should the birth of the wealthiest signer be observed any more than the birth of the poorest signer? Frankly, I cannot understand the logic of the bill.

Mr. MARTIN of Colorado. If the gentleman will yield, I think it would be much more appropriate if we struck out the word "wealthiest" and inserted the words "last surviving signer of the Declaration of Independence." That might mean something.

Mr. TABER. Does he still survive?

Mr. MARTIN of Colorado. No; he is dead, but he was the last survivor.

Mr. TABER. Mr. Speaker, I ask unanimous consent that this joint resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EXAMINATION AND SURVEY OF THE SAN JUAN RIVER

The Clerk called the next bill, S. 3488, to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and to determine

the feasibility and cost of storing such waters and of diverting them to the Rio Chama.

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

Mr. TABER. Mr. Speaker, reserving the right to object, this is another bill to wipe out payments due from those who are holders of these irrigation projects.

Mr. DEMPSEY. I may say for the information of the gentleman that this has nothing to do with payment. It simply provides for a survey of the waters of the San Juan River.

Mr. COSTELLO. There is an error in reporting this bill on the calendar. Calendar No. 721 should deal with surplus waters of the San Juan River and the Rio Chama, while the bill on the calendar deals with another matter.

Mr. TABER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PROCUREMENT WITHOUT ADVERTISING OF CERTAIN WAR DEPARTMENT PROPERTY

The Clerk called the next bill, H. R. 10762, to authorize the procurement, without advertising, of certain War Department property, and for other purposes.

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

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent that the bill S. 3859 be considered in lieu of the House bill. It is identical with the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That whenever proposals are invited for the furnishing of articles of Chemical Warfare or Signal property of the War Department, the character of which or the ingredients thereof are of such a nature that the interests of the public service would be injured by publicly divulging them, the chief of the supply service concerned is authorized to purchase such articles in such manner as he may deem most economical and efficient.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 10762) was laid on the table.

IMPROVEMENT OF AMMUNITION STORAGE FACILITIES AT ALIAMANU, TERRITORY OF HAWAII, AND EDGEWOOD ARSENAL, MD.

The Clerk called the next bill, H. R. 10849, to authorize an appropriation for improvement of ammunition storage facilities at Aliamanu, Territory of Hawaii, and Edgewood Arsenal, Md.

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

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this seems to be a tremendous amount of money to appropriate by unanimous consent. This bill authorizes an appropriation of $2,694,171. I think that probably the bill has a great deal of merit and the work should be done. Does the gentleman think it is very good practice on the part of the House to appropriate this large sum of money by unanimous consent?

Mr. HILL of Alabama. I think where we have a case as compelling as this one the House is justified in passing the bill by unanimous consent. As the gentleman well knows, unless a bill of this kind is passed by unanimous consent, about the only other way to get consideration is to go before the Rules Committee for a rule. The gentleman, of course, appreciates the difficulties and delay involved in that procedure.

I may say to the gentleman that this bill will relieve two very dangerous and hazardous situations, one at the Edgewood Arsenal, Md., and the other at Aliamanu, Hawaii. The bill has the recommendation of the War Department, and it will be noticed that the Bureau of the Budget also approves the bill. The committee, after hearing the testimony in this case, was unanimous in favor of the bill, feeling that it might even be derelict if it did not report the bill immediately and if some terrible catastrophe happened there as occurred a few years ago at Bismark, N. J.

Mr. WOLCOTT. I have no objection to the merits of the bill, and if it was brought out and voted upon, I would vote in favor of it. The reason we are called upon to appropriate such huge sums of money by unanimous consent is because we have been denied the right and the committees have been denied the right to take up legislation in the regular way on Calendar Wednesday. The responsibility for this bill, because it is on the Consent Calendar, rests with the individual Members. We should take our responsibility collectively. I am not going to object to the bill, but I do want to call attention to the situation.

Mr. HILL of Alabama. May I say to the gentleman that I have no personal interest in the bill? It is not my bill. I think, however, there is a situation there that needs prompt attention, and the situation should be remedied at once. According to the testimony furnished the committee and according to a letter from the War Department, there is at present danger of a terrible catastrophe there on account of the way high explosives, chemicals, and gas are stored. The fact is I should hate to assume the responsibility for stopping passage of the bill, and I hope the gentleman from Michigan [Mr. WOLCOTT] will not object.

Mr. WOLCOTT. I said that I had no objection to the merits of the bill.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $2,694,171, as follows: Aliamanu, Territory of Hawaii, $1,580,000; Edgewood Arsenal, Md. (Bush River project), $1,114,171; including the necessary construction and installation of buildings, roads, railroads, and fences, utilities and appurtenances incident thereto, and including also the moving and reconditioning of Ordnance and Chemical Warfare Service stores, as may be necessary to provide safe and adequate storage for munitions.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEMORIAL TO BETSY ROSS

The Clerk called the next resolution, House Joint Resolution 470, to authorize the selection of a site and the erection thereon of a suitable monument as a memorial to Betsy Ross.

Mr. WOLCOTT. Mr. Speaker, I object.

AMENDMENT TO FEDERAL FARM LOAN ACT AND FARM CREDIT ACT OF 1935

The Clerk called the next bill, H. R. 10101, to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That effective July 1, 1935, the first sentence of paragraph "Twelfth" of section 12 of the Federal Farm Loan Act, as amended and as further amended by section 3 (a) of the Farm Credit Act of 1935, is further amended by striking out the following: "occurring within a period of 1 year commencing July 1, 1935, and shall not exceed 4 percent per annum for all interest payable on installment dates occurring within a period of 2 years commencing July 1, 1936", and inserting in lieu thereof the following: "occurring within a period of 3 years commencing July 1, 1935."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE HERNANDO DE SOTO EXPEDITION

The Clerk called the next bill, H. R. 11747, extending the time for making the report of the Commission to study the subject of Hernando De Soto's Expedition.

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object, and I do so for the purpose of criticizing the manner

in which this extension is being made. This is very haphazard legislation, to say the least, and I want to call attention to the fact that this is one of these very short, concise, and to-the-point reports which are frequently reported out of the Committee on the Library, which gives absolutely no information whatsoever, and I wonder if it is in conformity with the spirit, at least, of the Ramseyer rule, in that no information is given as to when this Commission is supposed to make its report.

I have looked through the bill and read the report very carefully, word for word, and in no way can I determine when the Commission is supposed to make its report; but I do find that it extends the time for making the report to January 2, 1939, and I may say that the legislation is haphazard in that the existing legislation should be amended by striking out the time at which the Commission was authorized to make its report and a new date included.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. RANKIN. I will say to the gentleman that I had not investigated the report on the bill——

Mr. WOLCOTT. It will not take the gentleman very long to do so.

Mr. RANKIN. But the bill simply extends the time for making this report. The original bill provided for this Commission making its report at this session of the Congress; but, as the Members all know, we hung on here last summer until around the 1st of September, and this Commission was appointed late. Therefore they have not completed their investigation on which they propose to make this report. So I introduced this bill extending the time to a definite period.

This does not cost a single cent. The money is already appropriated and provided for. Of course, if they are required to rush through with it, they could spend all the money and make a report before this Congress adjourns, but they did not want to do that, and for that reason we are simply asking for this extension of time.

Mr. WOLCOTT. I simply want to call attention to the fact that during the first session of the Seventy-fourth Congress we had to object to the passage of bills that came out of the Library Committee because the reports were incomplete in some instances, and the Ramseyer rule was not complied with in other instances, and I have noticed another bill later on in this calendar which is comparable with the situation that existed last year. I hope we will not again have to resort to the extreme of compelling the Library Committee to conform with the spirit of the rules of the House.

I have no objection to the merits of this bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commission to study the subject of Hernando De Soto's Expedition, appointed pursuant to the joint resolution entitled "Joint resolution pertaining to an appropriate celebration of the four-hundredth anniversary of the expedition of Hernando De Soto", approved August 26, 1935, may make its report to Congress on or before January 2, 1939.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INVESTIGATION OF SUB-BITUMINOUS AND LIGNITE COAL BY THE BUREAU OF MINES

The Clerk called the next bill, H. R. 10633, 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.

The SPEAKER pro tempore (Mr. O'CONNOR). Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, there is a similar Senate bill on the subject, and I ask unanimous consent that the Senate bill (S. 3748) may be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

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 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.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 10633) were laid on the table.

PRELIMINARY EXAMINATION OF THE BLACKSTONE, SEEKONK, MOSHASSUK, AND WOONASQUATUCKET RIVERS

The Clerk called the bill (H. R. 11921) to authorize a preliminary examination of the Blackstone, Seekonk, Moshassuk, and Woonasquatucket Rivers, and their tributaries, in the State of Rhode Island, with a view to the control of their floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause a preliminary examination to be made of the Blackstone, Seekonk, Moshassuk, and Woonasquatucket Rivers and their tributaries in the State of Rhode Island, with a view to the control of their floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOUNDARY OF THE UTE INDIAN RESERVATION, UTAH

The Clerk called the bill (H. R. 9156) to define the exterior boundary of the Ute Indian Reservation in the State of Utah, and for other purposes.

The SPEAKER pro tempore (Mr. O'CONNOR). Is there objection?

Mr. WOLCOTT. Reserving the right to object, it seems to me that in view of the amount involved and the fact that we are departing from precedents by authorizing payment of claims allowed by the Court of Claims before judgment, I wonder if there would be any objection to allowing this bill to go over without prejudice in order that we may make further examination?

Mr. MURDOCK. There is no objection on my part.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

CHARLESTON ARMY BASE TERMINAL

The Clerk called the bill (S. 3789) authorizing the Secretary of Commerce to convey the Charleston Army Base Terminal to the city of Charleston, S. C.

There being no objection, the Clerk read the bill, as follows:

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 the 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 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.

With the following committee amendments:

Page 2, line 10, after the word "shall", insert "include a provision prohibiting the city of Charleston from transferring the title from said property to any person, firm, or corporation and shall."

Page 2, line 15, after the word "taken", insert "without cost to the United States."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING COASTWISE LOAD LINE ACT, 1935

The Clerk called the bill (H. R. 11915) to amend the Coastwise Load Line Act of 1935.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the Coastwise Load Line Act of 1935, approved August 27, 1935 (Public, No. 354, 74th Cong.), be amended by striking out after the words "trades in which they are engaged" the colon and inserting in lieu thereof the following: "In establishing load water lines on passenger vessels due consideration shall be given to, and differentials shall be made for, the age of the vessel, its subdivision and efficacy thereof, and the stability of the vessel in a damaged condition."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 2 of the Coastwise Load Line Act, 1935, approved August 27, 1935 (U. S. C., 1934 edition, Supp. I, title 46, sec. 88a), be amended to read as follows:

" 'SEC. 2. The Secretary of Commerce is hereby authorized and directed, in respect of the vessels defined above, to establish by regulations from time to time the load water lines and marks thereof indicating the maximum depth to which such vessels may safely be loaded, and in establishing such load lines due consideration shall be given to, and differentials made for, the various types and character of vessels and the trades in which they are engaged. In establishing load water lines on passenger vessels due consideration shall be given to, and differentials shall be made for, the age and condition of the vessel, its subdivision and efficacy thereof, and the stability of the vessel in a damaged condition: *Provided,* That the load-line provisions of this act shall apply to the Great Lakes, and that no load line shall be established or marked on any vessel which load line gives a lesser freeboard and less buoyancy than the load line established by the International Treaty on Load Lines of 1930, and that the regulations established under this proviso shall have the force of law: *Provided further,* That in applying the load lines to vessels on the Great Lakes the Secretary of Commerce is vested with discretion to vary the load-line marks from those established by said treaty when in his opinion the changes made by him will not be above the actual line of safety.' "

Mr. BLAND. Mr. Speaker, I offer the following amendment to the committee amendment.

The Clerk read as follows:

Page 2, line 23, after the words "Great Lakes", insert the following: "and to vessels engaged in special service on interisland voyages and on coastwise voyages from port to port in the continental United States."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

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

The title was amended.

CALIFORNIA INDIANS

The Clerk called the bill (S. 1793) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602).

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. I object.

Mr. LEA of California. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. WOLCOTT. Yes.

Mr. LEA of California. Is there any particular point on which I might aid the gentleman in respect to this bill?

Mr. WOLCOTT. Mr. Speaker, there are at least two objections to the bill which are of great importance. First, it authorizes the appropriation of an indeterminate amount of money, which it is thought will not exceed $5,000,000, or it involves that amount. That is a rather large amount to consider under unanimous consent. Then, next, we authorize in this bill an appeal from the Court of Claims to the Supreme Court of the United States, where questions of law and fact may be considered. In the case of all other citizens of the United States who have claims against the Government, they are permitted to take their claims to the United States Supreme Court by certiorari only, which restricts the review to matters of law. I presume that when we gave the Indians citizenship we did not intend to give them any more rights, prerogatives, or advantages than we give to the other citizens of the United States, and those few Indians with whom I am acquainted I know to be patriotic enough and good enough citizens so that they do not expect any rights or privileges not enjoyed by other American citizens. Those are my two thoughts with respect to the legislation, but, perhaps, overshadowing all of that, we are dealing with a bill of such tremendous importance that I think we should be given an opportunity to discuss it most thoroughly on the floor before acting upon it.

Mr. LEA of California. Mr. Speaker, I ask unanimous consent that the bill may go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

WITHHOLDING PAY OF CERTAIN OFFICERS OF ARMY, NAVY, AND MARINE CORPS

The Clerk called the bill (H. R. 8784) to authorize the Secretary of War or the Secretary of the Navy to withhold the pay of officers, warrant officers, enlisted men, and nurses of the Army, Navy, or Marine Corps to cover indebtedness to the United States under certain conditions.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter the pay of officers, warrant officers, and enlisted men of the Army, Navy, or Marine Corps, and of members of the Army and Navy Nurse Corps, may be withheld under such regulations as shall be prescribed by the Secretary of War and the Secretary of the Navy for their respective departments to satisfy any indebtedness to the United States or to any of its military or naval agencies or instrumentalities growing out of, or resulting from, a disallowance by the Comptroller General of the United States in the settlement of the accounts of disbursing officers of the Army, Navy, or Marine Corps: *Provided,* That in the event that any suit shall be brought against a disbursing officer of the Army, Navy, or Marine Corps on account of disallowances by the Comptroller General of the United States, and final judgment shall be in favor of the defendant, such defendant shall be entitled to recover his expenses incurred in his defense, including such attorney's fees as the court shall deem reasonable and traveling expenses and per diem as prescribed in the Subsistence Expense Act of 1926, approved June 3, 1926 (44 Stat. 688), as amended, and regulations promulgated thereunder, which expenses shall be fixed by written finding filed by the court in such cause; and there is hereby authorized to be appropriated such funds as are necessary to defray such expenses: *Provided,* That nothing contained in this act shall be construed to repeal the provisions contained in the act of May 22, 1928 (U. S. C., Supp. VII, title 10, sec. 875), as amended.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That hereafter, whenever upon the statement of the account of any disbursing officer of the United States in the General Accounting Office credit shall have been disallowed for any payment to any person in the executive branch of the Government otherwise entitled to compensation from the United States or from any agency or instrumentality thereof, such compensation of the payee may be withheld until full reimbursement has been accomplished under such regulations as may be prescribed by the head of the department, branch, or independent establishment (including corporations) under which such payee is entitled to receive compensation: *Provided,* That nothing contained in this act shall be construed to repeal or in any way modify existing laws relating to the collection of the indebtedness of accountable or disbursing officers."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended to read: "A bill to authorize withholding compensation due Government personnel."

PUBLIC WELFARE DEPARTMENT FOR PUERTO RICO

The Clerk called the bill (H. R. 12119) to amend sections 13 and 19 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes."

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice to allow the committee to conform to the Ramseyer rule and, if it desires, to submit a supplementary report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. IGLESIAS. In a minute I can explain the bill.

Mr. WOLCOTT. I don't know that I have any objection to the bill, but I cannot study it in the light of comparison with existing legislation, because the Ramseyer rule has not been complied with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan that the bill be passed over without prejudice?

There was no objection.

SALE OF PUBLIC LANDS TO LOS ANGELES

The Clerk called the bill (H. R. 12033) authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights-of-way over public lands and reserve lands to the city of Los Angeles in Mono County in the State of California.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby granted to the city of Los Angeles, a municipal corporation of the State of California, all lands belonging to the United States situated in Mono County, Calif., which may be necessary, as found by the Secretary of the Interior, for any or all of the following purposes:

Rights-of-way; buildings and structures, construction and maintenance camps; dumping grounds; flowage, diverting, or storage dams; pumping plants; power plants; canals, ditches, pipes, and pipe lines; flumes, tunnels, and conduits for conveying water for domestic, irrigation, power, and other useful purposes; poles, towers, and lines for the conveyance and distribution of electrical energy; poles and lines for telephone and telegraph purposes; roads, trails, bridges, tramways, railroads, and other means of locomotion, transmission, or communication; for obtaining stone, earth, gravel, and other materials of like character; or any other necessary purposes of said city, together with the right to take for its own use, free of cost, from any public lands, within such limits as the Secretary of the Interior may determine, stone, earth, gravel, sand, and other materials of like character necessary or useful in the construction, operation, and maintenance of aqueducts, reservoirs, dams, pumping plants, electric plants, and transmission, telephone, and telegraph lines, roads, trails, bridges, tramways, railroads, and other means of locomotion, transmission, and communication, or any other necessary purposes of the city of Los Angeles.

That there is hereby excepted and reserved unto the United States, from said grant, minerals, other than sand, stone, earth, gravel, and other materials of like character: *Provided, however,* That such minerals so excepted and reserved shall be prospected for, mined, and removed only in accordance with regulations to be prescribed by the Secretary of the Interior.

This grant shall be effective upon (1) the filing by said grantee at any time after the passage of this act, with the register of the United States local land office in the district where said lands are situated, of a map or maps showing the boundaries, locations, and extent of said lands and of said rights-of-way for the purposes hereinabove set forth; (2) the approval of such map or maps by the Secretary of the Interior, with such reservations or modifications as he may deem appropriate; (3) the payment of $1.25 per acre for all Government lands conveyed under this act other than for the right-of-way for the Mono Basin aqueduct: *Provided,* That said lands for rights-of-way shall be along such location and of such width, not to exceed 250 feet, as in the judgment of the Secretary of the Interior may be required for the purposes of this act: *And provided further,* That said lands for any of said purposes other than rights-of-way for the Mono Basin aqueduct may be of such width or extent as may be determined by the Secretary of the Interior as necessary for such purposes.

SEC. 2. That where any of the lands, to which the city of Los Angeles seeks to acquire title under section 1 of this act, are in a national forest, the said map or maps shall be subject to the approval of the Secretary of Agriculture so far as national-forest lands are affected; and upon such approval and the subsequent approval by the Secretary of the Interior, title to said lands shall vest in the grantee upon the date of such subsequent approval.

SEC. 3. Said grants are to be made subject to rights-of-way, easements, and permits heretofore granted or allowed to any person or corporation in accordance with any act or acts of Congress and subject to the rights of all claimants or persons who shall have filed or made valid claims, locations, or entries on or to said lands, or any part thereof prior to the effective date of any conflicting grant hereunder, unless prior to such effective date proper relinquishments or quitclaims have been procured and caused to be filed in the proper land office.

SEC. 4. That, whenever the land granted herein shall cease to be used for the purposes for which it is granted, the estate of the grantee or of its assigns shall terminate and revest in the United States. That any grants made hereunder shall not be assigned to any private individual, association of such individuals, or a private corporation.

With the following committee amendments:

Page 2, line 23, strike out the word "accepted" and insert the word "excepted."

Page 3, line 1, strike out the word "accepted" and insert the word "excepted."

The committee amendments were agreed to, and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ADDITIONAL JUDGE FOR THE DISTRICT OF KANSAS

The Clerk called the next bill, S. 3434, to provide for the appointment of one additional judge for the district of Kansas.

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

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

GAMBLING-SHIP BILL

The Clerk called the next bill, H. R. 8525, prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located offshore, and for the purpose of promoting the safety of navigation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That it shall be unlawful for any person, firm, or corporation to operate any ship, boat, barge, or other means of transportation on which passengers are carried, or transported, from any port, landing, or wharf in the United States to any ship, barge, boat, or vessel anchored, or standing 3 or more miles offshore, without first obtaining from the Secretary of Commerce of the United States a permit to operate such vessel, such permit to be in such form and of such duration as the Secretary of Commerce of the United States may prescribe. A copy of this permit shall be kept on board each vessel and shall be exhibited on demand by qualified boarding officers, the original of such permit to be recorded in the customhouse of the port out of which such vessels operate.

SEC. 2. Before any such permit is issued for the operation of any such vessel the owner of same, or his authorized agent, shall make application therefor to the Secretary of Commerce of the United States, in which application the name or names and address or addresses of the owner or owners of such craft shall be set forth; also the port or place from which such vessel, or vessels, are to be operated; also the maximum number of persons such vessel will carry.

SEC. 3. If upon full investigation the Secretary of Commerce finds that the operation of such vessel is, or may become, a menace to navigation, or endangers human life, or is to be operated for the purpose of transporting passengers to or from any stationary or anchored vessel, barge, or other craft of similar character engaged in any business or occupation prohibited by law at the place of landing by said vessel covered by this act, the Secretary of Commerce shall deny such application and no permit for the operation of such vessel shall be issued.

SEC. 4. The Secretary of Commerce is hereby authorized to prescribe such regulations as may be necessary to carry out the purposes of this act, and such regulations shall have the force of law.

SEC. 5. For any violation of any of the provisions of this act or of the regulations issued thereunder, the owner of the vessel shall be subject to a penalty of $500 for which the vessel shall be liable and may be seized and proceeded against in any district in which she may be found; and the master or operator of such vessel shall be subject to a penalty of $300.

SEC. 6. The Secretary of Commerce is hereby authorized to mitigate or remit any penalty incurred for violation of this act on such terms as he may deem proper.

With the following committee amendments:

On page 1, line 8, after the word "offshore", insert "(pilot boats and vessels engaged exclusively in the fisheries excepted)"; page 3, beginning in line 7, strike out all of section 5 and insert the following:

"SEC. 5. For any violation of any of the provisions of this act or of the regulations issued thereunder, the owner of the vessel shall be subject to a penalty of $500 and the master or operator of such vessel to a penalty of $300; and such penalties shall constitute a lien on such vessel which may be proceeded against summarily by way of libel in any district court of the United States having jurisdiction thereof."

Page 3, line 24, insert the following:

"SEC. 7. This act shall take effect upon its enactment, except that sections 1, 5, and 6 shall take effect 60 days from the date of enactment of this act."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRELIMINARY EXAMINATION OF SABINE AND NECHES RIVERS

The Clerk called the next bill, H. R. 10836, to authorize the preparation of a comprehensive plan for controlling the floods, regulating the flow of waters, land reclamation, and conserving water for beneficial uses, in the basins of the Sabine and Neches Rivers, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Reserving the right to object, Mr. Speaker, I wonder if the chairman of the committee or the author of the bill can tell us something about that bill?

Mr. PATTON. Mr. Speaker, this is one of the reclamation districts in Texas, created by the Texas Legislature some 2 or 3 years ago as other districts were created. This bill only provides that the War Department shall make a preliminary survey.

Mr. TABER. How much will it cost?

Mr. PATTON. This is the regular routine of their work. The appropriation comes through the War Department. They have recommend it to the committee, and the committee has unanimously recommended the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. A similar Senate bill, S. 4214, is on the Speaker's table.

Mr. PATTON. Mr. Speaker, I ask unanimous consent that the Senate bill be substituted.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Sabine and Neches Rivers, and their tributaries, with a view to controlling their floods and regulating, conserving, and utilizing the waters thereof, in accordance with the provisions of section 3 of the act entitled "An act to provide for the control of the floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1912, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 10836) was laid on the table.

RESIDENCE OF UNITED STATES COMMISSIONERS FOR THE NATIONAL PARKS

The Clerk called the next bill, H. R. 9113, to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes.

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

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman from Louisiana please explain this bill?

Mr. DEROUEN. This is a provision which will remove the requirement of the superintendent and officials to remain within the parks during the winter when it is very cold. They could be just outside of the park and carry on the operation of the park just as easily. It is simply an accommodation, and under this proposed legislation the authority to make such designations, both within and without the park boundaries, would be vested in the Secretary of the Interior.

Mr. MARTIN of Massachusetts. Is there any more cost to the Government?

Mr. DEROUEN. Not a nickel. Not at all.

They could locate on the boundary or at convenient locations near the parks.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any United States commissioner appointed for any of the several national parks shall after appointment reside within the exterior boundaries of the park for which he is appointed or at a place reasonably adjacent to such park, the place of residence to be designated by the Secretary of the Interior.

SEC. 2. Any such commissioner heretofore appointed shall be entitled to receive the salary provided by law, which may have accrued at the date this act becomes effective, without regard to whether such commissioner may have resided within the exterior boundaries of the park for which appointed.

SEC. 3. All acts or parts of acts inconsistent with the provisions of this act are hereby repealed to the extent of such inconsistency.

With the following committee amendment:

Page 1, line 4, after the word "shall", insert the words "after appointment."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ABSAROKA AND GALLATIN NATIONAL FORESTS

The Clerk called the next bill, H. R. 11799, to repeal the proviso of the act of May 18, 1928 (ch. 626, 45 Stat. 603), making additions to the Absaroka and Gallatin National Forests and improving and extending the winter-feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land, and for other purposes.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the proviso of the act approved May 18, 1928 (ch. 626, 45 Stat. 603), making additions to the Absaroka and Gallatin National Forests, and improving and extending the winter-feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land, as follows: *"Provided*, That the total expenditures from this appropriation shall not exceed the combined total of the sums contributed by private or other agencies under the provisions of clause (a) of section 1 of said act, and the appraised values of land donated or bequeathed under the provisions of clause (b) of section 1 of said act", be, and the same is hereby, repealed, and the unexpended balance of any appropriations made pursuant to said act is hereby authorized to be expended for the purchase of land by the payment in full of the purchase price agreed to therefor.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAMMOTH CAVE NATIONAL PARK, KY.

The Clerk called the next bill, H. R. 11791, to make available for national-park purposes certain lands within the area of the proposed Mammoth Cave National Park, Ky.

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

Mr. TABER. Mr. Speaker, reserving the right to object, does this take land that already belongs to the Government or does it propose to buy land?

Mr. DEROUEN. I will be glad to explain this bill. This has to do with the Mammoth Cave. We are attempting to

carry on the operation of the national park there but to remove a certain area.

Some of the caves we did not need and were being held up on the price. We are trying to remove these areas and use only the area and caves which the Secretary of the Interior in his discretion deems necessary to carry on the organization of the park and conform with rule of Attorney General with respect to the 9,200 acres of land acquired or contracted for and give national-park status under jurisdiction of the National Park Service. That is all it is.

Mr. TABER. It reduces the area of the park, that is all?

Mr. DEROUEN. We exclude those areas so we will not be held up.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all lands purchased from funds heretofore allocated and made available by Executive order, or otherwise, or which hereafter may be allocated and made available for the acquisition of lands for conservation or forestation purposes within the maximum boundaries of the Mammoth Cave National Park as authorized by the act of May 25, 1926 (44 Stat. 635), be, and the same are hereby made, a part of the said park as fully as if originally acquired for that purpose.

With the following committee amendment:

Page 1, after line 10, insert a new section to read as follows:

"SEC. 2. The Secretary of the Interior is hereby authorized, in his discretion, to exclude the Great Onyx Cave and the Crystal Cave, or either of them, from the maximum boundaries of the said park."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN INDIANS

The Clerk called the next bill, H. R. 7764, to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $25,000, to be expended under such rules and regulations as the Secretary of the Interior may prescribe, for payment of taxes, including penalties and interest, assessed against individually owned Indian land the title to which is held subject to restrictions against alienation or encumbrance except with the consent or approval of the Secretary of the Interior, heretofore purchased out of trust or restricted Indian funds of an Indian, where the Secretary finds that such land was purchased with the understanding and belief on the part of the said Indian that after purchase it would be nontaxable, and for redemption or reacquisition of any such land heretofore or hereafter subject to restriction against alienation or encumbrance except with the consent or approval of the Secretary of the Interior, heretofore purchased out of trust or restricted funds of said Indian, are hereby declared to be instrumentalities of the Federal Government, and shall be nontaxable until otherwise directed by Congress.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That there is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $25,000, to be expended under such rules and regulations as the Secretary of the Interior may prescribe, for payment of taxes, including penalties and interest, assessed against individually owned Indian land the title to which is held subject to restrictions against alienation or encumbrance except with the consent or approval of the Secretary of the Interior, heretofore purchased out of trust or restricted funds of an Indian, where the Secretary finds that such land was purchased with the understanding and belief on the part of said Indian that after purchase it would be nontaxable, and for redemption or reacquisition of any such land heretofore or hereafter sold for nonpayment of taxes.

SEC. 2. All lands the title to which is now held by an Indian subject to restrictions against alienation or encumbrance except with the consent or approval of the Secretary of the Interior, heretofore purchased out of trust or restricted funds of said Indian, are hereby declared to be instrumentalities of the Federal Government, and shall be nontaxable until otherwise directed by Congress."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIANS OF THE STATE OF OKLAHOMA

The Clerk called the next bill, S. 2047, to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes.

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

Mr. WOLCOTT. Mr. Speaker, inasmuch as this bill is rather a radical departure from existing policy and might involve something like $2,000,000, I think probably it is one of the bills that should be considered either under suspension of the rules, by a special rule, or on Calendar Wednesday. For this reason I object.

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman withdraw his objection and allow the bill to go over without prejudice?

Mr. WOLCOTT. Mr. Speaker, I withdraw my objection.

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CHOCTAW INDIANS OF THE STATE OF MISSISSIPPI

The Clerk called the next bill, S. 2715, conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi.

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

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this bill provides that these Indians may sue the Government, but, unlike any other suit or any other claimant, the Government cannot set off against the suit any gratuity it may have given to the Indians, and it also provides the right of appeal, instead of certiorari. For these reasons I object.

MONUMENT IN MEMORY OF CAPT. MOSES ROGERS

The Clerk called the next bill, H. R. 8998, to authorize the erection of a monument in memory of Capt. Moses Rogers.

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

Mr. WOLCOTT. Mr. Speaker, I object to the bill in that it provides for an appropriation of $5,000. The rules are very specific as to which committees may make appropriations, and I do not find the Committee on the Library included as one of them.

The SPEAKER pro tempore (Mr. O'CONNOR). Objection is heard, and the Clerk will report the next bill.

CHOCTAW INDIANS OF THE STATE OF MISSISSIPPI

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 745, S. 2715, an act conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi, and that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

WORLD'S WOMAN'S CHRISTIAN TEMPERANCE UNION

The Clerk called the next bill, S. 3950, to aid in defraying the expenses of the Sixteenth Triennial Convention of the World's Woman's Christian Temperance Union to be held in this country in June 1937.

Mr. CLARK of Idaho. Mr. Speaker, reserving the right to object, will the author of the bill explain why this amount of money should be appropriated for one organization unless we are going to appropriate it for many?

Mr. GILLETTE. Mr. Speaker, I am not the author of the bill, although it is reported in my name. The House has gone on record, not over 3 weeks ago, in appropriating money for an association of country women in this same amount to assist them in their convention. The precedent has already

been established, and the same request is made in connection with this worthy association of W. C. T. U. women.

Mr. CLARK of Idaho. Does the gentleman believe this House should establish the policy of appropriating $10,000 to various associations who desire to have their convention expenses defrayed?

Mr. GILLETTE. I may say to the gentleman that so far as my individual views are concerned, I think it is a very improper policy; but the House has established the precedent, and for this reason we are not in position to refuse to help these women whose purpose is broad, covering not only temperance but welfare work of all kinds.

Mr. CLARK of Idaho. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mrs. ROGERS of Massachusetts. Will the gentleman withhold his request for a moment?

Mr. CLARK of Idaho. I withhold my request.

Mrs. ROGERS of Massachusetts. I wish the Members of the House would permit this bill to pass. There are over 600,000 women interested in this matter, and it seems to me they are a particularly worthy group and represent a particularly worthy cause. I think no Member should object.

Mr. CLARK of Idaho. I have no objection, of course, to the cause; in fact, I agree with the cause. I am merely questioning the principle.

Mrs. ROGERS of Massachusetts. These women have been invited to this country.

Mr. CLARK of Idaho. Mr. Speaker, I withdraw my request.

Mrs. ROGERS of Massachusetts. I thank the gentleman.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to aid in defraying the expenses of the Sixteenth Triennial Convention of the World's Woman's Christian Temperance Union to be held in this country in June 1937, such sum to be expended for such purposes and under such regulations as the Secretary of State shall prescribe and without regard to any other provision of law.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IRRIGATION CHARGES ON IRRIGATION LANDS

Mr. GREEVER. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill S. 1318, an act 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, No. 697 on the Consent Calendar, and that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

INTER-AMERICAN CONFERENCE AT BUENOS AIRES, ARGENTINA

The Clerk called the next resolution, Senate Joint Resolution 248, to provide for participation by the United States in an inter-American conference to be held at Buenos Aires, Argentina, or at the capital of another American republic, in 1936.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. McLEAN. Mr. Speaker, reserving the right to object, do I understand this joint resolution carries an appropriation?

Mr. McREYNOLDS. No.

The SPEAKER pro tempore. The Chair has the joint resolution and may say that it only authorizes an appropriation.

Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money not otherwise appropriated, the sum of $75,000 to be used for participation by the United States in an Inter-American Conference to be held at Buenos Aires, Argentina, or at the capital of another American republic, in 1936, including personal services in the District of Columbia or elsewhere without reference to the Classification Act of 1923, as amended; stenographic reporting and other services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses (and by indirect routes and by airplane if specifically authorized by the Secretary of State); hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; equipment, purchase of necessary books, documents, newspapers, periodicals, and maps; stationery; official cards, entertainment; printing and binding; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State, fiscal year 1936, to remain available until June 30, 1937.

With the following committee amendment:

On page 1, line 6, after the word "conference", insert "in pursuance of and for the purposes set forth in a letter from the President of the United States dated January 30, 1936."

The committee amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERECTION OF MEMORIAL TO THOSE WHO MET THEIR DEATH IN THE WRECK OF THE "SHENANDOAH"

The Clerk called the next bill, H. R. 10544, authorizing the erection of a memorial to those who met their death in the wreck of the dirigible *Shenandoah*.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to erect near Ava, Ohio, on the spot where the *Shenandoah* fell, a suitable tablet or marker to commemorate the heroic services rendered by Commander Landsdowne and other members of the crew who died when the Navy dirigible *Shenandoah* was destroyed.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATION OF THE SEQUOIA TREE AS THE NATIONAL TREE OF THE UNITED STATES

The Clerk called the next bill, H. R. 10106, to designate the sequoia tree (Sequoia gigantea) as the national tree of the United States.

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

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, and I intend to object, because I do not consider the sequoia tree a typical American tree. I do not believe the Congress of the United States should spend very much time picking out national trees and national flowers anyway. There are millions of citizens of the United States who have not had the pleasure of visiting California and viewing the Sequoia gigantea and probably will never be able to get enough money to go out there. I may call attention to the fact that the oak, the pine, the maple, the spruce, the hemlock, the cactus, and the willow are all more typical American trees than is the sequoia. I am surprised our good friend from Ohio, Mr. West, as Acting Secretary of the Interior, would recommend this bill. However, all he has to say with respect to it is that it is a tree with a great deal of dignity. I think we can agree with him on that. I notice that in another paragraph of his letter he says that this would not be in conflict with the program of the President. I assume he means the financial program of the President and, of course, that is about the only thing we can agree with him on so far as this bill is concerned. I cannot see where the naming of this tree would be in conflict with the financial program of the Government.

Mr. STUBBS. Will the gentleman withhold his objection?

Mr. WOLCOTT. I withhold my objection.

Mr. STUBBS. I may say to the gentleman from Michigan that a Nation-wide poll was taken and approximately 3,000,000 votes cast. This poll was taken by the National Life

Conservation Society and votes were received from women's clubs, patriotic organizations, churches, lodges, colleges, public and private schools, and the sequoia tree received by far the largest number of votes. I may also say to the gentleman that this bill has not only been endorsed by the Department of the Interior but by the National Life Conservation Society, the New York History Club, of New York City, the Ohio Federation of Women's Clubs, the Relief Society for the Aged, which provides fresh-air funds for adults and elderly people, and is an organization interested in the outdoors. It has also been endorsed by the National Society of the Daughters of 1812, the Sons and Daughters of the Pilgrims, and by many prominent citizens of every State in the Union, as well as businessmen, officials, thousands of school children, and others.

I may say to the gentleman that I believe this tree is truly and typically American in that it is the largest and oldest living thing in the world. It is found nowhere else except in the United States and California.

Mr. WOLCOTT. I may say to the gentleman that my objection to making the sequoia a national tree is it is the most rare tree I know of in the United States. Now, would the gentleman accept an amendment making the Michigan pine the national tree? Would he accept an amendment making the birch, which is probably more typical than any other tree in the United States, the national tree? The gentleman from Texas might suggest the cactus.

Mr. BLANTON. No; I would suggest the everlasting mesquite tree.

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

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. STUBBS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. KVALE. Mr. Speaker, I object.

Mr. WOLCOTT. Mr. Speaker, I object to the present consideration of the bill.

PERMANENT MEMORIAL TO THOMAS JEFFERSON

Mr. BOYLAN. Mr. Speaker, I desire to submit a unanimous-consent request.

When the bill (H. R. 12027) to authorize the execution of plans for a permanent memorial to Thomas Jefferson (Calendar No. 684) was called, objection was made by the gentleman from Illinois [Mr. DIRKSEN], and I made the request that it be passed over without prejudice, which request was granted.

I now ask unanimous consent to withdraw the request that I then made.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, does that mean that the bill keeps its present place on the calendar or do we return to the bill for its consideration?

Mr. BOYLAN. I withdraw the request that it be passed over without prejudice. I make the request myself and I am not withdrawing the objection of anyone else.

Mr. RICH. I may say to the gentleman from Michigan that this is for a statue of Thomas Jefferson here in Washington. We only have one small one in the hall here in the Capitol Building, and if there is anything needed in Washington, it is a statue of Thomas Jefferson, so that the people of this country may look up to his writings and teachings, and I am in hopes they will follow him.

Mr. WOLCOTT. May I ask the gentleman from Pennsylvania where he is going to get $3,000,000 to erect this monument? [Laughter and applause.]

Mr. RICH. I may say to the gentleman that I am not advocating the spending of $3,000,000, but we can save more than the $3,000,000 if we cut out the $30,000,000 that you are going to spend for a monument to Jefferson in St. Louis, where we have a memorial to Jefferson already erected there costing over $1,000,000. We can erect this one here in Washington and cut the one out in St. Louis and save $27,000,000.

Mr. BOYLAN. I am only asking for the privilege of withdrawing my own request that it go over without prejudice.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WOLCOTT. If the request of the gentleman is granted, what status has the bill?

The SPEAKER pro tempore. The bill is then before the House at the objection stage and the Chair will put the question, Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, a point of order. There was one objection to the bill——

The SPEAKER pro tempore. There is no objection registered on the Journal. There has not been any objection to the bill, but it has been passed over without prejudice. If that is withdrawn, the question then is on the consideration of the bill.

Mr. WOLCOTT. And that would force an objection at the present time; that is, the Clerk would call the bill now to determine whether there is objection to its passage.

The SPEAKER pro tempore. The gentleman is correct.

Mr. WOLCOTT. Then I object to the request of the gentleman from New York.

Mr. BOYLAN. I thank the gentleman.

PEACEFUL PICKETING DURING LABOR CONTROVERSIES

The Clerk called the next bill, S. 2039, making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies.

Mr. RICH. Mr. Speaker, I object.

Mr. BANKHEAD. Mr. Speaker, will not the gentleman from Pennsylvania withhold his objection?

Mr. MILLER. May I ask the gentleman to reserve his objection?

Mr. RICH. I withhold it.

Mr. MILLER. I may say to the gentleman that the hearings that were conducted by the Committee on the Judiciary developed such conditions that I believe a reading of the hearings would convince the gentleman that this bill ought to pass. This is the end to which the bill is directed. We have some organizations in this country, particularly the Bergoff organization in New York City, that make it a practice and business to enlist hoodlums and professional strikebreakers who are transported from one State to another to interfere with peaceful picketing where there may be a strike pending. This is the only thing the bill does. It simply prevents the transportation of such men in interstate commerce.

Mr. RICH. I would infer from a reading of this bill that the burden of proof would be on the railroad companies, and if someone should get on a train or on a bus and be taken from one town to another, the railroads could be indicted because they would have to prove that they did not know what these men had in mind and therefore would become liable for any offenses they might commit if they hauled them under such conditions.

Mr. MILLER. The burden is upon the Government to establish a criminal intent, and let me say to the gentleman, that in a criminal statute there is no such thing as intendment of a criminal intent unless it is specifically provided in the act. A railroad company, under this bill and the circumstances stated by the gentleman, could not possibly be convicted. The company would have to knowingly assist in the transportation. The mere fact that it hauled such men would not make it guilty.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. RICH. Yes.

Mr. BLANTON. The gentleman will probably recall that last year a very distinguished army officer was placed in charge of Terre Haute and two entire counties in Indiana which were under martial law, and stated there was no such

thing as peaceful picketing. I quite agree with him. I have never seen any peaceful picketing yet.

Mr. MILLER. I know nothing about strikes, but peaceful picketing should be protected against violence, which is sure to occur when these hoodlums come into the picture.

Mr. ANDREWS of New York. Regular order, Mr. Speaker.

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

Mr. BLANTON. I object, Mr. Speaker.

ATTENDANT OF TOTALLY DISABLED EMPLOYEES

The Clerk called the next bill, S. 2040, to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, and acts in amendment thereof.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, and acts in amendment thereof (U. S. C., title 5, sec. 756), is amended by the addition of the following paragraph:

"In addition to the monthly compensation the Employees' Compensation Commission may pay an injured employee awarded compensation for permanent total disability from injury an additional sum of not more than $50 a month, as the Commission may deem necessary, when the Commission shall find that the service of an attendant is necessary constantly to be used by reason of the employee being totally blind, or having lost both hands or both feet or the use thereof, or is paralyzed and unable to walk, or by reason of other total disability actually rendering him so helpless as to require constant attendance."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO QUIET TITLE AND POSSESSION WITH RESPECT TO CERTAIN LANDS IN TUSCUMBIA, ALA.

The Clerk called the bill (H. R. 12212) to quiet title and possession with respect to certain lands in Tuscumbia, Ala.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all the right, title, and interest of the United States in and to all the unsubdivided land in and the strip of land known as the Commons surrounding the city of Tuscumbia, formerly Cold Water Spring, Ala., as shown by plat made by John Coffee, surveyor, which plat shows the town as embracing the south half section 4, the southeast quarter section 5, the northeast quarter section 8, and the north half section 9, township 4 south, range 11 west, Huntsville meridian, which said town was established under sections 3 and 5 of the act of March 3, 1817 (3 Stat. 375), and section 2 of the act of April 20, 1818 (3 Stat. 467), be, and the same is hereby, released, relinquished, and confirmed by the United States to the city of Tuscumbia, Ala., or to the owners of the equitable titles thereto, as fully and completely, in every respect whatever, as could be done by patents issued according to law: *Provided*, That this act shall amount only to a relinquishment of any title the United States has, or is supposed to have, in and to any of said lands, and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to the city of Tuscumbia or to those persons, estates, firms, or corporations who would be the equitable owners of said lands under the laws of the State of Alabama in the absence of the said interest, title, and estate of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PUBLIC-DOMAIN LANDS IN NEW MEXICO

The Clerk called the bill (H. R. 12073) to reserve certain public-domain lands in New Mexico as an addition to the school reserve of the Jicarilla Indian Reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following-described public-domain lands be, and they are hereby, withdrawn from entry, sale, or other disposition and set aside as an addition to the school reserve of the Jicarilla Indian Reservation, Dulce, N. Mex.: Northwest quarter southwest quarter and the southeast quarter southwest quarter section 30, township 32 north, range 1 west, New Mexico principal meridian, New Mexico: *Provided*, That said withdrawal shall not affect any valid rights initiated prior to approval hereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSOLIDATION OF THE INDIAN PUEBLOS OF JEMEZ AND PECOS IN NEW MEXICO

The Clerk called the bill (H. R. 12074) to consolidate the Indian pueblos of Jemez and Pecos, N. Mex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Pueblo Indian tribes of New Mexico, commonly known and referred to as the Pueblo de Jemez and Pueblo de Pecos, be, and they are hereby, consolidated and merged into one tribe hereafter to be known as the Pueblo de Jemez.

SEC. 2. That all property, real or personal, rights, titles, interests, claims, or demands of whatsoever kind or nature, now held or claimed by either of said tribes, or communities shall be, and hereby are, vested in the consolidated tribe.

SEC. 3. That the unexpended balance of any funds heretofore awarded to, appropriated for, or hereafter to be appropriated by Congress for the use or benefit of either of said tribes or pueblos referred to shall be held for and applied to the use and benefit of said consolidated and merged tribe or pueblo, known as Pueblo de Jemez, subject to all limitations or restrictions now applicable to said funds.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRELIMINARY EXAMINATION OF POTEAU RIVER IN ARKANSAS

The Clerk called the bill (H. R. 12079) to provide for a preliminary examination of the Poteau River in Arkansas with a view to flood control and to determine the cost of such improvement.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Poteau River in Arkansas to determine the feasibility of flood-control work on said river and the cost of such improvement in accordance with the provision of section 3 of the act entitled "An act to provide for the control of floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, and the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of river and harbors.

With the following committee amendments:

Page 1, line 5, after the word "Arkansas", strike out "to determine the feasibility of flood-control work on said river and the cost of such improvement" and insert in lieu thereof "with a view to the control of its floods"; on page 2, line 1, after the figures "1917", strike out the word "and."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended.

PRELIMINARY EXAMINATION OF SULPHUR RIVER, ARK.

The Clerk called the bill (H. R. 12080) to provide for a preliminary examination of the Sulphur River in Arkansas with a view to flood control, and to determine the cost of such improvement.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Sulphur River in Arkansas to determine the feasibility of flood-control work on said river and the cost of such improvement, in accordance with the provisions of section 3 of the act entitled "An act to provide for the control of floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, and the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

Amend the title so as to read: "A bill to provide for a preliminary examination of the Sulphur River in Arkansas with a view to flood control."

With the following committee amendments:

Page 1, line 5, after the word "Arkansas", strike out "to determine the feasibility of flood-control work on said river and the cost of such improvement", and insert in lieu thereof "with a view to the control of its floods." On page 2, line 1, after the figures "1917", strike out the word "and."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended.

CONGREE, SANTEE, AND COOPER RIVERS

The Clerk called the bill (H. R. 12133) to authorize a preliminary examination of the Congree, Santee, and the Cooper Rivers and their tributaries in the State of South Carolina, with a view to the control of their floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause a preliminary examination to be made of the Congree, Santee, and Cooper Rivers and their tributaries in the State of South Carolina, with a view to the control of their floods in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

Mr. FULMER. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FULMER: Page 1, line 5, after the word "Congree", insert the word "Watere."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: A bill to authorize a preliminary examination of the Congree, Watere, Santee, and Cooper Rivers and their tributaries in the State of South Carolina, with a view to the control of their floods.

CHIPPEWA INDIANS OF MINNESOTA

The Clerk called the bill (S. 1494) to amend an act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims", approved May 14, 1926 (44 Stat. L. 555).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in all suits filed under the act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims", approved May 14, 1926 (44 Stat. L. 555), either party, with the consent of the court first had and obtained, shall have the right to amend the pleadings at any time prior to the entry of final judgment so as to include all claims said Indians may have under said act against the United States and any defense the United States may have thereto.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PROTECTING RIGHTS OF GOVERNMENT IN LAND GRANTS

The Clerk called the bill (H. R. 10641) providing for the protection and conservation of equities, easements, or rights accruing to the Government because of lands granted for the purpose of aiding in the building or establishment of railroads.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to secure and preserve to the United States in full value and benefit of its liens, easements, and/or equities upon all railroads which have received Federal land grants, it is hereby made the duty of the Attorney General of the United States to protect and conserve, in whatever manner involved, the equities, easements, and/or rights accruing to the Government because of lands granted to aid in the building or establishment of railroads.

SEC. 2. That it shall further be the duty of the Attorney General to secure and keep in his office data and information as to the quantity of lands which were secured by the various railroads, manner of disposition thereof by said railroads, and the amounts received therefor, revenues accruing to the Government because of such grants, protect the interests of the Government in cases where abandonments of railroads or parts thereof are to be made which have received Federal land grants, and furnish to the Congress such information as it may require relative to such equities, easements, rights, and/or abandonments.

SEC. 3. That the Attorney General may call upon and receive from any governmental agency or railroad company such data or information as may be deemed necessary, and he is authorized to employ such persons as may be required to carry out the provisions of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Attorney General is hereby authorized and directed to secure and maintain records of lands granted by the United States to aid in the construction and maintenance of roads and railroads; the benefits accruing to the United States from such grants; the disposition made of said lands by the grantees or their successors in interest, and the consideration received therefor; to protect, conserve, and assert, by appropriate legal proceedings, the equities and rights of the United States resulting from such grants of lands and from breaches of any of the terms, conditions, or covenants contained in any act by which any such grant was made or any act amendatory or supplemental thereto; and to furnish to the Congress such information as it may require relative to such matters.

"SEC. 2. The Attorney General is authorized to request from any executive department, independent establishment, or other governmental agency such data or information as he may deem necessary, and to employ such persons as may be required, to carry out the provisions of this act."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended to read: "A bill to provide for the protection and conservation of equities of rights of the Government resulting from railroad land grants."

EXAMINATION OF PATUXENT RIVER

The Clerk called the bill (H. R. 12158) to authorize a preliminary examination of the Patuxent River and its tributaries in the State of Maryland, with a view to the control of its floods.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause a preliminary examination to be made of the Patuxent River and its tributaries in the State of Maryland, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WITHDRAWING CERTAIN PUBLIC LANDS FROM ENTRY

The Clerk called the bill (H. R. 1397) to withdraw certain public lands from settlement and entry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the public lands of the United States within the boundaries hereinafter described are hereby withdrawn from settlement, location, sale, and entry under the public-land laws of the United States for a local park, recreational purposes, and for securing favorable conditions of water flows. The lands herein referred to are located in the State of California and more particularly bounded and described as follows:

The east half section 32, township 20 north, range 5 east, Mount Diablo base and meridian, containing 320 acres: *Provided*, That the Board of Supervisors of Butte County, in which said lands are located, shall make and enforce all such local, police, sanitary, and other rules and regulations, not inconsistent with the rights of the United States therein, as may be necessary for the preservation and use of said lands by the public as a local public park and recreation ground and for the preservation of animal life thereon, for the preservation of order thereon, and for the purpose of securing favorable conditions of water flows therefrom, including the right to construct roads and trails thereon and a conduit or ditch for conveying water for the public-park uses in immediate connection therewith: *Provided further*, That this act shall not defeat or affect any lawful right which has already attached under the public land or mining laws: *Provided further*, That the Secretary of the Interior may, when in his judgment the public interest would be best served thereby, restore to settlement, location, sale, or entry, any of the lands hereby withdrawn therefrom: *And provided further*, That such lands shall be subject to a reservation of the right of the United States or its permittees or licensees to enter upon, occupy, and use any part or all of said lands necessary in the judgment of the

Federal Power Commission for the purposes of the Federal Water Power Act with payment by the United States or any licensee for damages to improvements made by the Board of Supervisors of Butte County, Calif.

With the following committee amendment:

Page 1, line 8, after the word "flows", insert "subject to and with a reservation of the right of the United States permittees or licensees, upon payment only for damages to improvements made by the Board of Supervisors of Butte County, Calif., to enter upon, occupy, and use any part or all thereof necessary, in the judgment of the Federal Power Commission, for the purposes of the Federal Water Power Act."

Page 2, line 22, strike out:

"That the Secretary of the Interior may, when, in his judgment, the public interest would be best served there, restore to settlement, location, sale, or entry any of the lands hereby withdrawn therefrom: *And provided further*, That such lands shall be subject to a reservation of the right of the United States or its permittees, licensees, to enter upon, occupy, and use any part or all of said lands necessary, in the judgment of the Federal Power Commission, for the purposes of the Federal Water Power Act, with payment by the United States or any licensee for damages to improvements made by the Board of Supervisors of Butte County, Calif."

And insert:

"That the Secretary of the Interior may, when in his judgment the public interest would be best served thereby, restore any of said lands to settlement, location, sale, or entry, subject to and with a reservation of the right of the United States or its permittees or licensees, upon payment only for damages to improvements made by said board of supervisors, to enter upon, occupy, and use any part or all of such land necessary, in the judgment of the Federal Power Commission, for the purposes of the Federal Water Power Act, which right shall be expressly reserved in every patent issued for such lands."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

IDENTIFICATION OF PRISON-MADE GOODS

The Clerk called the bill (H. R. 11372) to amend Public Law No. 215, Seventy-fourth Congress, first session.

The SPEAKER pro tempore. Is there objection?

Mr. CARMICHAEL. Mr. Speaker, I object.

Mr. MILLER. Mr. Speaker, will the gentleman reserve his objection?

Mr. CARMICHAEL. Yes; I will withhold it.

Mr. MILLER. I want to call attention to the fact that this proposed amendment is necessary if we are going to enforce the statute that was passed in the last session. The present law against the transportation of prison-made goods only requires that the packages containing those goods shall be marked on the outside, so that when those goods reach a State it is impossible to distinguish them from other goods when the wrapper of the package has been removed. If the original statute was a good enactment of law, then this amendment ought to be adopted in order that the intent of the first statute may be carried out.

Personally, I have no interest in the matter; but unless we do mark prison goods themselves, there is no way of preventing the bootlegging of prison goods. I believe the gentleman ought to withdraw his objection.

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

Mr. CARMICHAEL. Mr. Speaker, I object.

AMENDMENTS TO BANKRUPTCY LAW

The Clerk called the next bill, H. R. 11917, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That clause (9) of subdivision (b) of section 77B of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, be, and it is hereby, amended to read as follows: "(9) shall provide adequate means for the execution of the plan, which may include the transfer of all or any part of the property of the debtor to another corporation or to other corporations, or the consolidation of the properties of the debtor with those of another corporation, or the merger or consolidation of the debtor into or with another corporation or corporations, or the retention of the property by the debtor, the distribution of assets among creditors or any class thereof, the satisfaction or modification of liens, indentures, or other similar instruments, the curing or waiver of defaults, extension of maturity dates of outstanding securities, the change in interest rates and other terms of such securities, the amendment of the charter of the debtor, and the issuance of securities of either the debtor or any such corporation or corporations, for cash, or in exchange for existing securities, or in satisfaction of claims or rights, including claims or rights against a guarantor based upon obligations of the debtor with respect to which there is satisfaction of any claims or rights against the debtor, or for other appropriate purposes."

SEC. 2. Clause (10) of subdivision (b) of section 77B of such act of July 1, 1898, as amended, be, and it is hereby, amended to read as follows: "(10) may deal with all or any part of the property of the debtor and may include any other appropriate provisions not inconsistent with this section. No creditor or stockholder shall, for the purposes of this section, be deemed to be affected by any plan of reorganization unless the same shall affect his interests materially and adversely. The term 'securities' shall include evidences of indebtedness, either secured or unsecured, stock, certificates of beneficial interest therein, and certificates of beneficial interest in property. The term 'stockholders' shall include the holders of voting trust certificates. The term 'guarantor' when used in this section and for all purposes thereof shall mean any person, firm, or corporation who has as a part of his business and for a premium guaranteed, insured, or otherwise become liable for all or any of the debts or outstanding securities or other obligations of the debtor, or any part thereof, or bonds, participation certificates, or other obligations issued upon the security of the same. The term 'creditors' shall include for all purposes of this section and of the reorganization plan, its acceptance and confirmation, all holders of claims of whatever character against the debtor or its property, including claims under executory contracts, whether or not such claims would otherwise constitute provable claims under this act. The term 'claims' includes debt, securities other than stock, liens, or other interests of whatever character. For all purposes of this section unsecured claims which would have been entitled to priority over existing mortgages if a receiver in equity of the property of the debtor had been appointed by a Federal court on the day of the approval of the petition or answer under this section shall be entitled to such priority, and the holders of such claims, and of other claims, if any, of equal rank, shall be treated as a separate class of creditors. In case an executory contract or unexpired lease of real estate shall be rejected pursuant to direction of the judge given in a proceeding instituted under this section, or shall have been rejected by a trustee or receiver in bankruptcy or receiver in equity, in a proceeding pending prior to the institution of a proceeding under this section, any person injured by such rejection shall, for all purposes of this section and of the reorganization plan, its acceptance and confirmation, be deemed to be a creditor. The claim of a landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be treated as a claim ranking on a parity with debts which would be provable under section 63 (a) of this act, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by said lease for the 3 years next succeeding the date of surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid rent accrued up to such date of surrender or reentry: *Provided*, That the court shall scrutinize the circumstances of an assignment of future rent claims and the amount of the consideration paid for such assignment in determining the amount of damages allowed assignee hereunder. In the case of secured claims entitled to the provisions of clause (5) of this subdivision (b), the value of the security shall be determined in the manner provided in section 57, clause (h), of this act, and if the amount of such value shall be less than the amount of the claim the excess may be classified as an unsecured claim. The provisions of section 60 of this act shall apply to claims against the debtor in a proceeding under this section. For all purposes of this section any creditor may act in person, by an attorney at law, or by a duly authorized agent or committee: *Provided further*, That the judge shall scrutinize and may disregard any limitations of provisions of any depositary agreements, trust indentures, committee, or other authorizations affecting any creditor acting under this section and may enforce an accounting thereunder or restrain the exercise of any power which he finds to be unfair or not consistent with public policy and may limit any claims filed by such committee member or agent to the actual consideration paid therefor. The running of all periods of time prescribed by any other provisions of this act and by all statutes of limitations shall be suspended during the pendency of a proceeding under this section."

SEC. 3. Clause (10) of subdivision (c) of section 77B of such act of July 1, 1898, as amended, be, and it is hereby, amended to read as follows: "(10) in addition to the provisions of section 11 of this act for the staying of pending suits against the debtor, may enjoin or stay the commencement or continuation of suits against the debtor until after final decree; and may, upon notice and for cause shown, enjoin or stay the commencement or continuance of any judicial proceeding to enforce any lien upon the estate of the debtor and any claim or right against any guarantor until after final decree; and."

SEC. 4. Section 77B of such act of July 1, 1898, as amended, is amended by adding at the end thereof a new subdivision as follows:

"(q) Any extension of maturity dates or reduction of interest rate of outstanding securities or any obligation of the debtor, either through the issuance of new securities of any character or otherwise, pursuant to a plan of reorganization confirmed by the court in accordance with the provisions of this section, shall extend or reduce in the same manner and to the same extent the obligation of any guarantor who may have guaranteed, insured, or otherwise become liable for any such securities or obligation, or any part thereof, or bonds, participation certificates, or other obligations issued upon the security of the same, and a certified copy of the final decree or of an order confirming such plan of reorganization shall be sufficient evidence in any suit or proceeding brought against any such guarantor so liable that such extension or reduction has been confirmed."

SEC. 5. This act shall take effect and be in force from and after the time of its approval, and shall apply to all pending proceedings in which a plan of reorganization has not been confirmed by the judge and only to such of the obligations or liabilities of any guarantor which have arisen or come into existence on or prior to the effective date of this act.

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

With the following committee amendments:

Page 7, line 6, strike out the words "shall take effect and be in force from and after the time of its approval, and."

Page 7, line 11, after the word "or", strike out the words "prior to the effective date of this act" and insert "before June 7, 1934."

The committee amendments were agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEFINING JURISDICTION OF COAST GUARD

The Clerk called the next bill, H. R. 12305, to extend the jurisdiction of the Coast Guard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That commissioned, warrant, and petty officers of the Coast Guard are hereby empowered to make inquiries, examinations, inspections, searches, seizures, and arrests upon the high seas, and the navigable waters of the United States, it Territories, and possessions, except the Philippine Islands, for the prevention, detection, and suppression of violations of laws of the United States: *Provided*, That nothing herein contained shall apply to the inland waters of the United States, it Territories, and possessions, other than the Great Lakes and the connecting waters thereof. For such purposes, such officers are authorized at any time to go on board of any vessel, subject to the jurisdiction, or to the operation of any law, of the United States, to address inquiries to those on board, to examine the ship's documents and papers, and to examine, inspect, and search the vessel and use all necessary force to compel compliance. When from such inquiries, examination, inspection, or search it shall appear that a breach of the laws of the United States rendering a person liable to arrest is being, or has been committed, by any person, such person shall be arrested or, if escaping to shore, shall be immediately pursued and arrested on shore, or other lawful and appropriate action shall be taken; or, if it shall appear that a breach of the laws of the United States has been committed so as to render such vessel, or the merchandise, or any part thereof, on board of, or brought into the United States by, such vessel, liable to forfeiture, or, so as to render such vessel liable to a fine or penalty and if necessary to secure such fine or penalty, such vessel shall be seized.

SEC. 2. The officers of the United States Coast Guard, insofar as they are engaged, pursuant to the authority contained in this act, in enforcing any law of the United States, shall—

(a) Be deemed to be acting as agents of the particular executive department or independent establishment charged with the administration of the particular law; and

(b) Be subject to all the rules and regulations promulgated by such department or independent establishment with respect to the enforcement of that law.

SEC. 3. The foregoing provisions shall be in addition to any powers conferred by law upon such officers, and not in limitation of any powers conferred by law upon such officers or any other officers of the United States.

SEC. 4. The term "inland waters" as used in this act shall not be construed to include harbors, bays, sounds, roadsteads, and like bodies of water along the coasts of the United States and shores of the Great Lakes.

With the following committee amendments:

Page 3, line 14, after the word "States", insert "its Territories, and possessions." Amend the title.

The committee amendment was agreed to.

Mr. BLAND. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLAND: Page 2, line 1, strike out the word "that" and insert the word "than."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "A bill to define the jurisdiction of the Coast Guard."

FEDERAL REGISTER ACT

The Clerk called the next bill, H. R. 11337, to amend the Federal Register Act.

The SPEAKER pro tempore. Is there objection?

Mr. FADDIS. Mr. Speaker, I object.

Mr. CELLER. Will the gentleman withhold his objection so that a brief explanation can be made?

Mr. FADDIS. Yes.

Mr. CELLER. I just want to state that this bill amending the Federal Register Act will have the force and effect of reducing expenditures. I think everyone of us wants to reduce expenses of the Government. All this bill does is to provide for the codification of all past rules and regulations instead of compilation of same.

Mr. TABER. I allowed the other bill to go through without objection, finally, and I find I have made a great mistake. I should have objected to it. Why does not the gentleman bring in a bill to repeal that law? [Applause.] That is the kind of bill we ought to have.

Mr. CELLER. If the gentleman will allow me, I think I can convince him that this amendment should pass, because, as I stated, it provides for codification instead of compilation. Compilation means that all those heads of the various bureaus and departments will have to dig up all their rules and regulations back from the time of beginning of government and then say to the Federal Register officials, "Here are all our rules and regulations. Publish them all." If they must codify them they have to point out to the codification board what of the rules and regulations are in full force and effect today. It gives a sort of résumé or quintessence of all past rules and regulations with obsolete, repealed, and changed regulations omitted. Instead of having huge volumes of compiled rules you will only have a few volumes of codified rules. In the interest of economy I cannot see how there can be any possible objection to reducing the amount of material that shall be published.

Mr. TABER. Why not bring in a bill to repeal it? That is what should be done.

Mr. CELLER. That is another question.

Mr. TABER. No. It is the question.

Mr. CELLER. The gentleman might very well offer a bill of repeal and we will give it consideration, but while we still have the original bill on the statute books as the law, I think it should be properly amended.

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

Mr. FADDIS. Mr. Speaker, I object.

POST-OFFICE SITE AT HUDSON FALLS, N. Y.

The Clerk called the next bill, H. R. 12076, for the exchange of land in Hudson Falls, N. Y., for the purpose of the post-office site.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to convey to the owner of the land abutting the easterly side of the post-office site at Hudson Falls, N. Y., the following-described piece or parcel or land forming a part of said post-office site:

Lying and being in the city of Hudson Falls, county of Washington, State of New York, and described as follows: Beginning at a point in the northerly side of Pearl Street distant easterly 145 feet from the intersection of the easterly side of Main Street with the northerly side of Pearl Street, said point being the southeast corner of the present post-office site; running thence along the northerly side of Pearl Street, south 81°57' west a distance of 10 feet to

a point; thence north 5°48′ west a distance of 36.67 feet to a point in the westerly side of lands now or formerly of D. S. Griffin; thence along lands of said Griffin south 21°12′ east a distance of 37.62 feet to the point or place of beginning;

in consideration of the conveyance to the United States of the following-described piece or parcel or land as an addition to the said post-office site:

Lying and being in the city of Hudson Falls, county of Washington, State of New York, and described as follows: Beginning at a point 85 feet north and 145 feet east of the intersection of the easterly side of Main Street with the northerly side of Pearl Street, said point being the northeast corner of the present post-office site; running thence north 81°57′ east a distance of 12.59 feet to a point; thence south 5°48′ east a distance of 46.18 feet to a point in the easterly side of the present post-office site; thence along the easterly side of said post-office site north 21°12′ west a distance of 47.38 feet to the point or place of beginning.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF CODES OF CRIMINAL AND CIVIL PROCEDURE, CANAL ZONE

The Clerk called the next bill, S. 1379, to amend section 103 of the Code of Criminal Procedure for the Canal Zone, and section 542 of the Code of Civil Procedure for the Canal Zone.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 103 of the Code of Criminal Procedure for the Canal Zone, as amended (47 Stat. 886), be, and the same is hereby, amended to read as follows:

"SEC. 103. A docket must be kept by the clerk of the district court denominated a criminal docket, in which he shall enter each criminal action and whatever proceedings are had therein, and a statement of the costs. The clerk shall receive, deposit, and account for all public moneys collected by him in accordance with the laws, rules, and regulations governing the receipt and disposition of moneys by clerks of the United States district courts in the continental United States exclusive of Alaska."

SEC. 2. That section 542 of the Code of Civil Procedure for the Canal Zone (47 Stat. 1004) be, and the same is hereby, amended to read as follows:

"SEC. 542. It shall be lawful for the clerk of the district court, referees, and commissioners appointed by the district court, the marshal, magistrates, constables, and other officers and persons hereinafter mentioned, together with their assistants and deputies, to demand and receive the hereinafter mentioned fees and no more; but all fees collected by officers drawing a regular salary or fixed compensation from the Government, except the clerk of the district court and the marshal, shall be paid over to the collector of the Panama Canal. The clerk of the district court and the marshal shall receive, deposit, and account for all public moneys collected by them in accordance with the laws, rules, and regulations governing the receipt and disposition of moneys by clerks of United States district courts and United States marshals, respectively, in the continental United States exclusive of Alaska."

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That section 981 of title 4, Canal Zone Code, approved June 19, 1934 (48 Stat. 1122), is amended to read as follows:

" 'SEC. 981. It shall be lawful for the clerk of the district court, referees, and commissioners appointed by the district court, the marshal, magistrates, constables, and other officers and persons hereinafter mentioned, together with their assistants and deputies, to demand, and receive the hereinafter mentioned fees and no more. All fees collected by officers drawing a salary or compensation from the Government, other than those collected by the clerk of the district court and the marshal, shall be paid to the collector of the Panama Canal. The clerk of the district court and the marshal shall receive, deposit, and account for all public moneys collected by them in accordance with the laws, rules, and regulations governing the receipt and disposition of moneys by clerks of United States district courts and United States marshals, respectively, in the continental United States exclusive of Alaska.'

"SEC. 2. That section 843 of title 6, Canal Zone Code, is amended to read as follows:

" 'SEC. 843. The clerk shall receive, deposit, and account for all public moneys collected by him in accordance with the laws, rules, and regulations governing the receipt and disposition of moneys by clerks of the United States district courts in the continental United States, exclusive of Alaska.' "

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended to read as follows: "An act to amend section 981 of title IV and section 843 of title VI of the Canal Zone Code."

SANDUSKY RIVER, FREMONT, OHIO

The Clerk called the next bill, H. R. 12135, providing for a preliminary examination of the Sandusky River, at Fremont, Ohio, with a view to control of its floods.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to cause a preliminary examination to be made of the Sandusky River, at Fremont, Ohio, with a view to control of its floods, in accordance with the provisions of section 3 of the act entitled "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917 (U. S. C., 1934 edition, title 33, sec. 701), the cost of such examination to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CROW TRIBE OF INDIANS, MONTANA

The Clerk called the next bill, H. R. 11218, to provide for the disposition of tribal funds now on deposit, or later placed to the credit of the Crow Tribe of Indians, Montana, and for other purposes.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That tribal funds now on deposit or later placed to the credit of the Crow Tribe of Indians, Montana, may be used for per-capita payments, or such other purposes as may be designated by the tribal council and approved by the Secretary of the Interior, and section 11 of the act of June 4, 1920 (41 Stat. 751), is hereby modified accordingly.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HATTIESBURG DIVISION, UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF MISSISSIPPI

The Clerk called the next bill, H. R. 12162, to create an additional division of the United States District Court for the Southern District of Mississippi, to be known as the Hattiesburg division.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 90 of the Judicial Code, as amended (U. S. C., 1934 edition, title 28, sec. 170), is amended to read as follows:

"SEC. 90. The State of Mississippi is divided into two judicial districts to be known as the northern and southern districts of Mississippi. The northern district shall include the territory embraced on the 1st day of December 1923 in the counties of Alcorn, Attala, Chickasaw, Choctaw, Clay, Itawamba, Lee, Lowndes, Monroe, Oktibbeha, Pontotoc, Prentiss, Tishomingo, and Winston, which shall constitute the eastern division of said district; also the territory embraced on the date last mentioned in the counties of Benton, Calhoun, Carroll, De Soto, Grenada, Lafayette, Marshall, Montgomery, Panola, Tate, Tippah, Union, Webster, and Yalabusha, which shall constitute the western division of said district; also the territory embraced on the date last mentioned in the counties of Bolivar, Coahoma, Leflore, Quitman, Sunflower, Tallahatchie, and Tunica, which shall constitute the Delta division of said district. The terms of the district court for the eastern division shall be held at Aberdeen on the first Mondays in April and October; for the western division, at Oxford on the third Monday in April and the first Monday in December; and for the Delta division, at Clarksdale on the fourth Monday in January and the third Monday in October. The southern district shall include the territory

embraced on the 1st day of December 1923 in the counties of Amite, Copiah, Franklin, Hinds, Holmes, Leake, Lincoln, Madison, Pike, Rankin, Simpson, Smith, Scott, Wilkinson, and Yazoo, which shall constitute the Jackson division; also the territory embraced on the date last mentioned in the counties of Adams, Claiborne, Humphreys, Issaquena, Jefferson, Sharkey, Warren, and Washington, which shall constitute the western division; also the territory embraced on the date last mentioned in the counties of Clarke, Jasper, Kemper, Lauderdale, Neshoba, Newton, Noxubee, and Wayne, which shall constitute the eastern division; also the territory embraced on the date last mentioned in the counties of George, Hancock, Harrison, Jackson, Pearl River, and Stone, which shall constitute the southern division of said district; also the territory embraced on the date last mentioned in the counties of Covington, Forrest, Greene, Jefferson Davis, Jones, Lamar, Lawrence, Marion, Perry, and Walthall, which shall constitute the Hattiesburg division. Terms of the district court for the Jackson division shall be held at Jackson on the first Mondays in May and November; for the western division, at Vicksburg on the third Mondays in May and November; for the eastern division, at Meridian on the third Mondays in March and September; for the southern division, at Biloxi on the third Monday in February and the first Monday in June; and for the Hattiesburg division, at Hattiesburg on the second Mondays in April and October. The clerk of the court for each district shall maintain an office in charge of himself or a deputy at each place in his district at which court is now required to be held, at which he shall not himself reside, which shall be kept open at all times for the transaction of the business of the court. The marshal for each of said districts shall maintain an office in charge of himself or a deputy at each place of holding court in his district."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERM OF COURT AT DURHAM, N. C.

The Clerk called the next bill, H. R. 11926, to provide for a term of court at Durham, N. C.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the fifth paragraph of section 98 of the Judicial Code, as amended (U. S. C., 1934 edition, title 28, sec. 179), is amended to read as follows:

"The terms of the district court for the middle district shall be held at Rockingham on the first Mondays in March and September; at Salisbury on the third Mondays in April and October; at Winston-Salem on the first Mondays in May and November; at Greensboro on the first Mondays in June and December; at Wilkesboro on the third Mondays in May and November; and at Durham on the first Monday in February and the fourth Monday in September: *Provided*, That the cities of Winston-Salem, Rockingham, and Durham shall each provide and furnish at its own expense a suitable and convenient place for holding the district court until Federal buildings containing quarters for the court are erected at such places."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WELLPINIT SCHOOL DISTRICT, WASHINGTON

The Clerk called the next bill, S. 2849, to provide funds for cooperation with Wellpinit School District No. 49, Stevens County, Wash., for the construction of a public-school building to be available for Indian children of the Spokane Reservation.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I wish some member of the committee would explain whether when the Government has invested this $75,000 to cooperate with this school district, Indian children thenceforth will be allowed to go to this school without having to pay tuition? The thought occurs to me that if this be the case, as is the case in other bills of this nature, that sometimes these matters result in rather good investments on the part of the Government.

Mr. ROGERS of Oklahoma. That is the plan, that the Government will benefit through the attendance of Indian children at these schools.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $75,000 for the purpose of cooperating with Wellpinit School District No. 49, Stevens County, Wash., for the construction and equipment of a public-school building in the vicinity of Wellpinit, Wash.: *Provided*, That the expenditure of any money authorized to be appropriated herein shall be subject to the condition that the school maintained by said district in such building shall be available to all Indian children of the Spokane Indian Reservation on the same terms, except as to payment of tuition, as other children of said school district: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PUBLIC-SCHOOL DISTRICT, HAYS, MONT.

The Clerk called the next bill, S. 3372, to provide funds for cooperation with the public-school district at Hays, Mont., for construction and improvement of public-school buildings to be available for Indian children.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, in view of our discussion in reference to Calendar No. 777, I wonder why it is necessary in this bill to provide that the Secretary of the Interior may continue to pay tuition.

Mr. ROGERS of Oklahoma. The gentleman is not reading it correctly; at least that is not the interpretation we placed on it. This bill has a reimbursable feature in it. These bills were passed by the Senate. We did not see any reason to have this reimbursable feature in them, inasmuch as that is the policy in all these bills, but since it had been passed that way by the Senate we did not remove it from the bill.

Mr. WOLCOTT. Beginning in line 8 of page 1 is a proviso reading:

That said schools shall be available to both white and Indian children without discrimination, except that tuition may be paid for Indian children attending in the discretion of the Secretary of the Interior.

Mr. COSTELLO. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. COSTELLO. This bill provides that over a period of 30 years the Treasury shall be reimbursed for the $50,000 expended in this school district, and this will be done by having the Secretary diminish the amount of the payment for the Indian children at the schools.

Mr. WOLCOTT. Why should the language of this bill be different from the language in the bill we just passed?

Mr. COSTELLO. The other bill just provided for reimbursement.

Mr. ROGERS of Oklahoma. On the second page of the bill the gentleman will note that the money is to be returned either from tuition to be paid for Indian children or in such other manner as may be directed by the Secretary of the Interior. If there were other funds out of which the money could be paid they would be. The bill specifically says the Government must be reimbursed, but spreads it over a 30-year period.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $50,000 for the purpose of cooperating with the Hays Public School District, Hays, Mont., for construction and improvement of grade- and high-school buildings: *Provided*, That said schools shall be available to both white and Indian children without discrimination, except that tuition may be paid for Indian children attending in the discretion of the Secretary of the Interior: *Provided further*, That expenditures of moneys authorized hereby shall be subject to such further conditions as may be prescribed by the Secretary of the Interior: *Provided further*, That this appropriation shall be reimbursed in not more than 30 years without interest, either through reducing the annual Federal tuition payments for the education of Indian pupils attending such school, by the acceptance of Indian pupils in such school without cost to the United States; or in such other manner as the

Secretary of the Interior may direct: *And provided further*, That plans and specifications shall be furnished by local or State authorities, without cost to the United States, and upon approval thereof by the Commissioner of Indian Affairs, work shall proceed under the direction of local or State officials, payment therefor to be made monthly on the basis of work in place and upon vouchers approved by a responsible official of the Indian Service.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJUSTMENT OF BOUNDARY OF FORT MARION NATIONAL MONUMENT, FLA.

The Clerk called the next bill, H. R. 12220, to authorize the adjustment of the boundary of the Fort Marion National Monument, Fla., in the vicinity of Fort Marion Circle, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to adjust the boundary of the Fort Marion National Monument, Fla., in the vicinity of Fort Marion Circle, and for said purpose is authorized to convey to adjacent property owners, upon such terms and conditions as may be deemed satisfactory to him, title to such portions of monument land as he may determine to be no longer necessary for said monument, or he may accept in consideration therefor title to such portion of any adjacent property as he may deem desirable to satisfactorily adjust the boundary of said monument.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DONATION OF LAND AT NEWBURGH, N. Y., FOR AVIATION FIELD

The Clerk called the next bill, S. 3737, to authorize the Secretary of War to acquire by donation land at or near Newburgh, in Orange County, N. Y., for aviation field, military, or other public purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to acquire by donation approximately 236 acres of land at or near Newburgh, in Orange County, N. Y., for aviation field, military, or other public purposes: *Provided*, That in the event the donor is unable to perfect title to any land tendered as a donation, condemnation of such land is authorized in the name of the United States, and payment of any and all awards for title to such land as is condemned, together with the cost of suit, shall be made by the donor.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF CUSTOMHOUSE AT SALEM, MASS., FROM JURISDICTION OF THE TREASURY DEPARTMENT TO DEPARTMENT OF THE INTERIOR

The Clerk called the next bill, H. R. 10934, to authorize the transfer of the customhouse at Salem, Mass., from the jurisdiction of the Treasury Department to the Department of the Interior.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to transfer to the control and jurisdiction of the Secretary of the Interior the customhouse at Salem, Mass., and such adjoining property, both real and personal, as may now be under the jurisdiction of the Secretary of the Treasury.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to acquire the above property for the purpose of establishing same as an historic site or otherwise preserving the buildings and grounds in connection therewith: *Provided*, That the Secretary of the Treasury may retain sufficient space in the building for the necessary operation of the Bureau of Customs.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRESCRIBING A CONDITION PRECEDENT TO THE AWARD OF CERTAIN CONTRACTS BY FEDERAL AGENCIES

The Clerk called the next bill, H. R. 12260, prescribing a condition precedent to the award of certain contracts by Federal agencies.

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

Mr. TABER. I object.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEVELOPMENT OF NAVAL AIR BASE AT TONGUE POINT, OREG.

The Clerk called the next bill, H. R. 10129, authorizing an appropriation for the development of a naval air base at Tongue Point, Oreg.

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

Mr. CLARK of Idaho. Mr. Speaker, reserving the right to object, this seems to be a highly controversial bill. It authorizes the appropriation of a million and a half dollars immediately. The Navy Department has written an adverse report, and it seems to me this bill has no place on the Consent Calendar; therefore I object.

Mr. VINSON of Georgia. Will the gentleman withhold his objection?

Mr. CLARK of Idaho. I withhold my objection.

Mr. VINSON of Georgia. I may say to the gentleman it is true that the Navy Department has not recommended the favorable consideration of this bill, but after this opposition developed in the hearings, it was stated by the admiral of the Bureau of Aeronautics that he considered this point the secondary primary base on the Pacific Coast, and he further stated that just as soon as we were able to establish a primary base in the San Francisco Bay area he was heartily in accord with this proposition. Immediately thereafter the committee brought in a bill to establish a primary base in the San Francisco Bay area at Alameda. It is highly important that a secondary base be established at the mouth of the Columbia River, at the point indicated, which now belongs to the Government, having been given to the Government some years ago by the patriotic people of that community. This base will not be developed until the base at Alameda has been developed and later on during this session of Congress we expect to offer a bill providing for the development of the Alameda base. This is merely an authorization and will have to go to the Appropriations Committee for final determination as to whether or not the money will be made available.

Mr. CLARK of Idaho. May I ask the gentleman a question? In a matter involving so much dispute and where there is so much money involved, why cannot the Naval Affairs Committee get a rule, then report this bill out and have it fully debated on the floor of the House?

Mr. VINSON of Georgia. It is true we have introduced a resolution asking for a rule, but ordinarily these bills are placed on the Consent Calendar and submitted to the Members of the House in this manner first. Every Member of the committee after a week's hearing voted unanimously to report this bill, and I may say to the gentleman that this is an authorization for a naval base. There are only two places on the Pacific Coast where naval bases are located. One is at Seattle, Wash., and the other is at San Diego, Calif. It is highly important that the Columbia River Valley section and the San Francisco Bay area be adequately defended by some aviation activity.

Mr. DREWRY. Did I understand the gentleman to say that every member of the committee voted to report this bill?

Mr. VINSON of Georgia. I mean every member who was present on that day.

Mr. CLARK of Idaho. Here is a statement of the Navy Department.

Mr. VINSON of Georgia. I know the Navy Department is against it.

Mr. CLARK of Idaho. May I read just this one sentence?

As a result of its limited space and inferior operating conditions, in the opinion of the Navy Department, the Tongue Point site cannot be considered adequate in any respect for use as a fleet air base.

Does the gentleman think a bill with a report of that character should be brought up here and passed by unanimous consent in face of that report?

Mr. VINSON of Georgia. May I say to the gentleman that we do not agree with the statement of the Navy Department, because the testimony was to the contrary. The testimony showed that this location is entirely adequate to take care of the character of Navy base we propose to build there. I want to say for that great section of Oregon out there that they have no national defense of this character whatsoever.

Mr. PIERCE. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Oregon.

Mr. PIERCE. Mr. Speaker, I know much about Tongue Point, and I am sincerely hopeful that my colleagues on this side of the aisle will not object to the bill. It is necessary and does not appropriate any money, being simply an authorization.

Tongue Point is on the Columbia River where there is no naval base today. There is no base from Puget Sound south for 1,000 miles. The Pacific Northwest is a territory with a big population and with vast and valuable interests. There should be a base located on the Columbia River at Tongue Point. I am well aware of the words contained in the report which the gentleman just read. We understand the prejudice which existed in the minds of the men who made that report. It is entirely unjustifiable.

Mr. Speaker, for twenty-odd years we have been contending and begging for a naval base at the mouth of the Columbia River. Just think of it, the Columbia River is the only major river in the United States that has no base at all to take care of the Navy.

Mr. CLARK of Idaho. I may say that my sympathies are with the Columbia River section, but let me ask the gentleman this question. The Congress has also passed a bill known as the Wilcox bill.

Mr. VINSON of Georgia. That has nothing to do with this matter.

Mr. CLARK of Idaho. But there will be a base established in that immediate vicinity.

Mr. VINSON of Georgia. That is an entirely different proposition. One is for the Army and one is for the Navy. There are big bases all over the country for different military movements. One is for the Army to defend the coast and the other for the Navy to defend against an attack from the high seas.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. CLARK of Idaho. I yield.

Mr. PIERCE. The city of Astoria years ago paid $100,000 for Tongue Point, this site, with the distinct understanding it would be improved by the Government of the United States for a naval base.

Mr. VINSON of Georgia. And I may say to the gentleman that there will be no effort on the part of those of us who are advocating the establishment of a naval base at Tongue Point until the primary base has got under way down at Alameda in San Francisco Bay.

Mr. CLARK of Idaho. I will say to the gentleman from Georgia that if the Naval Affairs Committee in the face of this opinion from the Navy Department is willing to undertake to go ahead with this base, I will withdraw my objection.

Mr. UMSTEAD. Mr. Speaker, reserving the right to object, in view of the statement just made by the gentleman from Georgia that no effort would be made to secure an appropriation for this purpose until the base now being constructed is completed——

Mr. VINSON of Georgia. No; I did not say that—under way.

Mr. UMSTEAD. Will the gentleman repeat what he did say?

Mr. VINSON of Georgia. The position we take, supported by the testimony of Admiral King, is——

Mr. UMSTEAD. Never mind the gentleman's position; I am asking for his statement.

Mr. VINSON of Georgia. I will give it to the gentleman. That just as soon as the Alameda base is under way, which is to be a primary base, then we will go before the Appropriations Committee and ask them to consider the appropriation of $1,500,000 for a secondary base, which is to be at Tongue Point.

Mr. UMSTEAD. Why do you not wait until that happens before you bring the bill in?

Mr. VINSON of Georgia. Because we think the Alameda base will probably be taken care of pretty soon, because it is already on the calendar.

Mr. UMSTEAD. What will be the ultimate cost of the project authorized by this bill?

Mr. VINSON of Georgia. Not over $1,500,000.

Mr. UMSTEAD. Mr. Speaker, as much as I dislike to do so, in view of the fact this bill involves that amount of expenditure and in view of the further fact that your naval appropriations subcommittee is constantly confronted with authorizing legislation over which it has no control, and in view of the recommendation of the Navy Department, I shall have to object.

Mr. MAAS. Will the gentleman withhold his objection a moment?

Mr. UMSTEAD. I withhold it.

Mr. McFARLANE. Regular order, Mr. Speaker.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CONSTRUCTION OF CERTAIN AUXILIARY VESSELS FOR THE NAVY

The clerk called the next bill, H. R. 11369, to authorize the construction of certain auxiliary vessels for the Navy.

Mr. UMSTEAD. Mr. Speaker, reserving the right to object, I would like to ask the distinguished chairman of the Naval Affairs Committee what will be the ultimate cost of the construction included in this bill?

Mr. VINSON of Georgia. Now, Mr. Speaker, if my distinguished friend from North Carolina is to be consistent, after I give him the information, he will not interpose any objection to this bill.

Mr. UMSTEAD. I shall reserve the right to determine my consistency for myself; I am asking the gentleman now for information which he is supposed to have.

Mr. VINSON of Georgia. Yes. This is a departmental measure, recommended by the administration. This is a replacement program of ships known in the Navy as the auxiliary fleet. The program extends over a period of approximately 10 years and will cost, when all these ships have been replaced, consisting of 135 or 140, approximately $175,000,000, over that period.

Mr. KVALE. Mr. Speaker, I object.

Mr. MAAS. Mr. Speaker, will the gentleman from Minnesota withhold his objection?

Mr. KVALE. I will not.

The SPEAKER pro tempore. Objection is heard.

LEYDEN INTERNATIONAL BUREAU

The clerk called the next bill, H. R. 12222, to permit the temporary entry into the United States, under certain conditions, of alien participants and officials of the Leyden International Bureau, attending an international conference to be held in the United States in 1936.

Mr. FADDIS. Mr. Speaker, reserving the right to object, I would like to ask the author of the bill what the Leyden International Bureau is.

Mr. McCORMACK. Mr. Speaker, this is an organization of young men who seek to link together the youth movements of the world in the cause of international peace and goodwill through the means of friendships resulting from a system of correspondence between young people of different

nationalities and through mutual understandings of conditions resulting from such correspondence and from intermediate group meetings, and from annual international conferences.

This has nothing to do with this idea that they will not serve in time of war or anything of that sort. This bill is along the lines of the bill for the jamboree of the Boy Scouts and similar legislation where we gave them authority to come in without payment of the limited fees.

The bill was unanimously reported by the committee, and there is plenty of precedent for it where organizations of this kind have been given similar permission. They are only permitted to come in temporarily and will have to leave the country after they have had their convention or meeting.

Mr. FADDIS. How many of them will come in?

Mr. McCORMACK. From the information I have, about 200.

Mr. FADDIS. How long will they be here?

Mr. McCORMACK. I do not imagine they will be here more than 2 or 3 weeks. The meeting is to be less than 1 week, but I assume they will be here perhaps 2 or 3 weeks.

Mr. FADDIS. Is there any limitation on how long they may be here or where they will go?

Mr. McCORMACK. Oh, yes; the administration of the measure limits it. So my friend may understand, I will state to the gentleman that I introduced the bill for a very distinguished gentleman, who is a former Assistant Secretary of the Treasury, Henry H. Bond.

I introduced the bill for my friend who was formerly commissioner of corporations of Massachusetts—a very fine gentleman. He was asked when he was before the committee whether this was any pacifist organization, and he said, "Absolutely no."

Mr. BLANTON. Our colleague from Massachusetts has such a splendid record on Americanism that I would hesitate to oppose any bill that he might introduce because I think we can safely depend on him. But I want to ask him if it is not a fact that we have reached the conclusion that the people of the United States are going to have to look to themselves to insure their own peace, and not depend on other nations of the world? Even when we have treaties with them they break the treaties when they get ready.

So we have to depend on ourselves and let other nations alone.

Mr. McCORMACK. I know; I am sure my friend from Texas and I look eye to eye. But here is the way I look at it: We have to look to our policies in the light of existing circumstances.

Mr. BLANTON. I think just now when such a big country as France has been taken over by Communists, and the people are sending their valuable belongings out of the country, we had better let these people of foreign nations stay at home. I object.

The SPEAKER pro tempore. Objection is heard.

CLAIMS OF THE ASSINIBOINE INDIANS

The Clerk called the bill (H. R. 9144) conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes.

Mr. BURDICK. Mr. Speaker, I ask that this bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

INSPECTION OF VESSELS PROPELLED BY INTERNAL-COMBUSTION ENGINES

The Clerk called the bill (H. R. 12419) to apply laws covering steam vessels to seagoing vessels of 300 gross tons and over propelled by internal-combustion engines.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That existing laws covering the inspection of steam vessels be, and they are hereby, made applicable to sea-going vessels of 300 gross tons and over propelled in whole or in part by internal-combustion engines to such extent and upon such conditions as may be required by the regulations of the Board of Supervising Inspectors of Steam Vessels, with the approval of the Secretary of Commerce: *Provided*, That this act shall not apply to any vessel engaged in fishing, oystering, clamming, crabbing, or any other branch of the sea-food industry: *Provided further*, That as to licenses required for masters and engineers operating vessels propelled by internal-combustion engines operating exclusively in the district covering the Hawaiian Islands, said masters and engineers shall be under the jurisdiction of the hull and boiler inspectors having jurisdiction over said waters, who shall make diligent inquiry as to the character, merits, and qualifications, and knowledge and skill of any master or engineer applying for a license. If the said inspectors shall be satisfied from personal examination of the applicant and from other proof submitted that the applicant possesses the requisite character, merits, qualifications, knowledge, and skill, and is trustworthy and faithful, they shall grant him a license for the term of 5 years to operate such vessel under the limits prescribed in the license.

SEC. 2. The term "seagoing vessels" as used in the preceding section shall be construed to mean vessels which in the usual course of their employment proceed outside the line dividing the inland waters from the high seas as designated and determined under the provisions of section 2 of the act of February 19, 1895.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIMITATION OF SHIPOWNERS' LIABILITY

The Clerk called the bill H. R. 9969, relative to limitation of shipowners' liability.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

INTERSTATE REFERENCE BUREAU

The Clerk called House Joint Resolution 481, to make available to Congress the services and data of the Interstate Reference Bureau.

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object, and ask the sponsor of the joint resolution to explain it. I doubt whether any of the Members understand why it is necessary or advisable to spend $40,000 for the maintenance of this Interstate Reference Bureau.

Mr. SECREST. Mr. Speaker, the Interstate Reference Bureau was organized several years ago to bring together the various members of the State legislatures. I understand about 7,500 members of State legislatures throughout the 48 States are members of this organization. I think the secretaries of the different States and various other State officials belong to it. The Spellman Foundation has recently given $500,000 for the erection of a building in Chicago in which this and the municipal councils throughout the country shall coordinate their efforts toward better government. This merely brings the United States in and makes available to Congress all of the information collected by the representatives of these 48 States, information in regard to taxes or to any law any one of the 48 States has passed. That information is compiled and collected and then sent out to the legislatures or to their committees when they desire the information. This makes available to Congress these facilities.

Mr. WOLCOTT. Might it not result also in the coordination of laws among the several States, tending to uniformity?

Mr. SECREST. Yes; and to stop overlapping taxation in order that greater economies may be effected in the various States, so that the States may get together in cooperative agreements or compacts. Through this the States of New York, Pennsylvania, and New Jersey already have standing committees, known as coordination committees, to work out legislative problems common to themselves. Indiana, Illinois, and Kentucky have joined together through this organization in a compact in respect to legislation regarding liquor taxes in those States. I think the saving will be greater than any expenditure that we may make.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. HOLMES. Is there any effort in this legislation to set up another dictatorial bureau which will undertake to

dictate to the States, the form of legislation which shall be enacted by the States?

Mr. SECREST. No; this bureau is set up by the 48 States themselves, and today many of the State legislatures appropriate to sustain their proportion of the cost of the organization. This belongs to the 48 States themselves, and we merely make available what they do with their money to the United States Government, or to any Member of Congress, or to any branch of the Government. Last year practically every branch of the Government attempted to get this information, but the expense prohibits it unless we cooperate with the association.

Mr. HOLMES. Is there any provision in law providing any Federal building with headquarters for this organization in Washington?

Mr. SECREST. None at all.

Mr. McFARLANE. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is, Is there objection to the consideration of the joint resolution?

Mr. TABER. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection?

Mr. McFARLANE. I object.

The SPEAKER. Is there objection to the consideration of the joint resolution?

Mr. TABER. Mr. Speaker, I object.

WAIVING VISA FEES, ETC.

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent to return to the bill (H. R. 12222) to permit the temporary entry into the United States under certain conditions of alien participants and officials of the Leyden International Bureau attending an international conference to be held in the United States in 1936.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That alien participants in the annual international conference of the Leyden International Bureau, its officials and executives, who are accredited members of delegations to said conference of the Leyden International Bureau to be held in the United States in 1936, all of whom are nonimmigrants, if otherwise admissible into the United States under the immigration laws, shall be exempted from the payment of the tax of $8 prescribed by section 2 of the Immigration Act of 1917, and exempted from the fees prescribed by law to be collected in connection with executing an application for a visa and visaing the passport or other travel document of an alien for the purpose of entering the United States as a nonimmigrant, and such aliens shall not be required to present official passports issued by the governments to which they owe allegiance: *Provided*, That aliens shall be in possession of official identity cards issued by their own government or issued by the officers of the Leyden International Bureau indicating their status as members of said bureau and nationality, and duly visaed without charge by American consular officers abroad: *Provided further*, That such aliens shall comply with regulations not inconsistent with the foregoing provisions which shall be prescribed by the Secretary of Labor and Secretary of State: *And provided further*, That nothing herein shall relieve an alien from being required to obtain a gratis nonimmigration visa if coming to the United States as a nonimmigrant, or an immigration visa if coming to the United States as an immigrant.

SEC. 2. That such aliens shall be permitted the free entry of their personal effects, under such regulations as may be prescribed by the Secretary of the Treasury.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIXTEENTH TRIENNIAL CONVENTION OF WORLD'S WOMAN'S CHRISTIAN TEMPERANCE UNION

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which the bill (S. 3950) to aid in defraying the expenses of the Sixteenth Triennial Convention of the World's Woman's Christian Temperance Union, to be held in this country in June 1937, was passed, and that the same may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CHURCH. Mr. Speaker, I object.

NAVAL AIR STATION AT ALAMEDA, CALIF.

The Clerk called the next 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.

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

Mr. UMSTEAD. Mr. Speaker, reserving the right to object, I should like to find out from someone what the cost of the project authorized by this bill will be.

Mr. MAAS. Mr. Speaker, will the gentleman yield?

Mr. UMSTEAD. I yield.

Mr. MAAS. The ultimate cost will probably be fifteen or sixteen million dollars.

Mr. UMSTEAD. Then, Mr. Speaker, if that is correct, I think this House should have more information than it can obtain from a hearing on the Consent Calendar, and I shall object.

Mr. MAAS. Will the gentleman withhold his objection?

Mr. UMSTEAD. I shall be glad to withhold the objection.

Mr. MAAS. The committee has held extensive hearings. The bill has already passed the Senate. This is considered one of the most important defense projects in the whole country at the present time. We have developed new flying boats to be used as patrol boats, and we must have a base for them in the San Francisco area. It has high priority in the Navy Department, and we were all convinced of the necessity of it. I hope the gentleman will permit this bill to be passed.

Mr. UMSTEAD. I do not doubt the correctness of a single statement which the gentleman has made, but I do not think it is good practice to bring these bills in here carrying large appropriations and pass them on the Consent Calendar, and then when it comes to the Appropriations Committee we are told that we can do nothing but provide the funds or else we will thwart the will of the Congress of the United States.

I shall therefore have to object, Mr. Speaker.

Mr. CARTER. Mr. Speaker, will the gentleman withhold his objection?

Mr. UMSTEAD. I will be glad to withhold the objection if the gentleman wishes to make a statement.

Mr. BLANTON. The gentleman intends to ultimately object?

Mr. UMSTEAD. I do.

Mr. BLANTON. Under the circumstances, nothing would be availed.

Mr. CARTER. Mr. Speaker, I would like to make a statement relative to the ultimate cost which was referred to, which is the amount that will undoubtedly be spent over a number of years. The Navy Department has plans for three major naval air stations on the Pacific coast, two of which have been established, one north and one south, but nothing for the San Francisco Bay area. The other day, when we were talking about the construction of two battleships, a great deal was said about the development of the Air Service, and that is what this is for. It is for aircraft. This measure has the approval of the Bureau of the Budget, and I trust the gentleman will not object.

Mr. UMSTEAD. I hope the gentleman understands that there is nothing personal whatsoever in my attitude, but I have faced this so many times in our committee that I believe it is bad practice. I do not think it is the proper way to bring in a bill carrying large expenditures of money, and I think it is my duty under the circumstances to object, Mr. Speaker, and I will have to do it.

ADDITIONAL JUDGE FOR WEST VIRGINIA

The Clerk called the next bill, S. 2456, to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. RAMSAY. Will the gentleman withhold his objection?

Mr. WOLCOTT. I will withhold the objection for the purpose of allowing the gentleman to make a statement.

Mr. RAMSAY. Mr. Speaker, this bill was reported by the Committee on the Judiciary without objection.

Mr. WOLCOTT. I may say that all bills which we have here providing for additional judges have been approved by the judicial council.

Mr. RAMSAY. In addition to that, it has been twice recommended by the judicial council. Judge Baker, of the northern district of West Virginia, appeared before a subcommittee composed of the gentleman from Kansas [Mr. GUYER] and myself, and stated that it was absolutely necessary that they have some aid in West Virginia. He said also that within the next 10 years they would have over a thousand condemnation proceedings; that during the last summer he had had no vacation whatever and had actually worked in his office on Sundays. This does not provide an extra judge at all. This does not provide that there be a permanent extra judge. The judge in the southern district was in the hospital for 6 months. He is about ready to retire. At least he has reached that age and can retire whenever he desires. This bill only provides that in case one of those judges retires, the new judge appointed will take his place and during the present time will be able to aid Judge Baker in particular in the northern part of the State. I know that the judge is overworked. I know they need this extra judge in West Virginia.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. RAMSAY. I yield.

Mr. KNUTSON. What necessity is there for two districts in a small State like West Virginia?

Mr. RAMSAY. West Virginia is not so small as the gentleman might think.

Mr. KNUTSON. Comparatively speaking, it is quite small. It is not as small as Rhode Island, but it is quite small.

Mr. RAMSAY. There are States not as large as one congressional district in West Virginia which have two judges. West Virginia needs two judges. They have a tremendous amount of business. If the gentleman will look at the report he will see.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. RAMSAY. I yield.

Mr. BOILEAU. What is the nature of the 1,000 condemnation proceedings anticipated in the future?

Mr. RAMSAY. It is to acquire property in the public parks, in the Monongahela Reservation, and also the building of the Tigers Valley Dam, which is quite an expensive project, which is costing $15,000,000.

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

Mr. WOLCOTT. Mr. Speaker, I object.

LIBRARY OF CONGRESS TRUST FUND BOARD

The Clerk called the next bill, H. R. 12353, to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, and I shall object, I cannot guess these changes in legislation approved by the Library Committee. This bill states that it should be amended by striking out the first seven words of the last paragraph of section 2, to wit, "Should any gift or bequest so provide." I cannot guess what is in the rest of the paragraph. The Ramseyer rule has not only been disregarded, but has been flouted by this committee; and for this reason I object.

CHIPPEWA INDIANS, MINNESOTA

The Clerk called House Joint Resolution 415, to carry out the intention of Congress with reference to the claims of the Chippewa Indians of Minnesota against the United States.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, can the author of this joint resolution tell us whether this matter has not been brought before the courts and the courts determined the rights of the Indians in connection therewith?

Mr. KNUTSON. No; I may say to my colleague, that under a decision of the Supreme Court the Indians do not have a right to appeal directly to the Supreme Court as was the original intent of Congress. This decision of the Court was handed down since Congress enacted the original jurisdictional bill. I think the Indian Bureau feels this legislation to be necessary to a safeguarding of the Indians' interests. As it now stands they have no right of appeal, and they should have the right of appeal.

Mr. COSTELLO. Can they not get before the Supreme Court on a writ of certiorari?

Mr. KNUTSON. I am not a lawyer, but it is felt by attorneys and by the Indian Bureau that this legislation is desirable.

Mr. COSTELLO. I think the report contains a statement to the effect that the Bureau of the Budget is opposed to the bill?

Mr. KNUTSON. They, of course, are opposed to almost everything.

Mr. COSTELLO. What amount of money is involved in this claim?

Mr. KNUTSON. No one knows. I do not think a great deal. My statement is based upon a decision in the Supreme Court of the District of Columbia several years ago when a claim of the Chippewas was tried but has not been appealed. Practically all the claims they have, I would say, are of the same order.

Mr. COSTELLO. The principal thing involved in this bill is whether Congress has the right to legislate regarding tribal funds. Is not that correct?

Mr. KNUTSON. A question of law is involved.

Mr. COSTELLO. Had not the court decided that the Congress did have authority over those funds whether they were tribal funds or individual funds?

Mr. KNUTSON. That is one of the cases I just cited, but attorneys for the Indians take the other position; and the Indians will not be satisfied until the Supreme Court has decided on it. We have at the present time the opinion of only the Supreme Court of the District of Columbia.

The SPEAKER. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Whereas by the Special Jurisdictional Act approved May 14, 1926 (44 Stat. L. 555), the claims of the Chippewa Indians of Minnesota against the United States were referred to the Court of Claims "with right of appeal to the Supreme Court of the United States by either party as in other cases", it being the intention that both parties should have the right of appeal to the Supreme Court; and

Whereas the Supreme Court has since decided that notwithstanding such a provision there is no right of appeal, in view of the Judicial Code, as amended, unless the Jurisdictional Act specifically provides that the Supreme Court shall review a case on appeal anything in the Judicial Code to the contrary notwithstanding: Now, therefore, be it

Resolved, etc., That the claims of the Chippewa Indians of Minnesota under the said Jurisdictional Act of May 14, 1926, shall be reviewed by the Supreme Court of the United States on appeal from the Court of Claims, anything in the Judicial Code, or amendments thereto, notwithstanding: *Provided*, That in any case heretofore decided by the Court of Claims said appeal shall be perfected by either party to the controversy within 1 year from the passage of this joint resolution, and an appeal shall be taken in all cases hereafter decided by the Court of Claims within 3 months from and after the date final judgment or decree is entered therein in the Court of Claims: *And be it further provided*, That in determining the claims of said Indians the Court shall construe the act of January 14, 1889 (25 Stat. L. 642), and all agreements entered into thereunder, as contractual obligations binding alike upon the United States and the Indians, and any appropriation or disposal of any of the property therein dealt with in disregard of the terms of said act and said agreements as a violation thereof.

With the following committee amendment:

Page 2, line 14, strike out the remainder of the paragraph.

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERN CONVENTION OF 1886

The Clerk called House Joint Resolution 569, to authorize an appropriation for the expenses of participation by the United States in a conference at Brussels to revise the Convention for the Protection of Literary and Artistic Works concluded at Bern, September 9, 1886, and revised at Rome, June 2, 1928.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this seems to be one of these habitual conferences in which we are continuously participating over in some foreign country. Although its purpose may be perfectly laudable, I cannot yet say whether it is or not. I wish the gentleman from New York [Mr. BLOOM] would explain the purpose of the joint resolution.

Mr. BLOOM. For the last 50 years the United States has been trying to join the Bern Convention which is for the protection of literary and artistic property. A bill passed the Senate at the last session, or the first part of this session, with this idea in view; and the same provision is in the copyright bill before the House Committee on Patents. It is a very worthy thing and is for the protection of authors, composers, and publishers in this country. The United States has been trying to join this convention for 50 years.

Mr. WOLCOTT. It seems these artists, composers, and publishers are pretty well protected when they can come into a little village in my district up on the tip of the thumb, as we call it, and insist upon a little country orchestra, gotten together more or less for the edification of the people in the district who hold little informal dances on Saturday night and are charged $40 or $50 a year to play their music. I carried a musician's union card for a number of years.

Mr. BLOOM. I remember that card.

Mr. WOLCOTT. I am sympathetic up to a certain point with the composers, but as a musician I think I helped more to disseminate their art than they are doing themselves. I think encouragement should be given within the confines of the United States to distribute these works of art whether they are in the form of music, poetry, or whatnot, among our people.

Mr. BLOOM. That is what this bill does.

Mr. WOLCOTT. And I cannot see where a conference over in Brussels helps this situation.

Mr. KVALE. Will the gentleman yield to a base-drum virtuoso?

Mr. WOLCOTT. I yield to the gentleman from Minnesota.

Mr. KVALE. Does the gentleman think that any point should be made of carrying out these conferences which invariably exchange ideas and good will and are fruitful and helpful to all participants?

Mr. WOLCOTT. I was in hearty agreement with a bill which we passed this afternoon with reference to a conference down at Buenos Aires, having in mind the perpetuation of peace between North and South America. I think we should participate in that, but I wonder if this conference is really worth the money we will have to invest.

Mr. BLOOM. May I explain to the gentleman what this bill provides?

Mr. BOILEAU. Mr. Speaker, reserving the right to object, it occurs to me that every time we invite foreigners to come over to this country for a conference, such as the Leyden International Bureau Conference, there are always some Members of the House who make a big fuss about and say we should not permit foreigners to come in. How can we with good grace be permitted to send our people to foreign countries to participate in conferences in those countries if we are going to raise such a fuss every time it is suggested that foreigners come to this country?

Mr. BLOOM. Mr. Speaker, may I say that this bill provides just the opposite to what the gentleman from Michigan is talking about. This is a conference to give to the composers in this country the same right that the foreign composers get in this country. In other words, a reciprocal right to the authors and composers. It has nothing to do with copyrights. The copyright law is our own law, but this is merely to give to our own people, our writers, authors, and composers, the same rights in foreign countries that we give foreign composers in this country. This bill endeavors to protect their rights all over the world and has nothing to do with the copyrights.

The regular order was demanded.

The SPEAKER. The regular order is, Is there objection to the present consideration of the joint resolution.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $6,500, or so much thereof as may be necessary, for the expenses of participation by the United States in the conference to convene at Brussels, Belgium, for the purpose of revising the Convention for the Protection of Literary and Artistic Works, concluded at Bern, September 9, 1886, and revised at Rome, June 2, 1928, including personal services in the District of Columbia and elsewhere, without reference to the Classification Act of 1923, as amended; stenographic, reporting, and other services by contract, if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses; purchases of necessary books, documents, newspapers, periodicals, and maps; stationery; official cards; entertainment; printing and binding; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRELIMINARY EXAMINATION OF BIG BLUE RIVER

Mr. CARPENTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12370) to authorize a preliminary examination of Big Blue River and its tributaries with a view to the control of their floods.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause a preliminary examination to be made of Big Blue River, an affluent of the Kansas River, and its tributaries with a view to the control of their floods in accordance with the provisions of section 3 of an act entitled "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations hertofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COINAGE OF 50-CENT PIECES IN COMMEMORATION OF SEVENTY-FIFTH ANNIVERSARY OF THE BATTLE OF GETTYSBURG

Mr. HAINES. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 11533) to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the immediate consideration of the bill?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. HAINES. Mr. Speaker, the G. A. R. and the United Confederate Veterans, in their conventions last year at Amarillo, Tex., and Grand Rapids, Mich., unanimously decided to hold a reunion at Gettysburg, and they want to have these 50-cent pieces coined in commemoration of that event.

Mr. TABER. How much is it going to cost?

Mr. HAINES. It is not going to cost the Government one penny.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, there have been several bills on the calendar for the coinage of 50-cent pieces, and two bills, I believe, to change the design of 50-cent pieces. Now, do not let anyone be fooled with respect to these 50-cent pieces. This is just a

racket for the purpose of raising money in order to put on the celebration, and we had better understand that is the purpose back of the coining of this money. In some instances they become rackets because of the fact that they come back here and ask us to even change the design. Why? Not because they are not satisfied with the original design, but because it results in making the coin more rare. It makes the coin more rare, thus enhancing its value and it can be sold for more money, and thereby raise a great deal more money to put into the coffers of the committee putting on the celebration.

Mr. Speaker, I think this is a worthy cause, and I dislike to object to the bill. I considered it was my duty to object to these bills. I have had a barrage of protests leveled at me for objecting to bills that I thought I should object to and in a weak moment I consented to let one of these bills go through, and to be consistent, I let others go through. But I think we should understand that the only purpose of these bills is to raise money to put on these celebrations, and not to commemorate any particular event.

Mr. McCORMACK. I think what the gentleman says is true; but this bill is meritorious. It does not cost the Government any money. Of course, I recognize the gentleman's viewpoint, but I think a celebration of the seventy-fifth anniversary of the Battle of Gettysburg, together with a reunion of the forces of the North and South, is an event which would entirely warrant and justify the passage of this particular bill.

Mr. WOLCOTT. I think if any event does justify it, this one does.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That, in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg there shall be coined by the Director of the Mint 50,000 silver 50-cent pieces, such coins to be of standard size, weight, and fineness of a special appropriate 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 model for master dies or other preparations for this coinage.

SEC. 2. Coins commemorating the seventy-fifth anniversary of the Battle of Gettysburg shall be issued at par, and only upon the request of a committee of not less than eight persons duly authorized by the Governor of the State of Pennsylvania.

SEC. 3. Such coins may be disposed of at par or at a premium by the committee duly authorized in section 2, and all proceeds shall be used in furtherance of the commemoration of the seventy-fifth anniversary of the Battle of Gettysburg.

SEC. 4. All laws now in force relating to the subsidiary silver coins of the United States and the coinage 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 the coins; for the prevention of debasement or counterfeiting; for the security of the coin; or for any other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein directed.

SEC. 5. The coins authorized herein shall be issued in such numbers and at such times as they may be requested by the committee, duly authorized by said Governor of the State of Pennsylvania, only upon payment to the United States of the face value of such coins.

With the following committee amendment: On page 2, line 20, strike out all of section 5.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 567. Joint resolution to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936.

The message also announced that the Senate agrees to the amendments of the House to bills and a joint resolution of the Senate of the following titles:

S. 3842. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the establishment of the Territorial Government of Wisconsin, and to assist in the celebration of the Wisconsin Centennial during the year of 1936;

S. 4229. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the incorporation of Bridgeport, Conn., as a city; and

S. J. Res. 231. Joint resolution to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Swedes in Delaware.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 3952) entitled "An act for the relief of Mr. and Mrs. Bruce Lee", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BAILEY, Mr. BURKE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8599) entitled "An act to provide for a change in the designation of the Bureau of Navigation and Steamboat Inspection, to create a marine casualty investigation board and increase efficiency in administration of the steamboat-inspection laws, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COPELAND, Mr. FLETCHER, Mr. SHEPPARD, Mr. JOHNSON, and Mr. WHITE to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 10267) entitled "An act to provide for adjusting the compensation of division superintendents, assistant division superintendents, assistant superintendents at large, assistant superintendent in charge of car construction, chief clerks, assistant chief clerks, and clerks in charge of sections in offices of division superintendents in the Railway Mail Service, to correspond to the rates established by the Classification Act of 1923, as amended", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. HAYDEN, and Mr. FRAZIER to be the conferees on the part of the Senate.

CONSTITUTIONAL AMENDMENT TO LIMIT THE FEDERAL DEBT IN PEACETIME

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to insert a short statement of my own in the RECORD as an extension of remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, following up the suggestion recently made by Myron H. Bent, Washington correspondent for the Brooklyn Times-Union, I am today introducing a joint resolution proposing an amendment to the Federal Constitution to limit the debt of the United States in peacetime. The advisability and absolute necessity of such an amendment is apparent to all who give any thought to the future of our country.

If we include contingent liabilities, the Federal debt has been doubled since March 4, 1933. John Marshall said, "The power to tax is the power to destroy." We are laying the foundation for self-destruction through the building of a gigantic debt structure with only the sky as the limit. The limit of our national debt in peacetime should be around twenty billions, based on the population shown in decennial census, the sum of twenty billions being fixed on the basis of the 1930 census, thus allowing an increase in debt as the population increases.

Under my proposed amendment every appropriation measure would have to be accompanied by a tax bill whenever the limit is exceeded. Such an amendment as is proposed would be a godsend to Members of Congress, saving them from the importunities of organized minorities. Many of the projects for which we now appropriate huge sums would not have a ghost of a show if the proposal for an appropriation had to be accompanied by the necessary tax-raising measure. Tax bills do not attract votes.

The proposed amendment would make the Government's credit foolproof. It could not be threatened with debt. The debt at the present time could not be increased. It would put a brake on any more wild Government spending and thus protect unborn generations. It would do more to force a return to sanity than any other one measure that I know of.

We should have another amendment to the Constitution making the President ineligible for reelection with one term of 6 years. We now have the spectacle of a President making a frantic effort to reelect himself through the lavish expenditure of the people's money. These two amendments would anchor constitutional government in a safe harbor.

UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

Mr. BLOOM. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H. J. Res. 525) to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes.

The Clerk read as follows:

Resolved, etc., That the United States Constitution Sesquicentennial Commission, established for the celebration of the one hundred and fiftieth anniversary of the formation of the Constitution of the United States by the joint resolution entitled "Joint resolution providing for the preparation and completion of plans for a comprehensive observance of the one hundred and fiftieth anniversary of the formation of the Constitution of the United States", approved August 23, 1935 (hereinafter referred to as the Commission), is authorized and directed to prepare and publish certain historical and educational material, as specified in the approved plans of the Commission, for distribution to libraries, schools, and organized study groups, as well as to Constitution State and local commissions, and individuals.

SEC. 2. (a) The Commission is authorized and directed to (1) prepare and provide for the general distribution of photolithographic copies of a painting of the "Signing of the Constitution" accepted by the Commission; and (2) prepare reproductions of approved portraits of the signers and the history of the Constitution, and of its time, together with their facsimile signatures and appropriate biographical sketches, for distribution to libraries, schools, organized study groups, Constitution State and local commissions, and other proper sources.

(b) To carry out the provisions of this section, the Commission is authorized to have printing, binding, photolithography, and other work done at establishments other than the Government Printing Office, as provided for in section 12 of the Printing Act, approved January 12, 1895 (U. S. C., title 44, sec. 14), as amended by the act of July 8, 1935 (49 Stat. 475): *Provided*, That nothing in this act shall preclude the furnishing of the necessary number of copies of all such publications for the use of the Library of Congress, and for international exchange, as required by the United States Code, title 44, sections 139, 139a, and 228.

SEC. 3. The Commission, in order to execute the functions vested in it by law, is authorized to employ, without regard to the civil-service laws, and fix the compensation, without regard to the Classification Act of 1923, as amended, of a historian and such assistants as may be needed, for stenographic, clerical, and expert services, in the District of Columbia and elsewhere.

SEC. 4. The Commission is authorized to prepare, and provide for the general distribution of, suitable medals and certificates for commemorating the celebration of the one hundred and fiftieth anniversary of the formation of the Constitution.

SEC. 5. In carrying out the provisions of this resolution or any other provision of law relating to the celebration of the one hundred and fiftieth anniversary of the formation of the Constitution, the Commission is authorized to procure advice and assistance from any governmental agency, including the services of technical and other personnel in the executive departments and independent establishments, and to procure advice and assistance from and cooperate with individuals and agencies, public or private. The Superintendent of Documents shall make available to the Commission the facilities of his office for the distribution of publications, posters, and other material herein authorized, if so requested.

SEC. 6. The Commission shall have the same privilege of free transmission of official mail matter as other agencies of the United States Government.

SEC. 7. The members and employees of the Commission shall be allowed actual traveling, subsistence, and other expenses incurred in the discharge of their duties.

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $200,000 for the purpose of carrying out the provisions of this joint resolution and such sum when appropriated shall remain available until expended.

Mr. DIRKSEN. Mr. Speaker, I demand a second.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BLOOM. Mr. Speaker, this bill originally called for an appropriation of $350,000 for a celebration that is to last 2 years, starting September 17, 1937, which is the anniversary of the signing of the Constitution, and ending on April 30, 1939, which is the anniversary of the inauguration of Washington.

This sum was determined upon at a meeting at the White House held a short while ago, over which the President presided. Practically the entire committee was present, including the Republican and Democratic members, and the committee arrived at the amount of $350,000 as the proper sum to defray all expenses.

I want to impress upon the Members that ultimately this is not going to cost the Government of the United States one cent. After all the expenditures have been made there will be a profit in the Treasury of the United States of from $1,500,000 to $2,000,000.

This celebration will be along practically the same lines as the bicentennial celebration. It will be educational and the data will go into the schools, colleges, churches, patriotic societies, and all other organizations throughout the country.

Let me call your attention to one little matter that has recently come to my attention. I have heard many people say, "What is the use of writing about the Constitution when everyone knows all about the Constitution, because it has been reproduced and printed so often?" I have here a little book that was called to my attention by a Member of the House, who stated that you could get all the information you wanted on the Constitution from this book for the sum of 10 cents. I bought the book and looked it over and had it checked and rechecked, and from the very first word in the preamble to the Constitution mistakes were found. Let me read you what this book contains in the way of mistakes. A check of this publication against the original text and against known facts has disclosed that it contains about 1,497 deviations from the original document in capitalization, punctuation, and spelling, as well as approximately 40 erroneous statements and descriptions.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I shall be delighted to yield to the gentleman from Massachusetts.

Mr. HOLMES. Will the gentleman tell us whether the book on the Constitution gotten out by the Rockefeller Foundation is correct?

Mr. BLOOM. No; it is not correct.

I have here a very small card which contains the preamble. If you will examine this card, you can see how many mistakes there are in respect of the preamble to the Constitution.

Without going into that any further, I make the statement now that you cannot bring one book on the Constitution to this Commission in which we cannot find mistakes.

Referring again to the little book which I have here, I may say that if you would like to have a copy of it, as corrected, I have brought a number of copies over here, and I should like to have you take one of them home and read it so you may see the errors that were found.

Now, here are some of these mistakes. On page 31 is a picture of President Roosevelt delivering his message to the Seventy-ninth Congress. This is the Seventy-fourth Congress.

On page 19 of the book there is a picture of the Robert Morris house in Philadelphia. It says that it was the first official Presidential residence, and that Washington lived there from 1793 to 1794.

Let us see what the mistakes are. It was not the first official Presidential residence, but the third. Washington occupied it from 1790 to 1797, and this is not a picture of the house. [Laughter.] I want you to see how ridiculous this is. And yet a Member of the House told me that he could get all the information he wanted on the Constitution from this 10-cent book.

This book is published by one of the largest publishing houses in this country. From the beginning of the book up

to the last page you will find the equivalent of 1,500 mistakes.

Now, what your Commission is trying to do is to publish the Constitution and the history of the Constitution as it really took place. It is educational in every respect and this money we are asking for is merely for educational work.

As I said before, it will not cost the Government one penny but will make a profit for the Government.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. BLOOM. I will.

Mr. MARTIN of Massachusetts. I could not hear what the gentleman said in the beginning. Does the gentleman offer an amendment reducing the amount?

Mr. BLOOM. No; $200,000 is the amendment that was read into the bill instead of $350,000.

Mr. Speaker, I reserve the balance of my time.

Mr. DIRKSEN. Mr. Speaker, I demanded a second because I wanted to ask the gentleman from New York a question. The first question is not relevant to this particular book, but I saw in the newspaper a while ago that the gentleman stated that the first shot of the Revolution was fired at Concord. I am wondering if the gentleman is accurate about that.

Mr. BLOOM. Does not the gentleman think I am having trouble enough in getting this passed without bringing that up? [Laughter.]

Mr. DIRKSEN. I notice on the back cover of the book there are two stars. I suppose that is a two-star print. If it is, I am wondering whether it would not be a good idea to have this work done at the Government Printing Office, and yet paragraph (b) of section 2 provides that the work may be done at other printing establishments than the Government Printing Office.

Mr. BLOOM. The reason that was inserted is because it is necessary to get out all this material very rapidly. Two years ago the House passed an appropriation for the publishing of additional volumes of the writings of George Washington. We have not been able to get the Government Printing Office to print any additional volumes beyond the eleventh volume in 2 years, and unless we can get our printing done quickly and not be dependent upon the Government Printing Office, it will delay us a year or two and the celebration will be over before we get any printing done. That is why that is put in the bill. We ask for bids for the printing and have it done wherever we can get it done cheapest; if the Government cannot give it to us, we are entitled to go to other places.

Mr. DIRKSEN. Then in section 3 on page 3 of the bill there is a provision that ignores the civil-service laws and the Classification Act of 1923 insofar as the appointment of a historian and such assistants as may be needed for stenographic, clerical, and expert services. Would it not be a good idea to have some regard for those acts?

Mr. BLOOM. It would delay us. I am trying to avoid getting out a book like this I have been illustrating. We must issue a book that is correct and we must have special people to do that work, and you cannot do it with the ordinary people that the civil-service people would send you.

Mr. MARTIN of Massachusetts. Will the gentleman please tell us how it is not going to cost any money?

Mr. BLOOM. In your time?

Mr. MARTIN of Massachusetts. Yes.

Mr. BLOOM. There is no way of reckoning exactly what it will bring in. Of course, the more money you give me to publish the books, the more money you will get back. I venture to say that the publication of the stamps will bring us in a lot of money. They will bring in more than the bicentennial stamps brought in, and they brought in more than a million and a half profit. I do not know what they will do after today, but they will sell perhaps three or four million of these books. The profit is tremendous.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. MICHENER. This bill was before the House earlier in the afternoon.

Mr. BLOOM. Yes.

Mr. MICHENER. The bill had the considered attention of the committee reporting it before it was reported?

Mr. BLOOM. Yes.

Mr. MICHENER. The bill as originally introduced provided for an appropriation of $350,000?

Mr. BLOOM. Yes.

Mr. MICHENER. The gentleman tried to get the bill enacted by unanimous consent of the House for $350,000, with the understanding that that was the absolute minimum amount necessary to do what the gentleman contemplates doing. The House will not agree to that. The gentleman now has reduced the amount by $150,000, in an hour, and says that he can get through with the $200,000.

Mr. BLOOM. Just correct that in regard to that "get through." I did not say that we can get through with $200,000.

Mr. MICHENER. That is what I am getting at.

Mr. BLOOM. Please do not say that I said it.

Mr. MICHENER. Then, the gentleman does not contemplate that this is to be the last appropriation. Because he could not get $350,000 he is coming in now under suspension of the rules and asking for $200,000, to get the nose of the camel under the tent, and later he will be back asking Congress for the remainder, $150,000, or possibly $350,000 more. Is that correct?

Mr. BLOOM. If the gentleman wants me to publish all the material in the same way that he asked us for during the Bicentennial Celebration—and I believe I convinced the gentleman on the floor at that time when he asked a similar question that you will only get what you pay for. That is all you are going to get. If you want $200,000 worth of celebration, that is what you will get. If you want a $350,000 celebration, you will get that, and if you do not want to appropriate and you want no celebration, that is what you will get.

Mr. MICHENER. The point I am making is——

Mr. BLOOM. I know the point the gentleman has in mind. He thinks that I have been dickering. I did not dicker at all. If there was any dickering, it was done by somebody else and not by me. You are going to get just what you pay for, and you have always gotten 100 cents on the dollar, and the gentleman admitted that himself.

Mr. MICHENER. Yes; from the gentleman we generally get 150 cents on the dollar, but I want it distinctly understood that the gentleman is not getting his bill through here today with the House understanding that we are going to put this celebration on for the dickered amount. The gentleman is just getting a start, and he will be back here later for the rest of it. We might as well understand that.

Mr. BLOOM. The gentleman will speak for himself and I will speak for myself at the proper time. If the gentleman does not want to vote for it, that is his business.

I think the gentleman's remarks are entirely uncalled for.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. MARTIN of Colorado. I notice in this typewritten notice attached to the bottom of page 50 the following statement: "The Liberty Bell did not proclaim the tidings." That is the tidings of the ratification or adoption of the Declaration of Independence, I assume?

Mr. BLOOM. That is page 50. Page 50 is the Liberty Bell.

Mr. MARTIN of Colorado. Is this a sort of debunking process? Are you going through the Declaration of Independence and the Constitution of the United States and strip it of all its traditions that have come down through time?

Mr. DIRKSEN. Mr. Speaker, whose time is the gentleman using?

The SPEAKER. The gentleman from New York is using his own time, the Chair assumes.

Mr. BLOOM. No; the gentleman asked me to yield, and I said "on your time." I stopped long ago.

Mr. DIRKSEN. Is the gentleman using my time?

Mr. BLOOM. Yes; and I have been using it right along.

Mr. DIRKSEN. I do not yield any more time to the gentleman.

Mr. BLOOM. That is the gentleman's business.

The SPEAKER. The gentleman has already yielded 17 minutes. [Laughter.]

Mr. MARTIN of Colorado rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. MARTIN of Colorado. I am afraid that nobody got my suggestion except the reporter, but I hope it will be in the RECORD.

Mr. DIRKSEN. Mr. Speaker, I do not yield any further time.

I yield the balance of my time to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I want to call attention to what has just taken place on the floor as an illustration of what the gentleman from New York [Mr. BLOOM] called dickering. We have a very serious matter before the Congress. The gentleman is proposing in the beginning $350,000. Somebody, he says not he, dickered to get the thing started today with $200,000. Then the gentleman on the floor of the House, by a little art, succeeded in getting control of the time in opposition to the bill and used 17 of the 20 minutes which might be used when the membership of the House and the sincere, honest, well-meaning gentleman from Illinois, who had charge of the time and did not know he was yielding his time away. [Laughter.]

The gentleman from New York [Mr. BLOOM] says that the more money you give him the more he will bring back to the country. If we give him $200,000, he will bring more. If you pursue that kind of tactics, possibly that might be brought about, but personally I do not like to see it when we are dealing with so serious a matter as the Constitution. When this matter was up in the first instance I did not oppose it, but I did call attention to just what is taking place today, that we are starting another celebration to go over a period of 2 years. It might be a good thing, but do not get any idea now that you are ending it, because the gentleman will be here asking for more money so that he may go out and get more money. But I notice that he always asks for more money in order that he may get more money. It seems to me rather strange that the Congress should be asked to appropriate money to the gentleman under those circumstances. There will be no opposition to this. Why? Because we all believe in the Constitution; because we do not like to do anything that is going to interfere, but in these days of economy we had better be a little careful about statues and about celebrations of this type or any other type telling us about the Constitution. We had better pay closer attention to observing the Constitution by living up to the spirit of what the old document stands for rather than spending money to determine whether the old document has the original semicolons, commas, and periods, which some of the forefathers and framers suggested in the beginning.

I am not going to take any more time. Everybody will vote for this bill, but let me call attention to the fact that the official objectors prevented the passage of the bill carrying $350,000, and in less than an hour we have this same bill back saying that the work could be done for $200,000. If the official objectors were ever justified in the world, they have been justified today.

The SPEAKER. The time of the gentleman from Michigan has expired.

All time has expired.

The question is on the motion of the gentleman from New York to suspend the rules and pass the bill as amended.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill, as amended, was passed, and a motion to reconsider was laid on the table.

RIO GRANDE CANALIZATION PROJECT

Mr. SHANLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 11768) authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that purpose.

HAIL! THE CONSTITUTION

Mr. McLEAN. Mr. Speaker, apropos the bill just passed, I ask unanimous consent to extend my remarks in the RECORD and to include therein a very short poem entitled "Hail the Constitution", by Mr. Cal J. McCarthy, historian and poet, of Elizabeth, N. J.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. McLEAN. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following poem by Cal. J. McCarthy, historian and poet, of Elizabeth, N. J.:

HAIL! THE CONSTITUTION

By Cal. J. McCarthy

Hail! The Constitution, great
Protector of each sovereign State.
The first law of our native land.
With equal rights on every hand.
Rising high above the Nation,
Protecting all in every station.
Protector of our liberty,
Assuring peace, tranquillity.
The Articles of Confederation,
Then unsuited for the Nation,
Yielded to the Constitution.
America's greatest institution.
For union, one and all stood by,
A union! was the people's cry.
Thirteen Colonies, large and small,
Convened to plan for the good of all,
Assembled in convention
Away from alien intervention
Foresighted men stout of heart
Analyzed each and every part.
These men of vigor, vim, and tact
Labored for a national pact.
One for all, and all for one,
So our democracy was begun,
Assuring all the right to live
And shielding those who cared to give
Words of wisdom to a nation
United in a federation.
Conceived by patriots pledged to do
A work for all, both strong and true.
Ideals fostered by honest men,
A work designed by wit and ken.
Molded by the delegates,
Arranged and sanctioned by the States,
Drawn when darkest days were here
By patriots, statesmen, who knew no fear.
After months of careful thought
The new covenant was wrought.
To be binding on the States
It was signed by delegates.
May its phrases crystal pure
Our liberty and rights insure.
Protector of each sovereign State.
Hail! The Constitution great!

POINT OF NO QUORUM

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently there is not a quorum present.

Mr. SHANLEY. Mr. Speaker, I move a call of the House.

Mr. TABER. Mr. Speaker, I move the House do now adjourn.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 25, noes 40.

Mr. TABER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 71, nays 183, not voting 173, as follows:

[Roll No. 87]

YEAS—71

Allen	Cole, N. Y.	Hancock, N. Y.	Maas
Amlie	Crawford	Hartley	Mapes
Andresen	Crowther	Hess	Marcantonio
Arends	Darrow	Hoffman	Martin, Mass.
Bacharach	Dirksen	Hollister	Michener
Blackney	Dondero	Holmes	Millard
Boileau	Engel	Hull	Mott
Brewster	Englebright	Kahn	Pittenger
Carlson	Fish	Kinzer	Plumley
Carter	Gearhart	Knutson	Powers
Cavicchia	Gehrmann	Lambertson	Reed, Ill.
Christianson	Gilchrist	Lord	Reed, N. Y.
Church	Goodwin	McLean	Rich

Risk	Seger	Thurston	Withrow
Robsion, Ky.	Short	Tinkham	Wolcott
Rogers, Mass.	Snell	Turpin	Wolverton
Sauthoff	Stefan	Welch	Woodruff
Schneider, Wis.	Taber	Wilson, Pa.	

NAYS—183

Adair	Dietrich	Kvale	Rankin
Ashbrook	Dingell	Lambeth	Rayburn
Bankhead	Dobbins	Lea, Calif.	Reilly
Barden	Doughton	Lemke	Richards
Barry	Doxey	Lewis, Colo.	Robertson
Beiter	Drewry	Luckey	Robinson, Utah
Bell	Driscoll	Lundeen	Rogers, N. H.
Biermann	Driver	McClellan	Rogers, Okla.
Binderup	Duffy, N. Y.	McCormack	Russell
Bland	Duncan	McFarlane	Sanders, Tex.
Blanton	Dunn, Pa.	McGrath	Schaefer
Bloom	Eagle	McKeough	Schuetz
Boland	Eicher	McLaughlin	Scott
Boylan	Evans	McReynolds	Scrugham
Brown, Ga.	Faddis	Mahon	Secrest
Buchanan	Fitzpatrick	Martin, Colo.	Shanley
Buck	Fletcher	Mason	Sisson
Buckler, Minn.	Ford, Calif.	Massingale	Smith, Conn.
Burdick	Ford, Miss.	Maverick	Smith, Va.
Cannon, Mo.	Fuller	May	Smith, W. Va.
Carmichael	Gasque	Meeks	Snyder, Pa.
Carpenter	Gildea	Merritt, N. Y.	South
Cartwright	Granfield	Mitchell, Ill.	Spence
Castellow	Gray, Pa.	Mitchell, Tenn.	Stubbs
Celler	Green	Moran	Sullivan
Chandler	Greever	Murdock	Sumners, Tex.
Chapman	Haines	Nelson	Sutphin
Citron	Hamlin	Nichols	Terry
Clark, N. C.	Harlan	O'Brien	Thomason
Coffee	Hart	O'Connor	Thompson
Colden	Healey	O'Day	Tolan
Cooley	Hennings	O'Leary	Tonry
Cooper, Tenn.	Higgins, Mass.	O'Neal	Turner
Costello	Hildebrandt	Owen	Umstead
Cox	Hill, Ala.	Parsons	Vinson, Ga.
Cravens	Hobbs	Patterson	Vinson, Ky.
Creal	Hook	Patton	Wallgren
Crosby	Imhoff	Pearson	Walter
Crowe	Jacobsen	Peterson, Ga.	Warren
Cullen	Johnson, Tex.	Pettengill	Whelchel
Curley	Jones	Peyser	Whittington
Darden	Kennedy, N. Y.	Pfeifer	Wilcox
Deen	Kenney	Polk	Wilson, La.
Delaney	Kniffin	Rabaut	Woodrum
Dempsey	Kocialkowski	Ramspeck	Zimmerman
Dickstein	Kramer	Randolph	

NOT VOTING—173

Andrew, Mass.	Eaton	Kelly	Ransley
Andrews, N. Y.	Eckert	Kennedy, Md.	Reece
Ayers	Edmiston	Kerr	Richardson
Bacon	Ekwall	Kleberg	Romjue
Beam	Ellenbogen	Kloeb	Ryan
Berlin	Farley	Kopplemann	Sabath
Boehne	Fenerty	Lamneck	Sadowski
Bolton	Ferguson	Lanham	Sanders, La.
Boykin	Fernandez	Larrabee	Sandlin
Brennan	Fiesinger	Lee, Okla.	Schulte
Brooks	Flannagan	Lehlbach	Sears
Brown, Mich.	Focht	Lesinski	Shannon
Buckley, N. Y.	Frey	Lewis, Md.	Sirovich
Bulwinkle	Fulmer	Lucas	Smith, Wash.
Burch	Gambrill	Ludlow	Somers, N. Y.
Burnham	Gassaway	McAndrews	Stack
Caldwell	Gavagan	McGehee	Starnes
Cannon, Wis.	Gifford	McGroarty	Steagall
Cary	Gillette	McLeod	Stewart
Casey	Gingery	McMillan	Sweeney
Claiborne	Goldsborough	McSwain	Tarver
Clark, Idaho	Gray, Ind.	Main	Taylor, Colo.
Cochran	Greenway	Maloney	Taylor, S. C.
Cole, Md.	Greenwood	Mansfield	Taylor, Tenn.
Collins	Gregory	Marshall	Thom
Colmer	Griswold	Mead	Thomas
Connery	Guyer	Merritt, Conn.	Tobey
Cooper, Ohio	Gwynne	Miller	Treadway
Corning	Halleck	Monaghan	Utterback
Cross, Tex.	Hancock, N. C.	Montague	Wadsworth
Crosser, Ohio	Harter	Montet	Wearin
Culkin	Higgins, Conn.	Moritz	Weaver
Cummings	Hill, Knute	Norton	Werner
Daly	Hill, Samuel B.	O'Connell	West
Dear	Hoeppel	Oliver	White
DeRouen	Hope	O'Malley	Wigglesworth
Dies	Houston	Palmisano	Williams
Disney	Huddleston	Parks	Wolfenden
Ditter	Jenckes, Ind.	Patman	Wood
Dockweiler	Jenkins, Ohio	Perkins	Young
Dorsey	Johnson, Okla.	Peterson, Fla.	Zioncheck
Doutrich	Johnson, W. Va.	Pierce	
Duffey, Ohio	Kee	Quinn	
Dunn, Miss.	Keller	Ramsay	

So the House refused to adjourn.

The Clerk announced the following pairs:

Until further notice:

Mr. Samuel B. Hill with Mr. Jenkins of Ohio.

Mr. Fulmer with Mr. Wadsworth.

Mr. Sabath with Mr. Hope.

Mr. Kleberg with Mr. Cooper of Ohio.

Mr. Schulte with Mr. Andrew of Massachusetts.

Mr. Taylor of Colorado with Mr. Burnham.

Mr. Montague with Mr. Ditter.

Mr. Steagall with Mr. Gifford.

Mr. Mead with Mr. Lehlbach.

Mr. Larrabee with Mr. Marshall.

Mr. Kerr with Mr. Ransley.

Mr. Johnson of Oklahoma with Mr. Taylor of Tennessee.

Mr. Mansfield with Mr. Bacon.

Mr. Boehne with Mr. Doutrich.

Mr. Kelly with Mr. Focht.

Mr. McSwain with Mr. Main.

Mr. Huddleston with Mr. Tobey.

Mr. Lanham with Mr. Perkins.

Mr. Griswold with Mr. Bolton.

Mr. McMillan with Mr. Culkin.

Mr. Greenwood with Mr. Guyer.

Mr. Beam with Mr. McLeod.

Mr. Lamneck with Mr. Reece.

Mr. Gregory with Mr. Stewart.

Mr. Cary with Mr. Treadway.

Mr. Gavagan with Mr. Merritt of Connecticut.

Mr. Cochran with Mr. Collins.

Mr. Bulwinkle with Mr. Wolfenden.

Mr. Connery with Mr. Higgins of Connecticut.

Mr. Dies with Mr. Eaton.

Mr. Crosser of Ohio with Mr. Andrews of New York.

Mr. Duffey of Ohio with Mr. Ekwall.

Mr. Burch with Mr. Gwynne.

Mr. Fiesinger with Mr. Fenerty.

Mr. Corning with Mr. Halleck.

Mr. Miller with Mr. Thomas.

Mr. Fernandez with Mr. Wigglesworth.

Mr. Sweeney with Mr. Cross of Texas.

Mr. Quinn with Mr. Gambrill.

Mr. O'Malley with Mr. Harter.

Mr. Romjue with Mr. Casey.

Mr. Sadowski with Mr. Kee.

Mr. Claiborne with Mr. Lewis of Maryland.

Mr. Sears with Mr. Cummings.

Mr. Thom with Mr. Daly.

Mr. McGehee with Mr. Utterback.

Mr. Dunn of Mississippi with Mr. O'Connell.

Mr. Palmisano with Mr. Gillette.

Mr. Ryan with Mr. Houston.

Mr. Kloeb with Mr. Clark of Idaho.

Mr. Sirovich with Mr. Wearin.

Mr. Eckert with Mr. Young.

Mr. Sanders of Louisiana with Mr. Gingery.

Mr. Boykin with Mr. Brooks.

Mr. Parks with Mr. Brown of Michigan.

Mr. Gray of Indiana with Mr. Knute Hill.

Mr. Patman with Mr. Ramsay.

Mr. Colmer with Mr. Keller.

Mr. Sandlin with Mr. Ludlow.

Mr. Dear with Mr. Stack.

Mr. Farley with Mr. Montet.

Mr. Wood with Mr. Smith of Washington.

Mr. Hancock of North Carolina with Mr. Richardson.

Mr. Peterson of Florida with Mr. Shannon.

Mr. Somers of New York with Mr. Weaver.

Mr. Tarver with Mr. Lesinski.

Mrs. Norton with Mr. Maloney.

Mr. Taylor of South Carolina with Mr. Werner.

Mr. Starnes with Mr. Disney.

Mr. McAndrews with Mr. West.

Mr. Caldwell with Mr. White.

Mr. Ferguson with Mr. Johnson of West Virginia.

Mr. Flannagan with Mr. Buckley.

Mr. DeRouen with Mr. Frey.

Mr. Williams with Mr. Dockweiler.

Mrs. Jenckes of Indiana with Mrs. Greenway.

Mr. Ellenbogen with Mr. Zioncheck.

Mr. McGroarty with Mr. Goldsborough.

Mr. Ayers with Mr. Oliver.

Mr. Brennan with Mr. Monaghan.

Mr. Kennedy of Maryland with Mr. Moritz.

The result of the vote was announced as above recorded.

CANALIZATION OF RIO GRANDE

Mr. SHANLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 11768) authorizing construction, operation, and maintenance of Rio Grande canalization project, and authorizing appropriation for that purpose.

The SPEAKER. The gentleman from Connecticut moves to suspend the rules and pass the bill H. R. 11768, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That upon the completion of the engineering investigation, study, and report to the Secretary of State, as heretofore authorized by Public Resolution No. 4, Seventy-fourth Congress, approved February 13, 1935, the Secretary of State, acting through the American section, International Boundary Commission, United States and Mexico, in order to facilitate compliance with the convention between the United States and Mexico concluded May 21, 1906, providing for the equitable division of the waters of the Rio Grande, and to properly regulate and control, to the fullest extent possible, the water supply for use in the

two countries as provided by treaty, is authorized to construct, operate, and maintain, in substantial accordance with the engineering plan contained in said report, works for the canalization of the Rio Grande from the Caballo Reservoir site in New Mexico to the international dam near El Paso, Tex., and to acquire by donation, condemnation, or purchase such real and personal property as may be necessary therefor.

SEC. 2. There is authorized to be appropriated the sum of $3,000,000 for the purposes of carrying out the provisions of section 1 hereof, other than for operation and maintenance, including salaries and wages, fees for professional services; rents; travel expenses; per diem in lieu of actual subsistence; printing and binding, law books, and books of reference: *Provided*, That the amount herein authorized to be appropriated shall include so much as may be necessary for completion of construction of the diversion dam in the Rio Grande wholly in the United States, in addition to the $1,000,000 authorized to be appropriated for this purpose by the act of August 29, 1935 (49 Stat. 961): *Provided further*, That the total cost of construction of said diversion dam and canalization works shall not exceed $4,000,000: *Provided further*, That the provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) shall not apply to any purchase made or service procured when the aggregate amount involved is $100 or less; purchase, exchange, maintenance, repair, and operation of motor-propelled passenger- and freight-carrying vehicles; hire with or without personal services, of work animals and animal-drawn and motor-propelled vehicles and equipment; acquisition by donation, condemnation, or purchase of real and personal property; transportation (including drayage) of personal effects of employees upon change of station; telephone, telegraphic, and air-mail communications; rubber boots for official use by employees; ice; equipment, services, supplies, and materials and other such miscellaneous expenses as the Secretary of State may deem necessary properly to carry out the provisions of the act: *And provided further*, That any part of any appropriation made hereunder may be transferred to, for direct expenditure by, the Department of the Interior pursuant to such arrangements therefor as may be from time to time effected between the Secretary of State and the Secretary of the Interior, or as directed by the President of the United States.

Mr. MARTIN of Massachusetts. Mr. Speaker, I demand a second.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill calls for the canalization of the Rio Grande and construction of a diversion dam to implement the treaty of 1906. On May 21, 1906, under the administration of President Theodore Roosevelt, a treaty was made with Mexico to provide for the equitable distribution of the waters of the Rio Grande and to remove all causes of controversy between our own sovereign Nation and that of Mexico. Under this international compact of the highest dignity this Government guarantees to deliver to Mexico each year 60,000 acre-feet. There have been times when not only we have not delivered in pursuance of the treaty but the converse has been true and we find Mexico appropriating over 125,000 acre-feet of water; not only violating the treaty but depriving us of the control of that water and precipitating a course of action hardly compatible with the policies of the good neighbor. Unless, therefore, we have this diversion dam and a canalization, the details of which are embodied in the bill before us, it will be impossible for us as a sovereign Nation to control this diversion of water and fulfill our duties as a signatory to the covenant.

The Elephant Butte Dam, which was built in 1917, has further frustrated our efforts, because it has caused unnecessary floods in the Rio Grande, in the resultant loss of scouring action as well as by the meandering tendencies of that unruly stream. There have been unlawful appropriations of that water on our own territory and in Mexico, and that is why we seek to buy this land right on American territory, giving us the utmost control over it. The Secretary of the Interior has written a letter in favor of it, stating there will be no further irrigation areas resultant.

The Secretary of State thinks it is highly desirable not only to implement the treaty, but to prevent unnecessary international complications and to control the river insofar as floods are concerned. The bill, therefore, has the unanimous consent of both of these departments.

As an antecedent of the pending bill, under Public Resolution 247, $60,000 was appropriated for an authorization to the American section of the International Boundary Commission to make a thorough survey. This survey has been made and supplemented by the most rigid of investigations. I believe that our high duty under the laws of nations, with attendant consequences in flood control, and justice to our own citizens in the areas affected warrants this unusual suspension of the rules.

I ask, therefore, that the rules be suspended and the bill be passed.

Mr. Speaker, I reserve the balance of my time.

Mr. MARTIN of Massachusetts. Mr. Speaker, several years ago a commission was appointed to bring in a report concerning this legislation, but as far as I can determine that report has not as yet been made available to the membership of the House. It is interesting to ask why we should authorize the appropriation of $3,000,000 for a project which has been pending for 30 years. We had a flood in the North a few weeks ago. Pennsylvania, New England, New York, and other States of the East were ravaged by floodwaters, but there was no special legislation rushed through.

It is very easy to say we will spend this money, but, as the gentleman from Pennsylvania has been asking, where are we going to get it. There is only one place, and that is from the harassed taxpayer. Emphasis is placed on the fact we have a treaty, but I always notice when we get around to the observance of treaties it is generally in a case where we do the paying. At no time during the last 3 years have I heard the administration stressing that the foreign countries have not observed their treaties with us concerning the war debts. These certainly are just as sacred and would bring money into the Treasury. It is true, of course, anyone can make a meritorious project out of most any proposal. I am not disputing the fact that perhaps if all the details were available, if we had this report at hand, and if we had plenty of money we might go ahead with this project. I must emphasize, however, we have reached a stage in our finances where we must stop and think about every dollar we spend, whether it be spent in New Mexico, Texas, Massachusetts, or any other part of the country. The prolific spending of money must stop. The Congress passes bills involving millions of dollars with little or no consideration. The people are becoming incensed at this lack of consideration for the taxpayer. Why the hurry with this bill which has been brought up late without notice? Suspension was to be asked today. Why do we have to rush this bill involving an appropriation of three and a half million dollars today? There must be some reason, and I would like to ask the gentlemen on that side to give me the explanation.

Mr. McREYNOLDS. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the chairman, because he is such an efficient chairman and one whom we all esteem. I must yield to him.

Mr. McREYNOLDS. From the argument the gentleman is making, I wonder if he knows the purposes of the bill?

Mr. MARTIN of Massachusetts. Of course, I do.

Mr. McREYNOLDS. Will the gentleman kindly state to the Members of the House the purposes of the bill?

Mr. MARTIN of Massachusetts. I have already stated its purpose. The main purpose is to get three and a half million dollars out of the Treasury of the United States.

Mr. McREYNOLDS. Does the gentleman know that the bill calls for three and a half million dollars or less?

Mr. MARTIN of Massachusetts. It might go to four or five million dollars before they are through.

Mr. McREYNOLDS. The gentleman knows this is for the canalization of that river on the national boundary and to comply with our treaty with Mexico. That is the purpose of the canalization of the river.

Mr. MARTIN of Massachusetts. Of course, I recognize that and I said so in the first instance, but I do not see why we have to pass a bill involving an appropriation of this size when our public finances are in the state they are in at the present time.

Mr. McREYNOLDS. Does the gentleman know that the citizens of our country are not getting their fair share of the water down there?

Mr. MARTIN of Massachusetts. I cannot yield further. I would prefer the gentleman make his own argument in his time.

Mr. McREYNOLDS. Just one more question. I noticed in the paper somewhere where the President of the United States gave the gentleman's section about $4,500,000, and justly so, for flood control.

Mr. MARTIN of Massachusetts. If he has done so, we would like to know where it has gone. We have been hoping they would give some real attention to these distressed communities. Jesse Jones, Chairman of the Reconstruction Finance Corporation, I understand, does not expect to lend a dollar out of the $50,000,000 authorized by this Congress for the rehabilitation of industry.

Mr. McREYNOLDS. I trust the gentleman will not oppose the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, I cannot yield further. Seriously, I think we may well ask ourselves whether we ought to spend this money at the present time. In 1935 the Budget reported it was not in harmony with the financial policy of the Government, but since then there has been a change in attitude. It is now said the Budget commission is in harmony with the expenditure. I wonder why the change in position. Certainly the treaty was just as much in evidence then as now. It cannot be on account of the condition of the public finances, because the Government is more in the red at the present time than it was last year.

Mr. Speaker, I believe this bill should be defeated at this time because the Government is not in position to spend the three and a half million dollars. After all, the main question to be considered is whether we want to put more taxes on the American people by the appropriation of three and a half million dollars which could easily be deferred?

Mr. SHANLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Speaker, I fear our friend the gentleman from Massachusetts, who has just spoken, is in a rather bad humor, either because of the lateness of the hour or because this bill was not on the program today as he understood it. To begin with, this is not an appropriation. It is purely an authorization. Furthermore, may I say this bill has the hearty approval of the Secretary of the Interior, the Secretary of State, the International Boundary Commission, and the overwhelming majority, as I understand it, of the members of the Committee on Foreign Affairs, including several of the members who belong to the same party as our friend the gentleman from Massachusetts.

Mr. Speaker, this canalization project is located in the State of the gentleman from New Mexico [Mr. DEMPSEY]. The purpose is to canalize the Rio Grande from Elephant Butte Dam, a Government irrigation project that has been there for more than 25 years, down to where it hits the boundary line of old Mexico, near El Paso, Tex.

My friend the gentleman from Connecticut [Mr. SHANLEY] made an unusually good statement of the facts in this case. The truth is that under the treaty with Mexico which we entered into with that country in 1906, the Republic of Mexico was to get 60,000 acre-feet to be taken from the Rio Grande at the international boundary line. Due to the fact there is no diversion dam there and due to the further fact the river is not canalized from that point, which is near El Paso, up to the Elephant Butte Dam in the State of New Mexico, the Mexican people have been getting in some years more than they were entitled to, and thus depriving American citizens of their own water.

This is not a flood proposition. We went along the other day without regard to any partisan or political consideration and voted for the flood-control bill that you Republicans so actively supported, but this is an international question. This is an international problem and comes under a treaty that is to live for all time, and I undertake to say that the provisions of that treaty ought to be carried out, but it is impossible to do so unless there is some way to control the water. This is a desert country.

This does not bring in one single foot of new land. This does not increase the amount of land under irrigation in this country by one single acre. It is just to say to the people of New Mexico and the people down there on the Texas border near my city of El Paso that we will help the American citizens to retain and to have and to hold that which is theirs, and not let the Mexicans take our water because, if you have ever lived in a desert country you know how valuable water is, and during the last 5 years there have been many, many times when they doubted if there were enough water to supply the actual needs. This is fair to Mexico. It means a lot to the people of New Mexico and Texas.

I hope, in all fairness, you will vote for this bill. [Applause.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I confess I am not an expert upon this subject, but it seems to me that we are about to spend $4,000,000 more of the taxpayers' money. The New Deal goes around and around and around and comes out where? Out of the pocketbooks of the taxpayers in 20 minutes' time to the tune of $4,000,000.

Twenty years ago if the Congress had sought to appropriate $4,000,000 it would probably have spent 2 days on it. Now it is a mere bagatelle to be passed in a few minutes under suspension of rules.

I have the utmost respect for the gentleman [Mr. DEMPSEY] who represents the great State of New Mexico. If we must have a Democrat here from that State—which God forbid—all I can say is that he is an honest, hard-working, able Member of the Congress [applause], and if the people of New Mexico have to elect a Democrat, no one would suit me better, but it seems to me $4,000,000 is a pretty high ante to put in the campaign pot to elect even such a deserving Democrat as the gentleman from New Mexico.

In these days everybody in the country is asking whether we are going to balance the Budget and when and how.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. FISH. No; I do not want to be embarrassed by having the gentleman ask me a difficult question about canalization, because I know nothing in the world about canalization; all I am talking about now is $4,000,000, and I know as much about $4,000,000 as the gentleman from Texas; in fact, I know that the State of New York, from which I come, will pay 35 percent of this $4,000,000 for canalization in New Mexico and Texas.

Mr. JOHNSON of Texas. Now, will the gentleman yield?

Mr. FISH. All right, go ahead.

Mr. JOHNSON of Texas. The amount involved is not $4,000,000,000 or $4,000,000, as the gentleman has stated. Has the gentleman read the bill?

Mr. FISH. I am one of the active members of the committee. [Laughter and applause.]

Mr. JOHNSON of Texas. But the gentleman was not present when the hearings were held.

Mr. FISH. Whether it is three and a half million dollars or $4,000,000, or whether it may end up by being $8,000,000, as it probably will, we are still talking in terms of millions, and we are voting these millions away in 20 minutes' time. I know very well you have the votes. I know I am wasting my efforts in talking here, but what I want to bring out is this: Only a few months ago the President himself came before the Congress and said that we have almost balanced the Budget, yet the Secretary of the Treasury issued a statement within the last 48 hours to the effect that the Budget is unbalanced by $6,000,000,000.

Of course, there is a little difference between $6,000,000,000 and $4,000,000. This is only another expenditure of $4,000,000 in order to help elect a deserving Democrat. If I were going to vote for anything of this kind I would vote for this bill because Mr. DEMPSEY is a deserving Democrat. [Applause.]

In these days when everybody is seeking methods to balance the Budget we must not forget who pays the bills. You have soaked the rich, and now you are going to collect on the poor Members of Congress. You have taken all the money you can get from the rich and now you are going to take it out on the Members of Congress in order to help elect one of our colleagues. All formulas for soaking the rich have been exhausted, and from now on the people with moderate and small incomes will have to pay the bills. Why not distribute $4,000,000 apiece to every deserving Democratic Member of Congress for home consumption in one final omnibus bill and adjourn until after election?

I know nothing about canalization, but I do know something about $4,000,000 which you are going to add to the rapidly mounting deficit, and the people have got to pay that bill also. [Applause.]

Mr. SHANLEY. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Speaker, I simply want to say this. We have got to deliver 60,000 acre-feet of water per year to Mexico. That is settled by a treaty between the United States and Mexico. You cannot make or regulate or control or measure the delivery of water without a dam. A diversion dam is as necessary as water. In order to accomplish that we are asking this House to authorize the construction of that dam and stop this annual controversy going on between the United States and Mexico as to whether they get 20,000 acre-feet or 100,000 acre-feet per year. [Applause.]

Mr. SHANLEY. Mr. Speaker, I yield 6 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Speaker and Members of the House, I first want to state to the gentleman from New York that I deeply appreciate the nice things he said about me with reference to what kind of a Democrat I am and how high I rate in New Mexico. I think he is a rare judge of ability. [Laughter and applause.]

Now, Mr. Speaker, with reference to this bill. This bill has the approval of the Director of the Budget. Contrary to what you have been told, the Director of the Budget advises the able chairman of the Foreign Affairs Committee that it is in accord with the financial program and the policy of the President. The Secretary of State—and it is under the Secretary of State that this work will be done—tells us that the work is necessary not only to preserve Government property and private property but potentially life itself.

That is a pretty strong statement coming from the Secretary of State. It does seem to me that a bill of this kind with the merit it has should have passed by unanimous consent. This House is very familiar with the provisions of the bill. Over a year ago by unanimous consent, after considerable discussion, the House passed a bill providing for a survey to make plans to do this very job.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. MOTT. The gentleman stated that we are all quite familiar with the bill. I agree with that statement. Does not the gentleman think, therefore, it might be a pretty good idea to devote the rest of his time to making a campaign speech for the gentleman from New York [Mr FISH]?

Mr. DEMPSEY. If I were a Republican and living in New York, I would certainly support the gentleman from New York. This river is a river without banks, at places. It is a meandering stream which changes its course every time we have a small flood. Today it is on one man's land and tomorrow it will be on another man's land. The bill is not brought here as a flood-control bill, although it might well have been brought in on that basis. Last fall the people of the Mesilla Valley were driven from their homes and destruction of property to the amount of a million dollars followed. Of course, we are not a large industrial State with large industrial cities and counties out there. We are just little old farmers but our homes are as precious to us as the businessman's business is to him. If this river ran through some great industrial city in the East I would be here supporting a bill of this kind because of its merit rather than fighting it as some gentlemen are who represent industrial cities.

Mr. PETTENGILL. Is the gentleman willing to have the gentleman from New York fish in the river?

Mr. DEMPSEY. We would be very happy to have him go out there and fish. I would like to have him come out in the next campaign and help me some with the Democrats.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. BIERMANN. In the letter from the Secretary of State he says "I therefore recommend the passage of the bill", and so forth, if the bill is amended in a certain way. Are those amendments to be offered?

Mr. DEMPSEY. The amendments are not to be offered because a new bill was drawn in which the amendments were incorporated. The bill before us now contains the amendments suggested by the Secretary of State.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. SNELL. According to the report, the bed of the river is owned at the present time by private individuals?

Mr. DEMPSEY. Yes.

Mr. SNELL. It is also estimated it will cost the Federal Government $347,520 to buy that land.

Mr. DEMPSEY. Not to exceed that.

Mr. SNELL. Does not the gentleman think, if we are going to expend at least two and a half million dollars to improve the land of these people, that they ought to furnish the land where we are going to build the works and build the canalization.

Mr. DEMPSEY. But we are not improving the land of these people in New Mexico. In the district this river flows through the farmers were assessed $90 for every acre they owned in the valley for a dam at Elephant Butte, which cost $14,200,000. The farmers will pay for that dam by the sweat of their brow, and that dam is what makes it possible to give Mexico some of this water.

The SPEAKER. The time of the gentleman from New Mexico has expired.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the remainder of my time to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this is an authorization bill. We know that the rules of the House requiring that we first have an authorization bill, and that is where the camel kind of sticks his nose under the tent, and then we have an appropriation bill. This is an authorization bill. It authorizes the expenditure of a large sum of money, it is difficult to tell exactly how much as it depends on how much they want to expend, but not exceeding the sum of $4,000,000.

Mr. SHANLEY. Mr. Speaker, will the gentleman yield?

Mr. TABER. I have not the time. It seems the claim is made that some water is going into Mexico that should go into New Mexico and into Texas. Thirty years have elapsed without any such action before, and a year ago, on the 13th of February, Congress passed a bill authorizing an engineering investigation and study and report to the Secretary of State with reference to this proposition. That engineering report and investigation is not yet available according to my information and according to the way the bill is drawn, but they want us to authorize the appropriation of the $4,000,000 for the improvement of certain lands and make it more fertile and more valuable. That is the situation, and that is to be done without completing the engineering study and investigation.

They authorize a lot of other things, including ice and rubber boots for official use by employees, and equipment and services and supplies.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. TABER. Not at this point.

This bill will cost the Treasury of the United States, the people that we are supposed to represent, who sent us here to represent them, $4,000,000. It may cost more, but it will not possibly cost less, because such things never cost less than

they are estimated to cost. They always cost more. Now, are we not going to show a little sense here tonight? Can we not just stop to figure where the money is coming from? This bill would not be asked for unless it is going to make that land more valuable, unless it was, in effect, an irrigation project, another irrigation project to make the land produce more, make the land more fertile and raise more crops, while at the same time we are appropriating $440,000,000 a year to take land out of cultivation; that is, we are raising more crops now than the Secretary of Agriculture thinks ought to be raised in this country. Why should we waste another $4,000,000?

This is another one of those items that is kind of sneaking up on us. One of the principal reasons given in the letter of the Secretary of State for this proposition is that the Secretary of State submitted a revised list of projects to the Public Works Administration, including among them the canalization project in question which it was estimated would cost somewhat more than $4,000,000. However, no allotment of public-works money was made for the project at that time or since.

That is evidently one of the items that was going to sneak in under these omnibus appropriations that we are making. It is bad enough now with the tremendous pile-up and overload of projects that have been thrust onto the Treasury of the United States to support, by these omnibus appropriation bills without another.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. TABER. Not at this point. Will we never stop loading up the Treasury with a tremendous volume of appropriations that our taxpayers will not be able to stand, that will pile up a deficit that our country can never stop? Is it not time we should think of the farmers whose prices for crops are menaced by this sort of thing, and stop making such authorizations and such appropriations as that which is called for by this bill?

I hope that the Congress will today say "no" for once in this session.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SHANLEY. Mr. Speaker, I yield the balance of my time to the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. McREYNOLDS. Mr. Speaker, I have great respect for the gentlemen who have spoken against this bill, but the trouble is, I fear that neither one of them has even read the bill. I say that from the facts which they have discussed. I have great admiration for the gentleman from New York [Mr. TABER], who just preceded me. I know he wants to protect the Treasury, but when he says this is $4,000,000 he just raises it a million dollars. One million dollars has heretofore been appropriated, and this authorizes another $3,000,000 to complete the project.

Another thing that the gentleman says was that no engineering plans had been made for this. Evidently he has not considered the matter. At the last session of Congress we passed by unanimous consent an appropriation of $60,000 which was used for the purpose——

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. McREYNOLDS. I do not have time to yield now.

We passed an appropriation of $60,000 for this engineering plan, which has been made, and it was on their report that this bill comes now before the House.

Now, we have obligations with Mexico. We have a treaty which we must carry out. In 1906, before this treaty was entered into, when they were claiming damages of $35,000,000 because we were utilizing water in the United States, this treaty was entered into, by which we were to furnish so many cubic feet per year. The Secretary of State says we cannot do that unless we canalize that river and complete this dam. That is the purpose that this $3,000,000 is asked for here today.

The gentleman further said it would bring more ground into cultivation. Here is the report of the Secretary of the Interior on that proposition, in which he says:

The plan developed does not increase the area under irrigation in the United States and does not add irrigable acreage to the Rio Grande project.

Not only that, but other witnesses testified before the committee to the same effect.

If we are to carry out our treaties with Mexico, which I know this House feels we should, for the interest of our own people in that section and to protect their rights we have to control the river beds, we have to canalize that river; and I ask that the House now vote for this bill. [Applause.]

The SPEAKER. The question is on the motion of the gentleman from Connecticut to suspend the rules and pass the bill.

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were—ayes 101, noes 48.

Mr. MARTIN of Massachusetts. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-eight Members are present, not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 173, nays 79, not voting 176, as follows:

[Roll No. 88]

YEAS—173

Adair	Delaney	Kramer	Rabaut
Bankhead	Dempsey	Kvale	Ramspeck
Barden	Dobbins	Lambeth	Randolph
Barry	Doughton	Lanham	Rankin
Beiter	Doxey	Lea, Calif.	Richards
Bell	Driscoll	Lemke	Robertson
Binderup	Driver	Lewis, Colo.	Robinson, Utah
Bland	Duffy, N. Y.	Lundeen	Rogers, Okla.
Blanton	Duncan	McClellan	Sanders, Tex.
Bloom	Dunn, Pa.	McCormack	Schaefer
Boland	Eagle	McFarlane	Schuetz
Boylan	Ekwall	McGehee	Scott
Brown, Ga.	Evans	McKeough	Scrugham
Buchanan	Faddis	McLaughlin	Secrest
Buck	Fitzpatrick	McReynolds	Shanley
Buckler, Minn.	Ford, Calif.	Mahon	Sisson
Burdick	Ford, Miss.	Martin, Colo.	Smith, Conn.
Burnham	Frey	Mason	Smith, W. Va.
Cannon, Mo.	Fuller	Massingale	Snyder, Pa.
Carmichael	Gearhart	Maverick	South
Carpenter	Gildea	May	Spence
Carter	Granfield	Mead	Stubbs
Cartwright	Gray, Pa.	Meeks	Sullivan
Castellow	Green	Merritt, N. Y.	Sumners, Tex.
Celler	Greever	Mitchell, Ill.	Terry
Chandler	Gregory	Mitchell, Tenn.	Thomason
Chapman	Haines	Moran	Thompson
Citron	Hamlin	Mott	Tolan
Clark, N. C.	Harlan	Murdock	Tonry
Coffee	Healey	Nelson	Turner
Colden	Hildebrandt	Nichols	Umstead
Collins	Hill, Ala.	O'Brien	Vinson, Ga.
Cooper, Tenn.	Hill, Samuel B.	O'Connor	Vinson, Ky.
Costello	Hobbs	O'Day	Wallgren
Cravens	Hook	O'Leary	Walter
Creal	Houston	O'Neal	Welch
Crosby	Imhoff	Parsons	Whelchel
Cross, Tex.	Jacobsen	Patterson	Whittington
Crosser, Ohio	Johnson, Okla.	Patton	Wilcox
Crowe	Johnson, Tex.	Pearson	Woodrum
Cullen	Johnson, W. Va.	Peterson, Ga.	Zimmerman
Curley	Jones	Pfeifer	
Daly	Kniffin	Pierce	
Deen	Kocialkowski	Pittenger	

NAYS—79

Allen	Eicher	Kenney	Rogers, Mass.
Amlie	Engel	Kinzer	Rogers, N. H.
Andresen	Fish	Knutson	Russell
Arends	Fletcher	Lord	Sauthoff
Ashbrook	Focht	Luckey	Schneider, Wis.
Bacharach	Gehrmann	McLean	Seger
Biermann	Gifford	Main	Short
Blackney	Gilchrist	Mapes	Smith, Va.
Bolleau	Goodwin	Marcantonio	Snell
Brewster	Guyer	Martin, Mass.	Stefan
Carlson	Hancock, N. Y.	Michener	Sutphin
Cavicchia	Hartley	Millard	Taber
Church	Hess	Pettengill	Tinkham
Cole, N. Y.	Higgins, Mass.	Polk	Turpin
Crawford	Hoffman	Powers	Wilson, Pa.
Crowther	Hollister	Reed, Ill.	Withrow
Culkin	Holmes	Reed, N. Y.	Wolcott
Darrow	Hope	Reilly	Wolverton
Dirksen	Hull	Rich	Woodruff
Dondero	Kahn	Risk	

NOT VOTING—175

Andrew, Mass.	Duffey, Ohio	Kloeb	Richardson
Andrews, N. Y.	Dunn, Miss.	Kopplemann	Robsion, Ky.
Ayers	Eaton	Lambertson	Romjue
Bacon	Eckert	Lamneck	Ryan
Beam	Edmiston	Larrabee	Sabath
Berlin	Ellenbogen	Lee, Okla.	Sadowski
Boehne	Englebright	Lehlbach	Sanders, La.
Bolton	Farley	Lesinski	Sandlin
Boykin	Fenerty	Lewis, Md.	Schulte
Brennan	Ferguson	Lucas	Sears
Brooks	Fernandez	Ludlow	Shannon
Brown, Mich.	Fiesinger	McAndrews	Sirovich
Buckley, N. Y.	Flannagan	McGrath	Smith, Wash.
Bulwinkle	Fulmer	McGroarty	Somers, N. Y.
Burch	Gambrill	McLeod	Stack
Caldwell	Gasque	McMillan	Starnes
Cannon, Wis.	Gassaway	McSwain	Steagall
Cary	Gavagan	Maas	Stewart
Casey	Gillette	Maloney	Sweeney
Christianson	Gingery	Mansfield	Tarver
Claiborne	Goldsborough	Marshall	Taylor, Colo.
Clark, Idaho	Gray, Ind.	Merritt, Conn.	Taylor, S. C.
Cochran	Greenway	Miller	Taylor, Tenn.
Cole, Md.	Greenwood	Monaghan	Thom
Colmer	Griswold	Montague	Thomas
Connery	Gwynne	Montet	Thurston
Cooley	Halleck	Moritz	Tobey
Cooper, Ohio	Hancock, N. C.	Norton	Treadway
Corning	Hart	O'Connell	Utterback
Cox	Harter	Oliver	Wadsworth
Cummings	Hennings	O'Malley	Warren
Darden	Higgins, Conn.	Owen	Wearin
Dear	Hill, Knute	Palmisano	Weaver
DeRouen	Hoeppel	Parks	Werner
Dickstein	Huddleston	Patman	West
Dies	Jenckes, Ind.	Perkins	White
Dietrich	Jenkins, Ohio	Peterson, Fla.	Wigglesworth
Dingell	Kee	Peyser	Williams
Disney	Keller	Plumley	Wilson, La.
Ditter	Kelly	Quinn	Wolfenden
Dockweiler	Kennedy, Md.	Ramsay	Wood
Dorsey	Kennedy, N. Y.	Ransley	Young
Doutrich	Kerr	Rayburn	Zioncheck
Drewry	Kleberg	Reece	

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

The Clerk announced the following additional pairs:

On this vote:

Mr. Dockweiler and Mr. McAndrews (for) with Mr. Jenkins of Ohio (against).

Mr. Maas and Mr. Peterson of Florida (for) with Mr. Wigglesworth (against).

Mr. Monaghan and Mr. Knute Hill (for) with Mr. Treadway (against).

Mr. Taylor of Colorado and Mr. Fernandez (for) with Mr. Ditter (against).

Mr. Dickstein and Mr. Maloney (for) with Mr. Andrew of Massachusetts (against).

Mr. McSwain and Mrs. Norton (for) with Mr. Marshall (against).

Mr. Buckley of New York and Mrs. Greenway (for) with Mr. Ransley (against).

Mr. Somers of New York and Mr. Brooks (for) with Mr. Wolfenden (against).

Until further notice:

Mr. Corning with Mr. Wadsworth.
Mr. Cochran with Mr. Eaton.
Mr. Gavagan with Mr. Fenerty.
Mr. Dies with Mr. Andrews of New York.
Mr. Patman with Mr. Merritt of Connecticut.
Mr. Greenwood with Mr. Taylor of Tennessee.
Mr. Drewry with Mr. McLeod.
Mr. Rayburn with Mr. Halleck.
Mr. Griswold with Mr. Cooper of Ohio.
Mr. Larrabee with Mr. Bacon.
Mr. Flannagan with Mr. Higgins of Connecticut.
Mr. Huddleston with Mr. Perkins.
Mr. Kelly with Mr. Robsion of Kentucky.
Mr. Sears with Mr. Thomas.
Mr. Duffey of Ohio with Mr. Bolton.
Mr. Beam with Mr. Englebright.
Mr. Sabath with Mr. Christianson.
Mr. Cox with Mr. Lehlbach.
Mr. Schulte with Mr. Doutrich.
Mr. Warren with Mr. Plumley.
Mr. Cole of Maryland with Mr. Gwynne.
Mr. Montague with Mr. Lambertson.
Mr. Mansfield with Mr. Reece.
Mr. Burch with Mr. Thurston.
Mr. Kerr with Mr. Stewart.
Mr. Boehne with Mr. Tobey.
Mr. Miller with Mr. Claiborne.
Mr. Fiesinger with Mr. Montet.
Mr. Wearin with Mr. Eckert.
Mr. Thom with Mr. DeRouen.
Mr. Lee of Oklahoma with Mr. Stack.
Mr. Colmer with Mr. Kee.
Mr. Ryan with Mr. Casey.
Mr. Richardson with Mr. Hennings.
Mr. Cary with Mr. O'Malley.
Mr. Boykin with Mr. Ayers.
Mr. Fulmer with Mr. O'Connell.
Mr. Hancock of North Carolina with Mr. Caldwell.
Mr. Romjue with Mr. Keller.
Mr. Cooley with Mr. Clark of Idaho.
Mr. Shannon with Mr. Cummings.
Mr. Lamneck with Mr. Starnes.
Mr. Dietrich with Mr. McGrath.
Mr. Weaver with Mr. Edmiston.
Mr. Ferguson with Mr. Williams.
Mr. Connery with Mr. Kennedy of Maryland.
Mr. Sadowski with Mr. Gillette.
Mr. Brown of Michigan with Mr. Owen.
Mr. Gambrill with Mr. Peyser.
Mr. Hart with Mr. Bulwinkle.
Mr. Sandlin with Mr. Kloeb.
Mr. Kennedy of New York with Mr. Lesinski.
Mr. Sweeney with Mr. Darden.
Mr. Werner with Mr. Farley.
Mr. Cannon of Wisconsin with Mr. Dear.
Mr. Ludlow with Mr. Sirovich.
Mr. West with Mr. Dingell.
Mr. Ellenbogen with Mr. Wilson of Louisiana.
Mr. Disney with Mr. Smith of Washington.
Mr. Kleberg with Mr. Sanders of Louisiana.
Mr. Dorsey with Mr. White.
Mr. Young with Mr. Steagall.
Mr. Lewis of Maryland with Mr. Harter.
Mr. Goldsborough with Mr. Parks.
Mr. Quinn with Mr. Ramsay.
Mr. Gasque with Mr. Lucas.
Mr. Dunn of Mississippi with Mr. Wood.
Mr. Utterback with Mr. Gassaway.
Mr. Tarver with Mr. Gingery.
Mr. Taylor of South Carolina with Mr. Berlin.
Mr. Bierman with Mr. Oliver.
Mr. Zioncheck with Mr. McGroarty.
Mrs. Jenckes of Indiana with Mr. Moritz.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. LEWIS of Maryland, for 2 days, on account of important business.

To Mr. MALONEY, for 2 weeks, on account of important official business.

To Mr. MORITZ, indefinitely, on account of important business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 2883. An act to provide for the further development of vocational education in the several States and Territories; to the Committee on Education.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate of the following titles:

S. 1432. An act to amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Statutes.

H. J. Res. 567. Joint resolution to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 9244. An act providing for the establishment of a term of the District Court of the United States for the Northern District of Florida at Panama City, Fla.; and

H. R. 10193. An act to amend the act to fix the hours of duty of postal employees.

ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 55 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 5, 1936, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, May 5, 1936, at 10 o'clock a. m., in room 328, House Office Building, to consider further H. R. 7086, to establish the Mount Olympus National Park, in the State of Washington, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

832. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 28, 1936, submitting a report, together with accompanying papers, on a preliminary examination of Purgatoire (Picketwire), and Apishapa Rivers, Colo., with a view to the control of floods and the conservation of water, authorized by the act of Congress approved July 1, 1935; to the Committee on Flood Control.

833. A letter from the Chairman of the Securities and Exchange Commission, transmitting a part of the Commission's study and investigation of the work, activities, personnel, and functions of protective and reorganization committees; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DOUGHTON: Committee on Ways and Means. H. R. 12556. A bill to create the Treasury Agency Service, to provide for the more adequate protection of the revenue and a more effective enforcement of the revenue and other laws administered by the Treasury Department, and for other purposes; with amendment (Rept. No. 2579). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANHAM: Committee on Public Buildings and Grounds. H. R. 11959. A bill to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926 (44 Stat. 630), as amended; without amendment (Rept. No. 2580). Referred to the Committee of the Whole House on the state of the Union.

Mr. SEARS: Committee on Naval Affairs. H. R. 11501. A bill to authorize the acquisition of lands in the vicinity of Jacksonville, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon; without amendment (Rept. No. 2581). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of New Hampshire: Committee on Military Affairs. S. 4132. An act to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army; without amendment (Rept. No. 2582). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FULMER: A bill (H. R. 12576) to require that bidders for star-route-service contracts be residents of the State within which the route originates; to the Committee on the Post Office and Post Roads.

By Mr. TERRY: A bill (H. R. 12577) to amend Public Act No. 325 of the Seventy-fourth Congress, approved August 24, 1935; to the Committee on Banking and Currency.

By Mr. CELLER: A bill (H. R. 12578) to provide for the admission of certain documents in evidence in the courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. BOYKIN: A bill (H. R. 12579) to levy a license tax of a sum equal to 5 percent of all moneys paid upon wagers upon horse racing; to provide the method of enforcing and the penalties for the violation of this act; to the Committee on Ways and Means.

By Mr. McREYNOLDS: A bill (H. R. 12580) to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), to extend and adapt its provisions to the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded at the city of Mexico, February 7, 1936, and for other purposes; to the Committee on Foreign Affairs.

By Mrs. NORTON (by request): A bill (H. R. 12581) to amend an act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

By Mr. CITRON: A bill (H. R. 12582) to prohibit the employment of children and convict labor in connection with contracts and purchases by the United States; to the Committee on the Judiciary.

By Mr. KNUTSON: Joint resolution (H. J. Res. 579) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEAM: A bill (H. R. 12583) for the relief of Frank Zych; to the Committee on Military Affairs.

By Mr. BROWN of Georgia: A bill (H. R. 12584) for the relief of H. E. Wingard; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 12585) granting an increase of pension to Princess May Stone; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 12586) for the relief of Lily O. Nestor; to the Committee on Claims.

By Mr. KOPPLEMANN: A bill (H. R. 12587) for the relief of John W. Barbrick; to the Committee on Claims.

By Mr. LEA of California: A bill (H. R. 12588) granting a pension to Floyd M. Tallman; to the Committee on Pensions.

By Mr. LEE of Oklahoma: A bill (H. R. 12589) for the relief of Dr. Charles McGehee; to the Committee on Military Affairs.

By Mr. LORD: A bill (H. R. 12590) granting an increase of pension to Amanda Trafford; to the Committee on Invalid Pensions.

By Mr. MAVERICK: A bill (H. R. 12591) granting a pension to Henry Lee Couch; to the Committee on Pensions.

By Mr. ROBINSON of Utah: A bill (H. R. 12592) for the relief of Orson Thomas; to the Committee on Claims.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 12593) for the relief of Emile Beaudoin; to the Committee on Claims.

By Mr. THURSTON: A bill (H. R. 12594) for the relief of W. J. Steckel; to the Committee on Claims.

By Mr. WITHROW: A bill (H. R. 12595) for the relief of Eva L. Morse; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10821. By Mr. ANDREWS of New York: Resolution of the Pulaski Club, of Niagara Falls, N. Y., urging rescinding of order of Labor Department with reference to enrollment of Civilian Conservation Corps youths allowing youths of families not on relief to be enrolled; to the Committee on Labor.

10822. By Mr. JOHNSON of Texas: Petition of L. D. Williams, superintendent of Hearne public schools, Hearne, Tex., favoring Senate bill 2883, vocational agriculture bill; to the Committee on Education.

10823. Also, petition of E. J. Kyle, dean, school of agriculture, Agricultural and Mechanical College, College Station, Tex., favoring Senate bill 2883, vocational agriculture bill; to Committee on Education.

10824. Also, petition of Dr. J. A. Gregoire, Hillsboro, Tex., favoring tax exemption to physicians on Federal income for charity practice; to the Committee on Ways and Means.

10825. Also, petition of Dr. William A. Hammond, Bryan, Tex., favoring tax exemption to physicians on Federal income for charity practice; to the Committee on Ways and Means.

10826. Also, petition of Dr. W. K. Logsdon, Corsicana, Tex., favoring tax exemption to physicians on Federal income for charity practice; to the Committee on Ways and Means.

10827. Also, petition of Dr. H. A. Mahaffey, Hillsboro, Tex., favoring tax exemption to physicians on Federal income for charity practice; to the Committee on Ways and Means.

10828. By Mr. KEE: Petition of citizens of West Virginia, favoring the passage of House bill 7122, providing for pensions for adult blind persons; to the Committee on Pensions.

10829. By Mr. REED of Illinois: Resolution of American Homestead Protective Association of Chicago, Ill., urging Congress to amend the Frazier-Lemke bill 2066 so that all city and town property owners may have the same recourse and the same protection as farmers under said bill; to the Committee on Agriculture.

10830. By Mr. RICH: Petition of citizens of McKean County, favoring the Wheeler-Crosser bill (H. R. 11609); to the Committee on Interstate and Foreign Commerce.

10831. By the SPEAKER: Petition of the National Retail Lumber Dealers Association; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 5, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal and Immortal One, may we draw nigh to Thee and breathe Thy holy name in prayer? Blessed be the name of the Lord our God, which hath not turned away our prayer nor his mercy toward us. We pray Thee to make our tempers patient, our lips gentle, and may we bear the fruits of goodness. Arm us, Heavenly Father, with the strong, manly virtues, that we may be chivalrous champions of the right against wrong. We pray for any who may dumbly suffer for others' sake and for any who keenly feel the faults of those they love. Consecrate each family tie; light heaven on all hearthstones and fill them with divine blessings. Keep this everlasting truth in all our minds: "The path of the just is as a shining light that shineth more and more unto the perfect day." Let Thy will be done in every heart as it was in the heart of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 3744. An act to amend the act creating the Federal Trade Commission, to define its powers and duties, and for other purposes; and

S. 4524. An act to provide a civil government for the Virgin Islands of the United States.

P. W. A. GETS DOLLAR'S WORTH OF WORK FOR EACH DOLLAR SPENT

Mr. BEITER asked and was given permission to revise and extend his remarks in the RECORD.

Mr. BEITER. Mr. Speaker, with the great depression of 1929 now in full retreat and our long-fought battle back to industrial normality near success, we may now survey the destruction of that great economic battlefield and ponder on how differently our strategy might have been planned, on how more wisely we might have employed the weapons that were so hastily forged when this administration assumed the high command in the battle.

From this depression we have learned another costly lesson on the value of preparedness. We entered the combat to succeed an administration which had been retreating before savage adverse economic forces which had laid waste the land. We adopted new and offensive tactics and rallied the full resources of the Federal Government to rout the enemy, and for our attack we evolved the first substantial, effective attempt at a planned economy.

From the financial reports of the large corporations whose pay rolls in normal times provide a living for a great number of our people, we now have cheering indications that the tide of battle has turned and that a victory, due in no small measure to the successful working of this planned economy, is at hand.

We may now analyze the strategy employed to achieve this victory and, with the thought of utilizing it in the event of another depression, evaluate it calmly and contemplate improvements in it to prevent in the future the repetition of those errors which could not have been avoided because of the necessary haste employed in putting our plan into execution.

Obviously our most grievous sin was our lack of preparation for the emergency of 1929. The warnings of economic prophets had fallen upon deaf ears during the days of easy money, and disaster, following in the wake of a market collapse, found America an improvident nation, taken completely off guard, stunned by the enormity of the catastrophe, and too bewildered to muster the necessary defenses.

True, there was a period of panicky conferences of the Nation's leading financiers, who assured us that confidence alone would win the battle, that the worst of the depression was over, and, ignoring the lengthening breadlines, that prosperity was just around the corner. And there were eloquent but futile pleas that industry pull itself out of the depression by reemploying the unemployed. But while these haphazard efforts were successful in bolstering up a few failing corporations and in salvaging a few scattered investments, no effectual attempt to relieve the Nation's widespread distress was made until after President Roosevelt's inauguration.

Emergency agencies were hastily organized, and plans were laid for priming the business pump with Federal money to hasten the restoration of economic normality. The Congress made vast appropriations, but the lack of preparatory studies and adequate plans for the execution of these relief programs made most difficult the task of stemming the depression and turning the tide of battle. The Public Works Administration, the principal agency charged with creating useful employment, opened its campaign without the aid of surveys, which would have expedited greatly its huge undertaking.

To encourage the employment of jobless workers in construction and in the industries supplying materials, P. W. A. invited departments of the Federal Government and States, counties, municipalities, and other local governmental bodies to submit applications for funds to carry on useful projects. Only the Federal departments were prepared to expend this money judiciously, only they had surveyed the work to be done, and had available the blueprints to carry out the job.

Local governmental units were taken completely by surprise. The invitation to enroll in a public-works program found them for the most part unprepared to submit applications for works. And yet every community in the country, from the largest city to the smallest hamlet, felt the urgent need of additional municipal improvements to safeguard the health of its people, to provide decent modern care for its sick and indigent wards, to give modern educational accommodations to its children. Every community was aware that its municipal plant was in need of some improvement, and every community was faced with a grave unemployment problem, yet few of them had prepared the plans and estimates on which to base a request for Federal aid, which would serve the dual purpose of employing their jobless and modernizing their plants.

There was no national survey showing the location of needed works, no outline for a campaign which sought to attack the largest unemployment centers and provide there employment for workers who wanted jobs in the building