Willard F. Edmonson, Clayton.
Bertha Higgins, Danville.
William Simms, Waveland.

IOWA

Charles H. Ward, Castana.
Ora F. Ward, Dallas Center.
Glen Vauthrin, Melbourne.
Edgar V. Pohlman, Melvin.
Oliver Van Syoc, Milo.
Harold H. Johnson, Mondamin.
George J. Mettlin, Russell.
Anthony J. Salland, Sibley.

LOUISIANA

Lawrence S. Bourgeois, Schriever.

MAINE

George C. Robinson, Westbrook.

MARYLAND

Francis E. Thomas, Centerville.
James F. Quinn, Lonaconing.
Mattie Grace Rambo, Sudlersville.

MASSACHUSETTS

James R. Delaney, Dedham.
Mae E. McLaughlin, Onset.
Raymond T. Mulvaney, Shrewsbury.

MICHIGAN

Joseph L. Winslow, Alma.
Stanley J. Risk, Muskegon.

MISSOURI

Jesse F. Stevenson, Lees Summit.

NEBRASKA

George M. Gaskill, Albion.
Justin Clay Douthitt, Beatrice.
Joe R. Brown, Ceresco.
Helen M. Gilmore, Hay Springs.
Bertha E. Busch, Howell.
George E. Minshall, Lodgepole.
Frank D. Conley, Madison.
Given G. Reber, Naper.
George P. Miller, Papillion.
Arthur E. Leclair, Randolph.
Leonard L. Rook, Stratton.
Sterling E. Tabor, Superior.
Leora E. Bowley, Taylor.
Harry E. Christensen, Valparaiso.
Floyd A. Garrett, Whitman.

NEW JERSEY

Leo S. Swanwick, West New York.
J. Field Garretson, Zarephath.

NEW YORK

Warren Scott, Canajoharie.
George Leigh Dye, Cuba.
Hazel Markle, Minnewaska.
William F. Parker, Jr., Watervliet.

NORTH CAROLINA

William E. Baldwin, Dunn.
Mitchell R. Ingram, Taylorsville.
Charles Fred Moseley, Warrenton.

OHIO

Mahara D. Barns, Wilmington.

OKLAHOMA

William F. Hughes, Bokchito.
James W. Blair, Clayton.
Buford E. Stone, Manchester.
Blanche Zoellner, Mountain View.
Eloise L. McKenzie, Wilson.

SOUTH CAROLINA

Amelia B. Blackmon, Orangeburg.

SOUTH DAKOTA

Joseph E. Kurka, Custer.
Charles P. Corcoran, Miller.
Eugene L. Bangs, Rapid City.

VIRGINIA

Benjamin Harrison, Boyce.
Alexander H. Cave, Madison.
Samuel R. Gault, Scottsville.

WEST VIRGINIA

Maurice C. Carpenter, Reedy.

WISCONSIN

Alice S. Port, Amberg.
Nellie Drew, Footville.
John A. Brannan, Gratiot.
John J. Brogan, Jr., Green Bay.
Frank J. Mader, Gresham.
Clarence L. Peck, Kennan.
Thor C. Gran, Menomonee Falls.
John A. Fleissner, Milwaukee.
Effie M. Jewell, Mindoro.
Mary E. Meade, Montreal.
Fred W. Krohn, Mount Hope.
Russell N. Fuller, Osseo.
James Oliver Luce, Platteville.
Thomas M. Crawford, Readstown.
Fred V. Stephan, Shullsburg.
Leonard W. LaBerge, Stetsonville.
John Schippers, Twin Lakes.
Thomas A. Wiora, Wild Rose.

WYOMING

James B. Harston, Cowley.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 15, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Heavenly Father, we praise Thee for all this common life can give and for all the blessings it bestows. Open our eyes to know Thy marvelous works and to understand the things out of Thy law. Grant that we may seek knowledge to make us wise and thoughtful as become the sons of God and servants of the Republic. We beseech Thee, O Lord, to give ear unto our words and consider our meditation. Let Thy goodness and mercy be with our President, our Speaker, and the Congress. Compass us about as with a shield. Brighten the windows of our spirits and open the doors of our hearts. Blessed Lord, may we pass this day in gladness, peace, and in brotherly cooperation. When the evening shadows deepen gather us to the folds of Thy embrace. Through Christ. Amen.

The Journal of the proceedings of Monday, June 8, 1936, was read and approved.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1937

A conference report and statement on the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes (Rept. No. 2963), were filed.

REPUBLICAN NATIONAL CONVENTION

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks by printing an address delivered by my colleague, Mr. SNELL, at the Cleveland convention. [Applause.]

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address:

ADDRESS OF HON. BERTRAND H. SNELL, OF NEW YORK, BEFORE THE REPUBLICAN NATIONAL CONVENTION, CLEVELAND, OHIO, JUNE 10, 1936

This convention will nominate a man to lead a new crusade—a crusade to restore to the American people their Constitution and their liberties.

This is not a merely partisan convention. The people are weary of too much partisanship. They call for those who believe alike to stand together.

Let us here resolve to sink all differences, reconcile all opinions, moderate all ambitions, and unite all energies in the supreme task of restoring the Government to the people. This year the Republican Party is not contending against the Democratic Party as such. It offers to lead America against the unconstitutional dictatorship—yes; the arrogant individualism of Franklin Delano Roosevelt.

Deceived and bewildered, the masses look to us for an honest answer to their question, "Can we be sure that we shall be safer, happier—we and our children—by returning the Republican Party to power?" If we give them the bread of sincerity and truth, they will reward us with their trust. If we give them the dead stone of meaningless political phrases and empty promises, they will abandon us to defeat. They call on us to turn our backs on the past and to lead them to a better future. Republicans, we will win in November if we prove to them that we deserve to win.

ROOSEVELT FAILURES

For nearly 4 years America has floundered in the grotesque failures of the New Deal.

The institutions of our Government have been debauched by a greedy partisanship.

The living ideals of America, sanctified by the blood of patriots and hallowed by the allegiance of generations, have been purposely warped and molded to the spirit and form of alien political philosophies—philosophies fundamentally in conflict with the aspirations of this Nation and destructive of the very principles of freedom under law.

Four years ago I said to this convention, "The Nation has been safe when the Republican Party has been in control of the Government. It has never been safe when Republicans were not on guard."

And, oh, how the last 4 years have driven home that truth to a dismayed people.

In these 4 years every home has felt the heavy burden of the New Deal's planned extravagance.

Today every dollar of our currency advertises the shame of its debasement.

Every cent of additional taxes serves but to increase the reckless power of the New Deal spoilers and wasters.

Every dollar added to our national debt is a new burden upon the back of youth.

Already the New Deal has cost us the progress and prosperity of a generation.

Let us here begin our march to sanity and to safety.

APPEAL TO CONSTITUTIONAL DEMOCRATS

When the victory is won we shall give America a Government high above the plane of party politics. Let us make that ringing declaration at the very outset.

We shall need in executive positions the services of constitutional Democrats and Republicans alike.

MESSAGE TO YOUTH

We shall need especially the energy and the idealism of youth.

Youth—the clear-eyed, eager young men and women of America—is there any thoughtful person within the sound of my voice whose heart does not go out to them?

Where is their hope?

To what can they look forward?

The reply comes from the gloomy sepulcher of New Dealism, from the head of its National Youth Administration, Mr. Aubrey Williams. I quote:

We know that a vast, overwhelming majority of the children born in the last 25 years will never rise above a hand-to-mouth existence; that all their steps, from the cradle to the grave, will be dogged by poverty, sickness, and insecurity—professorial and intellectual honesty demand that you tell your pupils that 70 percent of our people must live below the standard of decency—that millions now unemployed will never find jobs again.

Thus, by the New Deal's own admission, its entrenchment in office means the end of youth's opportunity in America.

With all the power of a burning conviction, we disavow that shameful counsel of defeat.

To youth in the cities and towns we say: "You shall have jobs instead of the dole. For we shall not harass industry. We shall encourage industry to plan and expand in order that it may create more jobs, and produce more wealth so that there may be more to be distributed."

To youth on the farms we say: "You shall have a balance between the price of the goods you sell and the price of the goods you buy. But there will be no swarm of meddlers to boss you around and tell you how to run your business."

To all youth we say: "You shall not have laid upon your shoulders a crushing burden of taxation. You shall not see your savings and your life insurance policies made worthless by mounting Government deficits and the destruction of Government credit, as happened in post-war Germany. You shall not have the heavy hand of dictatorship laid upon your schools, your churches, and your homes. Religious and racial minorities shall be safe in the shelter of an unweakened Constitution.

"Come forth from the sepulcher of defeat and the dole. This way lies life, and hope, and opportunity!"

APPEAL TO WOMEN

To the women of America we speak with a special earnestness. You, even better than men, feel the remorseless pinch of rising living costs. To you we pledge ourselves against a continuation of the fantastic New Deal theory that the more you are forced to pay the more you will be able to buy. But our ultimate appeal to women is upon far higher ground. Woman, as the protector of the home and the defender of childhood, is forever the Nation's first champion of sound and honest government. We enlist the cooperation of American womanhood in instilling in our children the very foundation and cornerstone upon which rests the security of civilization—the sacredness of a promise.

How shall you teach your children—at home, at school, in the church—that a promise is an inviolable thing, when the Government of the United States and its Chief Executive treat their solemn pledges as mere scraps of paper?

BROKEN PROMISES

Standing on the steps of the Capitol on March 4, 1933, Franklin Delano Roosevelt laid his hand on the Holy Scriptures and, within the hearing of all America, repeated after the Chief Justice:

I, Franklin Delano Roosevelt, do solemnly swear that I will faithfully execute the office of President of the United States, and will, to the best of my ability, preserve, protect, and defend the Constitution of the United States, so help me God.

Two years went by. On July 5, 1935, writing to SAMUEL B. HILL, of the House Ways and Means Committee, to force the passage of a New Deal bill, President Franklin Delano Roosevelt said:

I hope your committee will not permit doubt as to constitutionality, however reasonable, to block the suggested legislation.

The Republican Party, like every other party, is made up of fallible human beings. It has made mistakes; it is not without blame. But thank God no Republican President has ever so violated his constitutional oath by calling upon the members of his party in Congress to violate theirs! This is not a partisan issue; it is a moral issue. We do not denounce it as Republicans, but as Americans we bow our heads in shame and sorrow.

DEMOCRATIC PLEDGES OF 1932

I wish this speech of mine to be free of traditional political denunciation. But it is the duty of the party in opposition to report to the people on how the party in power has conducted their Government. I shall make no charges, manufacture no maledictions. Out of their own mouths comes their condemnation.

Here are the promises—from the Democratic platform:

We advocate an immediate and drastic reduction in Government expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagances to accomplish a saving of not less than 25 percent in the cost of Federal Government * * *.

We favor maintenance of the national credit by a Federal budget annually balanced on the basis of accurate executive estimates within revenues * * *.

And these are not all. Here are some more Democratic promises of 1932:

We advocate a sound currency to be preserved at all hazards.

We advocate a competitive tariff for revenue, with a fact-finding tariff commission free from executive interference.

We advocate strengthening and impartial enforcement of antitrust laws. * * *

An international economic conference designed to restore international trade and facilitate exchange.

In that same platform the Democratic Party demanded—

The removal of Government from all fields of private enterprise. * * *

We condemn * * * the unsound policy of restricting agricultural products to the demands of domestic markets.

We condemn the improper and excessive use of money in political activities.

Finally, that entire platform was sealed with this solemn pledge:

We believe that a party platform is a covenant with the people to be faithfully kept by the party when entrusted with power. * * *

You will recall that Candidate Roosevelt flew to Chicago to accept that platform 100 percent.

But in fulfillment of all these solemn pledges we find today Federal spending at almost double the 1932 rate.

In fulfillment of the pledge of sound currency it has been made today a criminal offense for any citizen of the United States to be in possession of monetary gold. Under the New Deal every session of Congress has had before it—and has approved in one or both Houses in one form or another—a Democratic printing-press money bill. And never, for so long as one single week since March 1933, have the American people been out of the shadow of cataclysmic inflation!

Instead of a competitive tariff we have the bewildering jargon of a series of reciprocal tariff treaties recklessly throwing open the great American market to the products of low-cost farms and factories in every foreign land.

Instead of restored international trade and stable exchange, we see foreign trade gasping on the gallows—victim of a reciprocal economic lynching—and world exchange of goods fallen into utter chaos.

In fulfillment of its pledge to strengthen and enforce the antitrust laws, the New Deal, 3 months after inauguration, gave the world the bobtailed Blue Eagle, with the outright suspension of all the antitrust statutes.

In fulfillment of their pledge to limit Government competition in all fields of private enterprise, the New Deal pump primers have flooded Treasury funds by the hundreds of millions into a whole alphabet of new enterprises directly in competition with private endeavor.

Their pledge against restricting agricultural production to the demands of the domestic market, the New Dealers honored with the fantastic and unconstitutional A. A. A.—conceived as a policy of shameful destruction and dedicated to the proposition that the way to achieve the more abundant life is to plow under the land of plenty.

In fulfillment of its pledge against the excessive use of money in political activities, the New Deal has set up in Washington the most gigantic Treasury-financed political machine in the history of our Republic.

With reckless abandon and cruel cynicism it has diverted relief funds to the advancement of its partisan cause—all for the perpetuation of the Roosevelt administration.

Yes; broken promises are the very warp and woof of New Dealism.

Broken promises have all but disrupted the orderly processes of constitutional government, setting up in their stead a vast and burdensome bureaucracy, ruling by capricious and hysterical Executive orders.

Free competition has been throttled and honest enterprise intimidated; thrift, frugality, and industry have been mocked by reckless Government squandering of the taxpayers' hard-earned dollars. All the great primary driving forces of American life, all our deepest national impulses for prosperity and progress, have been sacrificed for the sentimental glamor of the bureaucratic boondoggle.

ROOSEVELT PLEDGES OF 1932

Turn from the platform to the candidate. Here are the words of Candidate Roosevelt spoken at Pittsburgh, Pa., October 19, 1932:

Taxes are paid in the sweat of every man who labors, because they are a burden on production and can be paid only by production.

And again, in the same speech:

Our workers may never see a tax bill, but they pay in deductions from wages, in increased cost of what they buy, or (as now) in broad cessation of employment.

Nor is that all. Candidate Roosevelt felt very keenly that Federal taxes under the Republican administration were too high. Excessive taxes, he explained—and I quote his own words—

Are reflected in idle factories, tax-sold farms, and hence, in herds of hungry tramping the streets and seeking jobs in vain.

RECKLESS SQUANDERING

These solemn Democratic warnings were broadcast to tens of millions at a time when the expenditures of the Federal Government were running approximately $4,000,000,000 a year—and all under one budget!

Since the New Deal economizers took over the Treasury, Federal expenditures have averaged a little more than $7,500,000,000 a year—under two budgets!

Listen again to Candidate Roosevelt at Pittsburgh on the subject of deficits. He explained it all in language very simple and very, very clear—language that a child might understand. Again, I quote a Pittsburgh promise:

Now the credit of the family depends chiefly on whether that family is living within its income. And this is so of the Nation. If the Nation is living within its income, its credit is good.

If, in some crisis, it lives beyond its income for a year or two it can usually borrow temporarily on reasonable terms.

But, if, like a spendthrift, it throws discretion to the winds, is willing to make no sacrifice at all in the spending, extends its taxing to the limit of the people's power to pay and continues to pile up deficits, it is on the road to bankruptcy.

Now I submit to the American people that that is the grandest Pittsburgher of them all.

On the road to bankruptcy were we?

When that statement was made in the 1932 campaign the Federal debt was $11,000,000,000 less than it is today, and it was $15,000,000,000 less than the national debt will be next January, when the New Dealers complete the Roosevelt economy program.

Turn to Sioux City, Iowa, where Candidate Roosevelt made another stirring economy speech on September 29, 1932. Said he:

I shall use this position of high responsibility to discuss up and down the country, in all seasons, at all times, the duty of reducing taxes. * * * This I pledge you; and nothing I have said in this campaign transcends in importance this covenent with the taxpayers of this country.

A "covenant", mind you!—a covenant with the workers of this country. And how has the covenant been fulfilled? Month in and month out for more than 3 years these happy Budget balancers have spent $2 from the Treasury for every $1 of Federal income.

They tell us now: "We planned it that way!"

They may have planned it all, but 3 years of reckless squandering and political boondoggling have not provided jobs for the 11,000,000 unemployed.

They may have planned it all, but after 3 years of planned economy there are more than 20,000,000 citizens on relief!

Such is the economic morass from which the Republican Party is now called to rescue America.

SOUND RECOVERY RETARDED

These 3 long years have demonstrated beyond all question that America cannot squander her way back to sound and sustained prosperity.

They have demonstrated again and again that solid recovery cannot begin until Federal finances are put in order.

There must be an end of Federal squandering.

There must be a return to sanity in Federal fiscal management.

That is the great decision the American electorate will make next November.

CONSTITUTIONAL LIBERTIES VIOLATED

What a fantastic scheme of life we have been living!

What a pattern has been set for the American people!

What a tangle of confused purposes and befogged vision!

This administration has given us the sorry spectacle of a struggling manufacturer thrown into jail in York, Pa., for the violation of an Executive order—of a farmer penalized for having sold his hogs without the proper certificate from Washington—of the persecuted pants presser in New Jersey arraigned and convicted for the humble pursuit of his trade.

No other administration has worked so ingeniously and deliberately to inflame the destructive spirit of class conflict among us.

It has made freedom of speech a hollow mockery by its shameful treatment of General Hagood, an Army general, who dared to speak his mind on the question of New Deal "stage money."

It has violated the constitutional right of every citizen to be secure in his personal effects and his papers, and has substituted for ordered liberty a strong-arm regime of snooping, persecution, and crack-down.

PATTERNS IN DICTATORSHIP

But overshadowing all these grave assaults upon the liberties of the people is the President's personal affection for a Government-dictated collectivist order.

He runs the true course of the dictator. Having seduced the legislative branch by billions in "pork barrel" patronage, he now casts a calculating eye upon the judiciary, and by advice to Congress and sneer and jibe seeks to usurp the last bulwark of the citizen against unbridled autocracy!

And when the damage has been done—when business is bludgeoned and bleeding, when all trade is burdened by excessive taxation and incompetent bureaucratic regulation—the greatest prestidigitator of the age steps forward with a new magic—a "breathing spell."

Can this be America, where citizens live and breathe only by the gracious consent of an ambitious ruler?

ORDERLY PROGRESS UNDER LAW

Against this demoralizing reign of irresponsible incompetence I hear today America's earnest prayer for deliverance.

The voice of all our people calls us not merely to oppose another political party as in the past, but rather to resist the encroachments of an alien system of capricious personal government.

Shall we measure up to this patriotic duly before us?

I believe we shall. We shall resolve again "that this Nation, under God, shall have a new birth of freedom."

We rely upon the great heart and common sense of the American people to swing the Nation back on the true course of its great destiny—the course that experience has shown, leads to higher and higher standards of living for all—a course which, until this recent national lunacy was imposed upon us, has been for more than a century, the envy and the hope of all the peoples of the world.

This precious light of American freedom must not fail!

This convention beckons America forward—forward in the paths of orderly progress under law.

Republicanism remains today what its great heritage has made it through the years—a political force which personifies the deeply rooted American instinct for law and order, for true social security and the square deal, for a practical and workable system of government which drives inexorably to the great living ideal of all government—the maximum of social cooperation consistent with the faithful preservation of the just liberties of all the people.

Here alone lies the true path of orderly progress.

To that end does the Republican Party pledge its faith.

We are here—as George Washington said at the Constitutional Convention—"to raise a standard to which the brave and patriotic may repair. The event is in the hands of God."

If we hold any lesser conception of our duty we shall be unworthy of the great obligation that confronts us.

But we will not prove unworthy!

In our words and in our actions the sons and daughters of America will find an answer to their hope. We shall speak to their hearts and their consciences, and we shall win.

ONE HUNDREDTH ANNIVERSARY OF THE ADMISSION OF ARKANSAS TO THE UNION

Mr. TERRY. Mr. Speaker, today is the one hundredth anniversary of the admission of the State of Arkansas into the Union. I ask unanimous consent to extend my remarks and include therein an address delivered by President Roosevelt at Little Rock on June 10 at the celebration of the one hundredth anniversary of the admission of the State.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TERRY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of President Franklin Delano Roosevelt, delivered at the Centennial Stadium, Little Rock, Ark., on June 10, 1936, in connection with the celebration of the one hundredth anniversary of the admission of the State of Arkansas into the Union.

Mr. Speaker, 100 years ago today Arkansas was admitted into the Union. By an act passed by the first session of the Twenty-second Congress and signed by President Andrew Jackson on June 15, 1836, Arkansas became the twenty-fifth of the sovereign States.

Hernando De Soto was the first white man to place foot upon the soil of what was afterward to become Arkansas. In 1541 he landed at a point near what is now Helena, in the eastern part of the State, on the bank of the Mississippi River, and remained about 1 year. He is said to have described the country as "a fair and pleasant land." Later the territory was claimed for France by La Salle, who took possession of all the country "watered by the Mississippi and its tributaries." The first settlement was made by Lt. Henri de Tonti, a follower of La Salle, near the junction of the Arkansas River with the Mississippi. This settlement was made in 1686.

Later, in 1763, France ceded the territory to Spain, in whose possession it remained for 37 years, when in 1800 it was repossessed by Napoleon Bonaparte through a secret treaty with Spain. Three years later the territory passed into the possession of the United States under the purchase of the Louisiana Territory made by Thomas Jefferson.

During the War with Mexico, in 1846, Arkansans played a prominent part, and in the War between the States Arkansas' sword was raised in behalf of the Confederacy. After the war, in common with all other Southern States, it went through the pangs of reconstruction days, and since that time has gradually forged ahead along with its sister States in the Union.

The citizens of Arkansas are now engaged in celebrating their State's centennial, and the exercises are being held in every county in the State and not concentrated at any one point. It has not been the desire of the people to put on "a

big show" but rather to impress its own citizens and those who may visit within its borders with the things of historical interest in the State and the opportunities that its varied resources offer for the future.

Last week President Roosevelt visited in Arkansas and officially opened the centennial program, which will continue from now until December 15. The President visited Hot Springs National Park, whose celebrated springs are internationally known. He also attended religious services at the Methodist Church at Rockport, Ark., which was built more than 100 years ago. In the afternoon he motored to Little Rock, the capital of the State, and addressed more than 40,000 citizens of the State at the centennial stadium. The address delivered by President Roosevelt contains much of contemporary and historical interest, and I am including it in the extension of my remarks.

THE PRESIDENT'S ADDRESS

For me this has been a glorious day. While I have been in the State of Arkansas before this, my visits have been too much like those of a bird of passage, and this is the first chance I have had to see the State at closer range, and especially to enjoy the generosity, the kindness, and the courtesy of true Arkansas hospitality.

I have seen your parks; I have seen the beauty of your mountains and rivers. Arkansas can claim every warrant for the name "wonder State." It is doubly a privilege to meet you face to face and to join with you in the celebration of the one hundredth anniversary of the admission of this State into the Union.

Possibly our citizens who live in the Original Thirteen States along the Atlantic seaboard may have the natural idea that white men first became acquainted with their part of the country and that the territory lying west of the Mississippi is all very new.

I am certain that it is not generally realized that Hernando de Soto, the tireless Spanish explorer, set foot in what is now Arkansas as early as 1541, more than half a century before the founding of Jamestown and New Amsterdam and Plymouth; nor the fact the French explorers, Marquette and Joliet, coming southward from Canada, saw this country when the civilization of the Atlantic seaboard was still in its infancy.

Nor have they sufficiently been told that the first settlement under the flag of France was made under the direction of de Tonti at Arkansas Post as far back as 1686.

RECALLS LOUISIANA PURCHASE

First, under the flag of France, the young settlement passed to the flag of Spain, to be recovered by Napoleon for France in 1800, and finally brought under our own American flag by the Louisiana Purchase in 1803.

That Louisiana Purchase has always had a special significance for me. I am interested in it for family reasons, because Robert R. Livingston, our Minister to France, negotiated the purchase by direction of President Thomas Jefferson—and I must admit that he drove a very shrewd bargain.

I am also interested because President Jefferson, seeing the complexities which the Emperor Napoleon faced in a coalition of hostile European powers, had the courage to act for the benefit of the United States without the full and unanimous approval of every member of the legal profession.

He was told by some of his closest advisers and friends that the Constitution of the United States contained no clause authorizing him to purchase or acquire additional territory, and that because specific authority did not exist under that great charter of government none could be exercised.

Jefferson replied that there were certain inherent qualities of sovereignty which could not be separated from a federal government, if such a federal government was permanently to endure; furthermore, if he delayed, the Emperor of the French might change his mind and the great territory west of the Mississippi be lost forever to American expansion.

NO ONE APPEALED TO COURT

He and Robert R. Livingston put the treaty through; the next Congress appropriated the money; nobody carried the case to the Supreme Court; and, as a result, Louisiana and Arkansas and Missouri and Iowa and Minnesota and Kansas and Montana and North Dakota and South Dakota and the larger portions of Wyoming and Colorado and Nebraska and Oklahoma fly the Stars and Stripes today.

The hardy pioneers who peopled Arkansas and laid the foundations for statehood here and throughout the vast new domain west of the Alleghenies brought about a veritable renaissance of the principle of free government upon which this Republic was founded.

I have not the time, nor is it necessary, to follow the fascinating story in detail down to the admission of Arkansas into the Union only a few days less than 100 years ago.

That year of attainment of statehood by Arkansas is an important one in American history, not so much because it was marked by a Presidential election but because 1836 was the last full year of the Presidency of Andrew Jackson.

It is not without the greatest historical significance that Arkansas was received into the Union in 1836. Jackson's great work for the country was approaching completion. He was in the full tide of his remarkable powers and in the exercise of an extraordinary influence upon the minds and opinions of the mass of his countrymen.

JACKSON HELD DEMOCRATIC PIONEER

When Arkansas became a State our National Government was not quite 50 years old. Charles Carroll of Carrollton, the last surviving signer of the Declaration of Independence, had been dead only 4 years. But 6 years had passed since Webster had delivered the reply to Hayne. Men who had followed Washington through the Revolution were to be found in every community, and the manners and modes of the pioneer period were the order of American life.

Andrew Jackson, the contemporary and counselor of the Arkansas pioneers of 1836, made his home across the Mississippi in the neighboring State of Tennessee, and was known to the Arkansans of that day as a fellow frontiersman who had carried into the Presidency those neighborly instincts of the frontier which made possible the first truly democratic administration in our history.

The older I grow and the more I read history the more I reflect upon the influence of the men and events of one generation upon the life and thought of the generations that follow.

A hundred years have passed since Arkansas attained statehood in that last year of Jackson's Presidency, but throughout this century our American political life has flowed with the vigor of a living stream because the sturdy hand of Andrew Jackson deflected its course from the stagnant marshes of a seaboard oligarchy into the channels of pure American democracy.

HOLDS NO GROUP CAN CONTROL

Prior to Jackson's day it may be said without danger of exaggeration that the leadership of the Nation was, with rare exceptions, in the hands of men who by birth or education belonged to a comparatively small group—for the reason we have not far to seek.

Universal education was not yet fully established; communication difficulties prevented the dissemination of news except in the larger communities and along the main avenues of transportation; the very ballot was in many States limited to those with special property qualifications.

The wave of popular acclaim that swept Andrew Jackson into his high office was the result of the recognition by the people of the United States that the era of a truer democracy in their national life was at hand. I need not describe the dismay that the election of Jackson excited—and honestly excited—in the hearts of the hitherto elect or the widespread apprehension that it aroused among the so-called "guardiana groups" of the Republic.

Groups such as these have never wholly disappeared from American political life, but it will never be possible for any length of time for any group of the American people, either by reason of wealth or learning or inheritance or economic power, to retain any mandate, any permanent authority, to arrogate to itself the political control of American public life.

LAYS NEW IDEAL TO PIONEERS

This heritage we owe to Jacksonian democracy—the American doctrine that entrusts the general welfare to no one group or class, but dedicates itself to the end that the American people shall not be thwarted in their high purpose to remain the custodians of their own destiny.

The frontier spirit which brought men into the Arkansas wilderness, and later was to carry them ever further in their conquest of the West, inspired in the hearts and minds and souls of those men a new ideal of our national democracy.

Perhaps it would be more exact to say that the frontier spirit caused a rebirth of the earlier ideal of free government. To this changed ideal the neighborly contacts of the frontier contributed in liberal measure. The rugged pioneers helped to fashion the new national spirit. The men who tamed the wilderness hereabouts were part of a new movement in our American life.

It was indeed a critical moment in American history when in our early national period the dauntless and intrepid pioneers strode across the Alleghenies to establish new commonwealths like Arkansas. In that hard life of the frontier, where the personal qualities of the men and not the inheritance of caste or of property were the measure of worth, true democratic government was given its greatest impetus.

HOLDS SIMPLE LIFE GONE

In the early days of the Republic—those days when Arkansas became a State—our life was simple. There was little need of formal arrangements, or of government interest or action, to insure the social and economic well-being of the American people. In the life of the pioneer, sympathy and kindly help, ready cooperation in the accidents and emergencies of the frontier life, were the spontaneous manifestations of the American spirit. Without them the conquest of a continent could never have been made.

Today that life is gone. Its simplicity has vanished and we are each and all of us parts of a social civilization which ever tends to greater complexity. Latterly, the imperiled well-being, the very existence of large numbers of our people, have called for measures of organized government assistance which the more spontaneous and personal promptings of a pioneer generosity could never alone have obtained.

Our country is indeed passing through a period which is urgently in need of ardent protectors of the rights of the common man. Mechanization of industry and mass production have put

unparalleled power in the hands of the few. No small part of our problem today is to bring the fruits of this mechanization to the whole people.

The measure of the need has been the measure of the organization necessary to meet it. The human sympathy of our people would have tolerated nothing less. Common sense will tolerate nothing more.

SEES CONSTITUTION ESSENTIAL

Self-government we must and shall maintain. Let me put it thus, in a way which every man and woman can understand: Local government must continue to act with full freedom in matters which are primarily of local concern; county government must retain the functions which logically belong to the county unit; State government must and shall retain State sovereignty over all those activities of government which effectively and efficiently can be met by the States.

Let us analyze a little further, however. Why was a State government set up in Arkansas? The answer is that the colonization of this area had reached the point where individual settlements needed a uniformity of ordinances and laws. They needed a central body to govern in respect to those things which had grown beyond the scope of town government or county government.

In the same way the Federal Union itself was organized under a constitution because, in the days following the Revolution, it was discovered that a mere federation of States was such a loose organization, with constant conflicts between the 13 States themselves, that a constitution and a national organization to take care of government beyond State lines was a necessity.

The Constitution provided the best instrument ever devised for the continuation of these fundamental principles. Under its broad purposes we can and intend to march forward, believing, as the overwhelming majority of Americans believe, that it is intended to meet and fit the amazing physical, economic, and social requirements that confront us in this generation.

SEES SECTIONAL LINES ERASED

Beneath one of the symbolical figures which guard the entrance to our great new Archives Building in Washington is inscribed this quotation from Shakespeare's Tempest: "What is past is prologue."

Times change, but man's basic problems remain the same. He must seek a new approach to their solution when old approaches fail him.

The roar of the airplane has replaced the rumble of the covered wagon, and the frontiers of a continent are spanned in less time than it took to cross an Arkansas county in those century-old days. It is idle for us now, as it was for the flatterers of King Canute, to ignore the facts of physics or the economic and social consequences of applied science.

These problems, with growing intensity, now flow past all sectional limitations and extend over the vast breadth of our whole domain.

Prices, wages, hours of labor, conditions of employment, social security—in short, enjoyment by all men of their constitutional guaranties of life, liberty, and the pursuit of happiness—these questions, so delicate in their economic balance that any change in their status is reflected with the speed of light from Maine to California, we are commencing to solve.

The new approach to these problems may not be immediately discernible; but organization to meet human suffering can never be predicated on the relaxation of human effort.

DEMANDS EQUALITY OF OPPORTUNITY

Whether it be in the crowded tenements of the great cities or on many of the farm lands of the Nation, we know that there dwell millions of our fellow human beings who suffer from the kind of poverty that spells undernourishment and underprivilege.

If local government, if State government, after exerting every reasonable effort, is unable to better their conditions, to raise or restore their purchasing power, then surely it would take a foolish and short-sighted man to say that it is no concern of the National Government itself.

We know that equality of individual ability has never existed and never will, but we insist that equality of opportunity still must be sought. We know that equality of local justice is, alas, not yet an established fact; this also is a goal we must and do seek.

If we seek to know what human effort can do in the face of adversity, we shall ever find inspiration and guidance in the achievement of the American pioneers, not merely those who founded the Nation but those who extended its boundaries from ocean to ocean, of whom the first Arkansans were the prototype.

Arkansas has given many distinguished men to the Nation; but, my friends, I want to tell you very simply and from the heart that in the meeting of our difficult problems of today no man deserves greater credit for loyal devotion to a great cause than my old friend and associate, Senator ROBINSON, of Arkansas.

SAYS FRONTIER LEFT IMPRINT

May I repeat the historical maxim, "What is past is prologue." Its meaning is not obscure. Out of the story of mankind's long struggle to govern himself we should learn lessons which will guide us in solving the problems which beset us today.

The frontier, as we have been recalling it in this rapid survey of the planting of new States, has forever passed, but it has left a permanent imprint upon our political life and our social outlook.

The western frontier from Jackson's time and the admission of Arkansas a hundred years ago, down to the admission of the last States within recent memory, produced a constant renaissance of the principle of free government.

The liberal tendencies of those who for nearly a century we have called our western statesmen, have been sometimes too little understood in the older, more conservative East. It was the frontier and its spirit of self-reliance which ever kept alive the principles of democracy and countered the opposing tendency to set up a social caste based upon wealth or education or family or financial power.

We still find inspiration for the work before us in the old spirit which meant achievement through self-reliance—a willingness to lend a hand to the fellow down in his luck through no fault of his own. Upon those principles our democracy was reborn a century ago; upon those principles alone will it endure.

FEDERAL DEPOSIT INCORPORATION LAW

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPENCE. Mr. Speaker, I am sure we now almost unanimously agree, irrespective of party, the Federal deposit incorporation law has been most constructive and its splendid results have been demonstrated day by day since its enactment. It will be interesting to know the views of Governor Landon of Kansas, Republican nominee for President, on the important principle of guaranty of bank deposits.

In his speech delivered for him by Henry W. Koeneke, bank commissioner of Kansas, before the State bank division of the American Bankers' Association at the seventeenth annual meeting, held in Chicago, Ill., on September 6, 1933, and published in the Commercial and Financial Chronicle bank-division section in its issue of September 23, 1933, he said:

THE NECESSITY OF A STRONG STATE BANKING SYSTEM WITHOUT A DEPOSIT GUARANTY

(By Alf. M. Landon, Governor of Kansas—Read by Henry W. Koeneke, bank commissioner of Kansas, Topeka)

HENRY W. KOENEKE: Mr. Chairman, ladies, and gentlemen, the Governor asked me to express to those present and to the officers of this division his sincere regret in not being able to appear and deliver this address himself. He stated to me that he was more keenly disappointed than probably anyone here. With your indulgence and patience, I shall attempt to read his address.

Mr. Koeneke then read the address of Governor Landon, as follows:

"Chairman, friends, State bankers of America, the invitation to speak to the State bankers of the American Bankers' Association was a pleasure to accept. When urgent matters within my own State made it necessary to cancel this engagement I was probably more keenly disappointed than anyone.

"Each one of you, as a State banker, must inevitably be interested primarily in one thing—and that is the bank guaranty. There is little need to use time in introductory remarks. I am ready, as all of you are, to plunge into one matter that is foremost in all our minds.

"There is nothing particularly new in the features of the Glass-Steagall banking bill that relate to the guaranty of bank deposits. Deposit guaranty has been tried by eight States, and in every case has proven to be a complete failure. In Kansas it failed to pay the depositors of the banks who, we are warranted in assuming, relied, at least to some extent, on the guarantee of the State when they deposited their money. In our State it failed to the miserable tune of $7,000,000. In Iowa the fund is now $17,000,000 in the red.

"All of these States have paid dearly for experimentation with the fallacious principle of guaranteeing bank deposits. These experiences should be sufficient to prove that the principle is wrong, the cost prohibitive and leads to one inevitable end, namely, bankruptcy. There is no excuse whatever for trying it again, and I quote from Senator GLASS' own speech on inflation—changing but one word—using guaranty for bank deposits instead of inflation, in which he cites so pertinently the value of experience.

" 'The history of guaranty for bank deposits has been recited. Bacon, the wisest philosopher since Christ, the author of the inductive system, from which we have drawn all of our inventions, valued experience.

" 'Patrick Henry, the great advocate of human liberty, said that his feet were lighted by the lamp of experience.

" 'Yet here today we are flying right in the face of human experience, rejecting it all.'

"I believe Senator GLASS recognized this fact when he said in a speech on the Senate floor in a discussion of his bill, that it was too costly for the Government of the United States to stand behind and guarantee the deposits of the customers of the banks of the Federal Reserve System. By the same token, if it is too costly for the greatest financial power in the world, the Government of

the United States, in my judgment it is also too costly for the banks of this country.

"What hope can there be that a guaranty of the deposits of the member banks of the Federal Reserve System will be any more efficacious, workable, and satisfactory to either the banks or their customers than the guaranty systems attempted by the different States for the State banks?

"Can it be said that the national banks are any more free from the use of unwise and selfish political influence than the State banks? Can it be said that their examination is any more efficient than the different State banking systems? The answer is found in the long list of national banks whose doors are closed.

"I realize that interested parties have often given the impression that the national system excelled the State systems in efficiency, but I do not think a careful examination of records will reveal a foundation for such a theory. I do not believe there is anything in the management of the Federal Reserve System to warrant this assumption and on which to predicate the expectation that the guaranty principle will work for member banks of the Federal Reserve when it did not for the State bank.

"Bank commissioners, comptrollers of the currency, and bank examiners, both National and State, too often have been—under both Republican and Democratic administrations—political appointees and their jobs, to too great an extent, spoils to be dispensed for the political benefit of the party or clique in power. In May the American Banker published the account of removal of a chief national-bank examiner of Chicago for that district, and charged that it was done at the demand of the Democratic and Republican Senators from Indiana, Michigan, Iowa, and Wisconsin.

"Senator GLASS himself, in a speech made on the Senate floor, charged that the Federal Reserve System has been 'the door mat of the Treasury'; that it had been subjected to the influence of whatever administration was in power. In a speech on the inflation bill he said, 'I object to the first section of the bill because, as I said yesterday, it creates the Federal Reserve Bank System into a servile agency of the Treasury Department.'

"Let us examine some of the arguments that have been used in favor of the bank-guaranty plan contained in the Glass bill. It has been said that it will force the banks to cooperate more closely to prevent unsound banking. I think CARTER GLASS himself has used that argument. Is he ignorant of the fact that that argument was used in Kansas a quarter of a century ago? Is he unaware of the fact that events proved conclusively in Kansas that the argument is not worth wasting breath on?

"One more point: The bankers, who are to be assessed to establish a fund to guarantee the deposits of their customers, do not have a single thing to say about what banks they shall or shall not guarantee There is no place in either the national or the States system where the bankers themselves, as individuals, can have anything to say about their business.

"As Governor, I have to name the members of the drug board from a list elected and submitted to me by the State association of druggists. The same thing is true of the dental board, the undertakers, and the farmers, but nowhere do the bankers have any opportunity of expressing themselves as to who shall pass on the man that they will have to guarantee.

"Is there anything in the Glass bill that will utilize the wide knowledge of the successful bankers now in the business, in order to keep dishonest and imprudent men forever out of the banking business? Not a word; not a suggestion is made therein which would give the bankers, whose stockholders have to pay the enormous losses that are bound to come in the natural course of events; nor a word or a weapon or a means or a method of protecting themselves.

"I don't want to bore you gentlemen with statistics, but I do want to give you two figures to remember. The total capital, surplus, and undivided profits of all of the banks in the United States averaged for the year ended July 1, 1929, in a statement prepared by R. N. Sims, secretary-treasurer of the National Association of Supervisors of State Banks, is given at $5,573,901,340. During the depression years—1929, 1930, 1931, and 1932—the deposits of failed banks were $3,355,863,000. In other words, the deposits in the failed banks, which would have had to be paid off had a guaranty plan been in effect, were 60 percent of the total capitalization of all of the banks in the United States at the height of the boom. (The latter figures of deposits of failed banks is from the 1932 report of the Comptroller of the Currency.) The capitalization available for assessment to pay off these depositors would have been reduced by the amount of the capitalization of the banks that failed, as, of course, that capital was wiped out. These figures are not immediately available.

"I am aware that the guaranty plan provided for in the Glass bill provides for a substantial capital for the corporation which is to guarantee the deposits, but I know from 25 years of experience and from the dictates of common sense that the capital of that corporation will not be a drop in the bucket, and part of that capital comes out of the network of the banks that operate under the plan. I am aware that it is planned for this corporation to borrow money with which to pay losses; I am aware that there would be recoveries from the assets of the failed banks, but experience in eight States that tried bank guaranty will convince any reasonable person that it cannot work. These experiences show convincingly that the operation of any guaranty plan which gains its resources from a levy on the capital of the good banks will wipe out that capital in a very, very few years.

"Bank failures have been numerous, and the State banks of Kansas, as well as other surrounding States, have been laboring to get out from under the burden of ill-fated guaranty laws passed following the panic of 1907. They have been paying for the misdirected efforts and misguided judgment of a small minority of their fellow bankers. Ask any State banker of Kansas, Nebraska, or Oklahoma what he thinks of deposit guaranty and he will tell you in no uncertain terms. It is definitely the wrong way to approach bank reform.

"The future of the American people lies to a considerable extent in the hands of the men in this room insofar as you represent the State banking system. There is no question in my mind but that the guaranty of bank deposits is a greater blow to the ultimate welfare of the American people than the wildest inflation of the currency could possibly be. Certainly no currency inflation could be more completely destructive and devastating to a people than it was in Germany, but the German people and the German resources are still there. After the holocaust of an incredible inflation such as no one believes President Roosevelt even contemplates was over the German people had a bank structure to turn to as a keystone of the arch of such economic stability as they have been able to rebuild.

"In my judgment the guaranty of bank deposits, if carried out in this country to its logical conclusion, will completely destroy the entire banking system of the Nation. That destruction must inevitably be accompanied or followed by the most extreme inflation of the currency. When the final day of reckoning comes there will be no financial structure whatsoever to which to turn or on which to rely as a fulcrum for whatever lever statesmen may devise to begin the great task of reconstruction.

"Senator CARTER GLASS, who, in spite of his present advocacy of bank guaranty, is one of the most sincere opponents of that policy that I know of anywhere in the world, said in his speech delivered at the Democratic Convention in Chicago, as quoted in the New York Times of June 30, 1932:

" 'A guaranty plank in our platform would create anxiety, would cause disturbances within our ranks, and would raise up opposition to our party in November, which I regard as entirely unnecessary. The guaranty of bank deposits has been tried in a number of States and resulted invariably in confusion and disaster to the financial structure of those States, and if our party, when returned to power, should incorporate such a scheme in the Federal organization we would drive the strongest member banks from the Federal Reserve System. These strong banks should not be assessed to pay a premium for mismanagement.'

"Senator GLASS was right when he said the guaranty of bank deposits would create anxiety. It has done that very thing. It has dried up what little credit there has been, for both the National and State banker are preparing to meet their changed situation when the law goes into operation. I have a letter from a banker in Louisiana, from which I quote:

" 'We have been running banks for 25 years and have always met every demand. No depositor has ever lost a cent. We went through the national holiday. Opened 100 percent and have gained around 30 percent in deposits since, in spite of practically all the bigger banks around us totally restricted and the press carrying everything that could be found to be a detriment to a State bank. This convinces us that if you run a bank right and let the people know it and keep their confidence that you need no guaranty of deposits. We think this guaranty feature is doing more to keep the banks upset and retard recovery than anything else. Take us, for instance. We have plenty of cash. Not borrowing. Never have, and we could be making loans and functioning in a normal manner; but until it is decided what we have to do we are holding cash and Government bonds and assuring ourselves that we cannot be forced to close by a run precipitated by the press propaganda criticizing banks and leading the people to distrust banks in general. We know others are doing the same thing.'

"The American people have had a difficult time trying to develop a satisfactory banking system, and today, by reason of unhappy events of the last few months, together with the shocking revelations of manipulators of great wealth, the banking system of this country has lost what freedom and, to some extent at least, the confidence of the public it heretofore possessed.

"I would be out of place were I to advise you as to whether or not you should withdraw from the Federal Reserve System in order to protect the investment of capital entrusted to you by your shareholders and depositors to the best of your ability.

"Senator CARTER GLASS prophesied that the stronger banks of the country would leave the Federal Reserve System if bank guaranty were adopted. I wonder if the Senator explored all the possibilities of the things that might occur if an attempt were made to force bank guaranty, which in its present form is nothing but a capital levy on the stockholders of well-managed banks to pay the losses of poorly managed banks.

"I have wondered that if bank guaranty is forced on the strong banks of the country would they not reduce their capital to the lowest possible amount in order to come out from under the threat of a capital levy. Such a plan would further endanger the depositors; but as trustees for your shareholders are you not bound to consider such a course, and would you not be justified in doing so, with the depositor given the protection of deposit guaranty for whatever it might be worth?

"Until recent times I have felt rather sure than there should be a unified system of banking throughout the United States, provided that such a system did not mean that it was economically impossible for a little bank to exist in the villages and near the farms, where so many millions of our people live and need intelligent bank service. But now I believe the State banking systems may prove, after all, to be our greatest salvation.

"One thing is certain, gentlemen—in this particular I can speak better for Kansas than for the Nation as a whole: Great as has been the hardship resulting from the losses of bank failures in Kansas today, there would not be a Kansas worth speaking of had there never been a State system of banking.

"I do not believe our country is old enough; I do not believe it is densely enough populated or highly enough developed that we can yet afford to crush out of existence the little bank. I do not believe we can afford to adopt a system that will restrict bank development of the more unsettled portions of the country that would result from the abolishment of our State banking system.

"I have no word of advice to give you as to what course you should pursue individually, except that I advise you to do your duty as you find it to be, just as precisely and as honestly and as courageously as you possibly can. Perhaps the time has come when all the little banks should be crushed out of existence. Perhaps the time has come when unification of the American banking system should be required, regardless of the cost. Perhaps I am all wrong in all of my conclusions, and selfish and unwise political influence will not hereafter to any important degree be given any consideration by a Comptroller of the Currency and a Secretary of the Treasury, or a man who desires to get a job as a national bank examiner through political friends. Perhaps I am totally in error in thinking that Mr. Farley, the Postmaster General and political manager of the Democratic Party, has no other thought in his mind but to eliminate politics in every way, shape, and form from the administration of the banking system of this country. But I do want to tell you gentlemen this:

"Some of the most conservative bankers in Kansas—heads of some of our largest national banks—have asked me if they could get State charters quickly if they should decide they want them. I have been glad to assure them, and I am glad to have you or anybody else interested know what my answer is: If their banks are good and clean and liquid they can get State charters very quickly.

"I do not make this offer in an effort to influence any national bank to surrender its national charter and join the State banking system. This is what I said to bankers whom I could name, who are the heads of some of our best and largest national banks.

"The responsibility of deciding what shall be done if the tragedy of bank guaranty should actually be reenacted on a national scale lies, thank God, with you and not with me.

"The next significant chapter in American banking history will be written by the bankers of the country when they decide, in the light of their trusteeship to both stockholders and the public, what their course will be if Congress refuses to repeal the section of the Glass bill guaranteeing bank deposits.

"I am wondering if Senator GLASS was correct when he said 'The adoption of this guaranty plan is going to drive the strongest member banks from the Federal Reserve System.' Therefore, if the State banks organize to break this erroneous principle of the bank guaranty, they will be doing a real service. The hands of the national bankers may be tied.

"The American people, as I have said, are not afraid of experiments. They dare to make radical changes in their ideas. They are not frightened when they make mistakes, but unhesitatingly drop erroneous policies and programs whenever they fail and adopt new ones. Because this is true, and because the severities of this depression prove this to be an epoch when revisions of ideas and purposes must be made, I have suggested a legislative program to Kansas that, if adopted, will, in the opinion of the bankers who have studied it, give Kansas the soundest and strongest State banking supervision in America.

"My thought is that if our banking ills are ever to be corrected, we must get a new conception of banking, both on the part of bankers and public officials. Compared to the central purpose, all other banking reforms are a waste of time. Do that one thing and the details of needed alterations in our banking system will take care of themselves.

"I cannot escape these conclusions. First, that this country needs, paramount with anything else, a banking system that makes the earnings and savings of the people safe. We have not had the highest possible degree of safety.

"Second, it is financial suicide to have a unified system of banking until we can be absolutely certain that that system will be free from partisan political and selfish financial group or clique domination—a system set up on sound banking principles without regard to the day-to-day or year-to-year exigencies of governmental finance.

"This country has not had the right kind of financial leadership. The day of accounting for our financial stewardship has come. You men here today, representing our great American banking system, filled with a desire to reawaken public confidence in the trusteeship of the savings of American people, must face the challenge honestly and fearlessly. We all realize that the great bulk of bankers, from the village cashier to the head of our largest institutions, are honest and conservative. The difficulty has been that a few strong men, unscrupulous and with a total absence of the moral responsibility of a banker toward his depositors, have gone promotion crazy, seeking big profits by taking the banking business into the speculative investment field. The house has tumbled down on this practice, and because of our complicated economic situation the effect has been to demoralize otherwise sound financial institutions.

"For the first one-third of our national history this country was largely dominated by agriculturalists. For the second one-third it was largely dominated by industrialists—great builders and developers of railroads. For the last one-third, to a large extent, by financiers. You, and all independent bankers in this country, are going to pay, and pay dearly, for the unwise banking practices that have permitted the Insulls and others free rein. The innocent will suffer with the guilty. These manipulators of great wealth, elevated to places of responsibility in our great financial institutions, have sponsored huge bond issues in our industrial and utility fields; plucked out their paper profits of excessive bonds or stocks and financed the entire load by subsequent sales of securities to the public. The overloading by the greedy and unscrupulous lords of financial juggling has been too heavy for honest business to carry, dividends have stopped, and our banking system is facing loss of confidence because in too many cases bankers were involved in the profit-taking manipulations.

"Nor are the skirts of all country bankers clean. A country banker who takes a commission from a promoter on stocks peddled to his depositors is a first cousin to the city banker who sells the bonds and keeps the stock.

"The present situation cannot be corrected by freak legislation or false and unsound assurance to the people, such as a gesture toward a guaranty of deposits. The real remedy lies in a quick return to honest, sound, and conservative banking principles, entirely freed from unwise and selfish political influence. You bankers must have the courage to fight the modern menace of security manipulation, even if it means the temporary loss of vast accounts. When bankers quit placing a premium on obtaining the accounts of modern Robin Hoods who seek to rake off millions of unearned profits for stock by financing and as directing heads of industrial promotion or utility operation, we will have traveled a long way on the road of regaining public confidence. Stocks acquired at a dollar a share or less in return for service supposedly rendered draw as much dividend as similar stocks sold on the public market, and in the end the result of the whole will be collapse, as every banker knows. It is time for bankers to have the courage to warn their depositors against such investments.

"I believe it is a safe assertion to say that the American public cannot be swindled in a wholesale way if our bankers will return to their old-fashioned responsibility of warning and cautioning John and Jim against investments that are not based on physical value as well as earning capacity. Physical value without earning capacity offers no return. Earning power without physical value is as treacherous as quicksand. From bitter experience we have found that such earnings too often have been based on intricate and complicated refinancing and an unnatural temporary business expansion.

"I believe our American bankers are individually facing this situation frankly. But it is difficult for one banker to become the old-fashioned town financial adviser and have another catering to groups offering higher returns on investments. It is necessary to face this problem collectively and the banker who deviates from his clear path of duty should be ostracized from banking organizations. Place a premium of respectability on old-fashioned honesty and American public confidence will be yours, as it was of old.

"As I see the situation, the Government's first part in sound banking is to permit the building of a strong central banking organization, nationally or in the States, and to free the banking system from shifting political conditions. A change in our political administration should not mean a change in our banking-system heads. Such men should come from banking service and remain as bankers and not as political guessers. This is a constructive change.

"In line with these views I have offered a banking bill to the Kansas Legislature. With the detail of the bill I will not bore you and for those details I hold no particular brief. I hope they jar the bankers of my State enough that they will at least make some intelligent suggestions about legislation. For, make no mistake, the public is not going to be satisfied with conditions as they are and have been. The banker who is satisfied with the system as is will find that if he does not help make a constructive and sound program one will be written for him. Guarantee of deposits did not come on us all at once. It came in response to the dissatisfaction of the people with the present conduct by the bankers of the banks of this country. It will not be repealed in a hurry.

"Slight as is my regard for this and some of the other provisions of the Glass-Steagall bill, I must say in its defense that it probably would not have been passed had the bankers offered a sound and constructive legislative program in an attempt to solve our unsatisfactory banking situation. As I have said, I will not go into detail with reference to the proposed new Kansas banking bill except to say that it creates a banking board with seven members, and the broadest possible powers are given the board. The board must name the bonds which banks may buy and the out-of-State correspondents which they may have. The board is to supervise personnel and policies, and determine capitalization,

as well as conduct the auditing and evaluation of assets, that has so stupidly been considered adequate supervision in the past.

"The first board is appointed by the Governor, and the majority must be bankers. Terms are for 4 years, and the board nominates a number of persons from whom the Governor must appoint their successors, thus giving us a continuity of personnel and banking policy which in time should have a very vital effect on the building up of a strong State banking system. The board can remove any officer or any director of any bank. Protection to the State against abuses of the power given the board lies in the fact that any legislature can amend or repeal the law. For the details of this bill, let me repeat, I hold no particular brief. For the principle that the supervision of banks in Kansas must in the future be so managed that they will not fail by the dozens, I will do battle.

"In effect, in this country we sing the praise of regulation and then shrink from legislating the regulatory board all the power and teeth necessary to do a good job. Either the principle of regulation should be abandoned or the necessary power should be provided to do the job. The legislature meets every 2 years, and is the answer, I repeat to those who fear this power, for if it is unwisely or negligently or selfishly handled with ulterior motive the legislature can correct the abuses.

"In my mind there will never come a time when existing conditions will erase the necessity for independent country banks, correctly operated. Any measure, whether it be National or State, that attempts to stamp out State banks and State banking systems is doing a direct injustice to the people themselves. I do not view this as a fight involving the bankers alone. I believe that it is to the interests of the people to see that, in Kansas, State banks continue to exist and function properly, offering the credit facilities and other services which they have been offering since the pioneer days when Kansas was but a Territory.

"In the face of the Banking Act of 1933 the perpetuation of State banking rests with the State bankers. Obviously, the solution resolves itself down to the creation of sufficient public confidence in State-supervised institutions so that the Federal deposit guaranty, in competitive cases, will cease to be a deciding factor.

"At the present time it is a well-known fact that national banks, operating of necessity in line with the policy of the Federal Reserve Board in Washington, cannot possibly take care of the many legitimate credit needs of our small-town businessmen, our wheat farmers, and our cattlemen. The Federal Reserve Board frowns on cattle loans, loans on farm machinery, loans on stocks of merchandise, loans on personal integrity—loans of every character, in other words, that are based on local security. This type of credit is a type that must be maintained if Kansas and Kansas people are going to continue to prosper and to progress as they have in the past. Unquestionably, it is safe to assume that the same principle applies to all of the country's great agricultural States and rural areas.

"The proper regulations, effectively enforced, for the purpose of building up our State banking system, offer the State banker an opportunity to take advantage of the mistake made through the guaranty feature of the Banking Act of 1933. It will be necessary to first reform the Federal Reserve before attempting to unify the banking systems of the country. The law as it now stands is placing the 'cart before the horse.'

"Talk about guaranteeing bank deposits is but political salve to a wound that needs a business caustic. The principle of guaranty is not the answer, because relaxing of vigilance on the part of bank officers is the inevitable psychological effect.

"The guaranty of bank deposits is the start of a vicious circle that is ruinous to depositor and stockholder alike. When five sound banks must pay the loss of one rotten one the drain on the five necessarily impairs the strength of the five. One of them breaks under the strain and the remaining four are weakened by the added strain, and so on. In Kansas and Nebraska many sound banks crumpled under the strain of repeated assessments; if the losses of the guaranty fund had been paid in full, no one knows whether any bank would have remained open. Even a fish cannot live indefinitely by nibbling at its own tail."

Mr. Speaker, it is evident if Governor Landon had been President during the banking crisis of 1933 there would have been no Federal deposit insurance law. All his experience was opposed to such a law. Kansas had tried the insurance of bank deposits and had failed. Therefore, says the Governor, at all times and in all places it must be a failure. To attempt any such experiment would be flying in the face of all experience.

Bacon the philosopher, the author of the inductive system, valued experience. Patrick Henry said he had no lamp to guide his feet but experience, and Governor Landon was guided by the experience of Kansas and Iowa. That experience was conclusive to him. The Federal insurance of bank deposits was beyond the narrow compass of his economic philosophy. We naturally wonder what he would have done in the great banking crisis which his party caused and which President Roosevelt and the Congress met so promptly, so courageously, and so successfully.

The SPEAKER. The time of the gentleman from Kentucky [Mr. SPENCE] has expired.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that I may incorporate the speech in full in my extension of remarks.

The SPEAKER. Is there objection?

There was no objection.

RECOVERY AND TAXATION

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, all economic students have agreed, and the new Congress convening in 1933 found, that it was the fall of values, prices, and wages, taking away or reducing the earnings of the people and destroying their buying and consuming power that caused the panic or depression. And all economic students have likewise agreed and the new Congress in 1933 likewise found that a recovery from the panic required a rise of values, prices, and wages as necessary to restore earnings and income and the buying and consuming power of the people.

ONLY SURPLUS EARNINGS IS CONSUMING POWER

It is only surplus earnings or income over taxes, debts, and fixed charges which constitutes and measures the power of the people to buy, take, or consume the products of farm, factory, mill, and workshop, the failure or destruction of which paralyzed industry and brought the panic upon the country. And any policy of increasing taxes which reduces the surplus income further destroys or impairs the buying and consuming power of the people and retards, slows down, postpones, or makes recovery impossible of attainment.

RECOVERY CALLS FOR A DIFFERENT POLICY OF TAXATION

This brings us face to face with a different policy of taxation, even more vital, necessary, and imperative than the principle of the ability to pay, than the equal burden of taxes—a different and discriminating policy to be observed under a program for economic recovery.

It is evident that tax reduction upon the common masses of the people has the same effect upon their income for use as buying and consuming power as increasing wages or restoring employment. But it is plain that a policy of taxation that encroaches upon or reduces the surplus of earnings or income over taxes, debts, and fixed charges to the extent of the amount increased will hinder, defeat, or delay the program of recovery and postpone the realization of relief.

TAX REDUCTION THE SAME IN EFFECT AS A RISE OF WAGES OR RESTORATION OF EMPLOYMENT

Under this principle, tax reduction becomes as vital and necessary for recovery as a rise of wages or restoration of employment and makes an increase of taxes upon such common consuming power as a loss of employment or fall of wages. It is for this reason that a different policy of taxation must be observed and adhered to as a part of a recovery plan. And without such policy followed, recovery is menaced and jeopardized and normal prosperity hindered and delayed.

This policy of taxation compels a discrimination between one class of taxpayers with little or no surplus income over taxes, debts, and fixed charges, and another class of taxpayers with ample surplus earnings and income not needed or used as consuming power.

TWO CLASSES OF TAXPAYERS

There are two general classes of taxpayers: First, the many, the masses, the multitude, who take earnings and income barely sufficient, or generally insufficient, to pay taxes, interest, and fixed charges and to buy, take, and consume the necessaries, the conveniences, and comforts of life which industry produces. If more taxes are taken from this class, the less earnings and income will remain as a surplus and as buying and consuming power. And they can buy, take,

and consume less of the products of industry. Industry will languish and stagnate for want of sufficient consumption.

The other class of taxpayers includes the certain special few who take earnings and income from industry far in excess of taxes and fixed charges, and which leave a large surplus over, far in excess of their needs and requirements to buy and consume the necessaries of life and what industry produces. Increasing taxes upon this class, the certain special few, will not affect or impair or reduce their buying and consuming power below their needs and requirements to live, because the certain special few do not have the stomachs to eat the food, do not have the bodies to wear the clothes, do not have the lives to live up production, do not have the capacity to consume what industry produces, equal to their surplus earnings and income.

A SALES TAX

A sales tax is not a tax levied upon the principle of ability to pay; it is a tax levied upon the necessities of life, and it cannot be borne by the middle classes while burdened by the payment of other taxes. Another and additional tax levied now upon the middle classes of the people, another property direct or indirect tax, another sales transaction or income tax, would be the straw to break the camel's back and would be killing the goose that laid the golden egg.

There is no tax plan or system more complex, confusing, and less understood in the minds of the people of the country than sales or transaction taxes, and which can more plausibly be urged not only upon the confiding and unsuspecting people but upon many honest leaders of men.

A sales or transaction tax is a tax so mixed, mingled, and confused, so hidden, covered, and concealed in the increased price of the vital necessities of life, that a galling, burdensome tribute can be levied upon and collected from the people without the knowledge of a tax imposed, and while the people are left groaning from its crushing weight. A sales or transaction tax is not only a tax in gross violation of the principle of the ability to pay and every policy of just taxation, but its most vicious part and effect is the exemption of the rich from their just burdens of the Government.

A TAX UPON THE VITAL NECESSARIES OF LIFE

A sales or transaction tax is a tax upon the vital necessaries of life required by the common masses to live. It is, in fact, a tax upon the right of the many, the masses, to live, and reduces their earnings and income by the amount of the tax imposed. It is for this reason alone that a sales or transaction tax is invariably and always urged upon Congress by those who represent the great fortunes, and whenever new or additional taxes are proposed, and who seek to protect great wealth and riches from the payment of an equitable share of the tax burden.

It is for these reasons that increasing taxes upon the vital necessaries of life used by the common masses of the people operate to reduce their surplus earnings and still further destroy or impair their power to buy, take, and consume the products of farm, factory, mill, and workshop. And of all taxes levied or imposed under any principle or policy of taxation, a sales tax, whether gross or net sales tax, is a tax upon and reduces consumption and will even more reduce surplus earnings and retard, delay, and postpone the progress of economic recovery.

WHAT BLANTON'S 12 COUNTIES, SEVENTEENTH DISTRICT, HAVE RECEIVED FROM GOVERNMENT SINCE 1933

Mr. BLANTON. Mr. Speaker, on the 21st of May I received permission to extend my own remarks with some quoted data in the RECORD, but I only had time this morning to get them ready. I ask leave to date them today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman whether they contain any extraneous matter outside of the things that he has prepared himself?

Mr. BLANTON. They are the same remarks that the gentleman from Pennsylvania questioned me about at that time, to embrace certain quoted data.

Mr. RICH. And that was to be not more than two pages?

Mr. BLANTON. The quoted data was four pages. I received permission then, on May 21, to insert four pages of excerpts.

Mr. RICH. That is quite a lot to insert in the CONGRESSIONAL RECORD.

Mr. BLANTON. That is what the gentleman said at that time, but I deem it necessary. My request now is that I may date same today instead of May 21.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

[From RECORD of May 21, 1936]

EXTENSION OF REMARKS

Mr. BLANTON. Mr. Speaker, I was going to prefer a request for a special order, but the majority leader does not want any more special orders today and I will conform to his desire. So I ask unanimous consent to extend my own remarks and to embrace some data illustrative of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BLANTON]?

Mr. RICH. Reserving the right to object, Mr. Speaker, I would like to know how much data the gentleman is going to put into the RECORD?

Mr. BLANTON. It will be such data as is needed to be illustrative of my speech.

Mr. RICH. About how many pages of the RECORD will it take?

Mr. BLANTON. The data I will quote will consume only about three or four pages.

Mr. RICH. That is a good many pages.

Mr. BANKHEAD. Mr. Speaker, the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BLANTON]?

There was no objection.

Mr. BLANTON. Mr. Speaker, this has been a most strenuous session. It has flayed the nerves of everyone. During this Seventy-fourth Congress 11 of our colleagues in the House, including our beloved Speaker, and 5 Senators have prematurely passed away, largely caused through nerve-wracking overwork. It has been most trying and exacting on us all.

Before we convened last January I spent much of December helping to hold hearings here in Washington on appropriation bills. I worked Christmas, New Year's, Sundays, holidays, and until midnight in my office every night to attend to my official duties and to keep up with the growing demands of my big district.

I have not belonged to any club, or played any golf, or attended any game of baseball, or gone to any races or to any of the other numerous entertainments in and around nearby Washington that are a constant attraction. I did not have time to see Walter Johnson throw the dollar across the Rappahannock. I have worked, worked, worked, denying myself all pleasures.

HAVE SACRIFICED PERSONAL INTERESTS

I have been so busy, Mr. Speaker, I have not had time to think of a campaign for reelection. I have assumed that if I would stay on the job, and would actively and conscientiously perform my work well, my constituents would take care of me on election day. I have diligently worked with but a single purpose, and that was to be of some real, lasting benefit to my constituents and my country. I have shirked no responsibility.

ACTIVE UNDERMINING ENEMIES AT WORK

Appointing postmasters is purely an executive function of the President. It is no part of the duties of a Congressman. But because the President's shoulders have been overburdened with serious affairs of state, he has had Democratic Congressmen to nominate "temporary" postmasters "to act" until the postmaster is chosen through the "regular civil-service examination." He did not expect us to nominate a political enemy. When he makes an appointment he holds no election but appoints one of his friends. He expected me to select one of my friends.

THOSE DISAPPOINTED TURN AGAINST YOU

All the applicants cannot be appointed. Only one is chosen. With a few worthy exceptions, the balance become enemies. No matter how fair you are, or what you have done for them in the past, or the trouble you go to in giving their application just consideration, most of the unsuccessful ones never forgive you, and will spend their time and money trying to defeat you, and would support anyone against you. You select one, no matter how fairly, and most of the other 39 applicants immediately become your everlasting enemies.

QUALIFICATIONS FOR OFFICE NOT CONSIDERED

I have learned recently that disappointed applicants are now scouring my district against me, abusing and vilifying me. In the last campaign they were singing my praises. They eulogized me then and said I was most worthy and well qualified. Now they bemean me. Now they and their relatives condemn me. Qualifications as a Congressman are ignored. Experience is not considered. Ability to serve legislatively is brushed aside. The welfare of the district is forgotten. Their uppermost thought is, "He nominated another, punish him." They do not remember the Biblical injunction, "Vengeance is mine, saith the Lord; I will repay"; but adopt the slogan, "Get BLANTON!" "Down him!" "Away with him!"

TEN TO FORTY APPLICANTS FOR EACH POSTMASTERSHIP

Numerous applicants, mostly my supporters, made the selection a most difficult problem. I could nominate only one. It was almost impossible to choose between them, select one, and turn the balance down, with all well qualified. My Abilene office was full of constituents daily to see me on official duties. During the past 2 years I have given all of my time to my constituents. I have done no private business. I had many offers of law business, but refused every case. I had time only for my congressional duties.

TWO METHODS OF SELECTING TEMPORARY POSTMASTERS

When I could arrange to leave the office I would hold elections. When my numerous appointments with constituents living far distant from Abilene prevented my leaving to hold elections, I would submit the matter to a committee of local friends who were unrelated to the applicants, and have them choose the temporary postmaster. I pursued that method at Albany, where my committee of 10 high-standing citizens were unanimous in their selection.

NOT AN ELECTION, BUT PREFERENCE OF FRIENDS

The President selects thousands of appointees for numerous offices. None are elected. The President does not elect but selects them. In acting for the President in nominating a temporary postmaster I am not required to hold an election. I am asked to make a selection. Since my supporters, however, are responsible for my being in office, and if it had not been for their votes I would not have to nominate temporary postmasters, I have felt that where I could arrange to get away from my office that long, that I should allow my supporters in each town who were patrons of the office, to express their preference in making the selection. Every farmer who lives in my district knows beyond doubt that I am his loyal friend, that I respect him, appreciate him, and will do just as much for him as any man living in a town or city, but he does not vote when a mayor is selected. He does not vote when city aldermen are selected. He does not vote when city school trustees are selected. The postmaster serves only the town. The people living in the country are served by rural carriers. In Moran the county lines of three other counties are within 3 miles of the post office. Rural routes go twenty-odd miles over into adjoining counties of Callahan, Eastland, and Stephens. At Cross Plains it is only a few miles over into the counties of Eastland, Brown, and Coleman, and rural lines from Cross Plains post office extends about 20 miles into counties not in my district.

INVITATIONS EXTENDED ONLY TO PATRONS OF POST OFFICE

For the above reasons, when asking my supporters to meet me, the notice I would put in the newspaper would request "my friends living in the town"—that is, within, say, the city limits of Cross Plains or Moran, who were patrons of the post office there—to meet me and express their preference for temporary postmaster. I held no mass meeting. I merely called my friends together, who were patrons.

In fairness to all applicants, there had to be some rule. If one citizen out of the town living on a rural route were allowed to vote, all rural route citizens likewise would be entitled to vote. Hence, but for the rule there would be hundreds of citizens not in my district, and not my constituents, living in Brown and Coleman Counties, voted for a postmaster for Cross Plains. From the post office in Mineral Wells, rural routes went many miles into the counties of Parker, Tarrant, and Archer, not in my district.

FAIR AND SQUARE TO EVERYBODY

In every election I made it plain that only a "temporary" postmaster was selected, to act only until the postmaster could be appointed by the President through "a regular civil-service examination." In every case I had the applicants themselves choose the tellers, usually three local ministers, who counted every ballot, and themselves announced the results. I counted no ballots myself. No one kin to me counted any ballots. My friends would vote until one applicant received a majority of the votes. After an applicant received a majority, in every case his or her election was made unanimous by those present.

SOME TEMPORARY POSTMASTERS FAILED ON EXAMINATION

In several instances the one selected as temporary acting postmaster failed on the civil-service examination and did not get on the eligible list, and the civil-service eligible was appointed postmaster.

CIVIL-SERVICE RULES CONTROLLED ABSOLUTELY

I helped to pass the law that gives every ex-service man a 10-percent advantage as an applicant for all positions. I have seen to it that every applicant who was an ex-service man was given a 10-percent advantage in his civil-service ratings. A World War veteran at Mineral Wells who stood first on the civil-service list on examination won out over the temporary postmaster who had been selected in an election and who is a splendid gentleman and well qualified.

The acting postmaster at Blackwell lost out. The acting postmaster at Gorman was unsuccessful. I have seen to it that all rules of the United States Civil Service Commission, which itself is most active and zealous in upholding strictly all of its regulations, and all of the rules and regulations of the Post Office Department, have been strictly complied with and adhered to with respect to every appointment, and that every applicant was allowed to take the civil-service examination and given an equal chance to get on the eligible list. There were 22 applicants took the civil-service examination for one postmastership. No civil-service rule has been violated in any case.

ORGANIZING THE DISGRUNTLES

During my enforced absence here, nearly 2,000 miles away from home, attending to my official duties, my Eastland opponent has spent several months trying to organize every disappointed applicant for postmaster in the district against me. He appealed to one he could not organize. Mrs. Eva M. Wilson, a splendid woman at Hamlin, tied Mr. Bonner there for first place on the first ballot and was defeated only a few votes by him on the second ballot. Yet she is not disgruntled. The following is her reply:

HAMLIN, TEX., *April 28, 1936.*

Judge C. L. GARRETT,
Eastland, Tex.

DEAR SIR: I hasten to reply to your letter of the 27th, because I do not wish to be misunderstood or misjudged for a moment.

I am a friend and supporter of our present Congressman, Hon. THOMAS L. BLANTON. I do not agree with you that his method of selecting postmasters was undemocratic; really, it was the most democratic plan that could have been employed. Of course, since it was the prerogative of the Congressman to recommend applicants, he would naturally want his friends to vote their choice if he were using this plan.

I certainly am not a disgruntled applicant, and it is unthinkable that I would withdraw my support—not that it amounts to

much—on account of not having secured the appointment of postmaster here.

Judge BLANTON has honesty and courage, industry and seniority, and his friends are confident that he will be reelected by a large majority.

Yours very respectfully,

Mrs. E. M. WILSON.

A VERY HIGH CLASS LOSING APPLICANT AT MORAN

MY DEAR MR. BLANTON: Mr. Meredith and I, and many other friends, like you better because we know you were fair in dealing with the post-office appointment. We feel we know you better, and realize more than before your value in Congress, and we will do our part in keeping you where you are as long as you will condescend to accept.

I am, sincerely, your friend,

SARAH MEREDITH.

From the letter of an Eastland friend, I quote:

A former aspirant for postmaster here, Mrs. C. C. Robey, who formerly was your enthusiastic friend until Jones got the appointment, worked hard for 2 weeks organizing a Garrett for Congress Club. Her efforts to take over the county convention were promptly vetoed. She led her followers to the other courtroom and they are working now to pull off a big Garrett blow-out on May 18, when Garrett is to announce his platform.

From the letter of another Eastland friend, I quote:

Your old friend, Si Perkins, who entertained you in his home during the last campaign, is mad because he was turned down and Frank was appointed postmaster. He has a petition at his lumberyard getting signers for Garrett. He furnished some of the lumber and shingles to provide seats for about 2,000 expected at Garrett's opening campaign speech in front of the courthouse on the 18th. But the "expected crowd" didn't materialize. It looked like rain, so they went up in the ninety-first courtroom. The meeting was a flop. Garrett's manager is J. W. Cockrill, who runs the newspaper at Gorman, and who was so badly beaten for the legislalature in the last primary. The entire time was devoted to personal attacks on you, which disgusted many there. Garrett's speech was pitiful. He had no platform. He had not one constructive proposal to offer. He mentioned just one thing he favored, and I wrote it down. He said: "I strongly favor a liberal and adequate old-age pension, preferably paid by the Federal Government, and though some of my best and closest friends advocate the Townsend plan, I have not found my way clear to run on it."

Clyde knew that you had helped to pass in Congress a law providing that if Texas would pay $15 the United States would pay $15, or as much of same as Texas would pay, which would give a person 65 years old $30 per month, and would give an aged man and wife $60 per month, but that the Texas Legislature had not provided the money, and because of Texas' failure to do its part some of the aged people will not get their full pension authorized by Congress. That is the reason Clyde said he preferred it all paid by the Federal Government, when he knew that was impossible. The politicians at Abilene, whom you have defeated for district judge and Congress, are Clyde's spiritual advisors, and they got him to straddle the fence on the Townsend plan, as they could see its downfall coming. So the Townsendites are going to back a man from De Leon. They don't like the way Clyde treated them. He drew up their petitions for their Fort Worth lawyer last November, which were circulated over the county, and after they were signed Clyde sent them to Washington and then laid down on them. Please send me a copy of the letter Clyde wrote you about it last January. Some of the audience were amused when Clyde said he didn't want them to consider it his "opening speech", which he will make at Sweetwater.

The letter said friend wanted a copy of is as follows:

C. L. (CLYDE) GARRETT,
COUNTY JUDGE, EASTLAND COUNTY,
Eastland, Tex., January 21, 1935.

Hon. THOMAS L. BLANTON,
Washington, D. C.

DEAR JUDGE: Sometime during the month of November an attorney from Fort Worth came to this county and made several talks favoring the Townsend old-age-pension plan and urged our people to secure all signatures possible to petitions urging you, Senators CONNALLY and SHEPPARD, to support the plan. I drew up a dozen or more petitions, and they were circulated over the county, and some 3,000 signatures were secured on them, and at the request of this attorney I mailed them on January 9 to Senator CONNALLY and requested him to call your attention to receipt of them.

As I stated to Senator CONNALLY in writing him, I cannot say that I am altogether sold on the Townsend plan, for there are several features about it which I do not like. * * *

With best wishes and kind personal regards, I am,

Yours very sincerely,

C. L. GARRETT, *County Judge.*

It was well known that in January 1935 I made the first speech in Congress against the Townsend plan, asserting that it was a scheme to get a large sum of money out of aged people, who could little afford to lose it, and that the plan was impossible, was unconstitutional, was misleading the aged people, and a fraud upon their rights. We now have the proof before Congress that Dr. Townsend told his man Clements that there was "millions in it" for them, and they have admitted that they have taken over $1,250,000 from the pockets of the aged poor people of the United States without a possible chance to give them anything whatever in return for it.

From the letter of a prominent citizen of Ranger, I quote:

I think Clyde Garrett is to blame for fooling the old people of Eastland County. If he hadn't fallen for Townsend's Fort Worth attorney, and hadn't drawn up the dozen or more petitions that were circulated over Eastland County that Clyde says secured 3,000 signatures, and if Clyde hadn't let that Fort Worth attorney use him in sending those petitions to Senator CONNALLY, the old people of Eastland County would not have been defrauded out of their money. When Clyde wrote you on January 21, 1935, he was then trying to hedge politically, as he had learned of the unanswerable speech you had made against the Townsend plan, and he realized that he had "pulled a boner." Then Clyde threw them over and deserted the Townsendites. I never could understand how Congressman MCGROARTY could support Dr. Townsend or introduce a bill for his Townsend plan or act for Dr. Townsend in Congress. I would like for you to mail me another copy of the letter MCGROARTY wrote you in 1935.

The following is the letter referred to:

WASHINGTON, D. C., *February 3, 1935.*

Hon. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: I learn with deep regret indeed that rumors have reached you to the effect that I am engaged in efforts to undermine you in your district, with the avowed purpose of defeating you in the next election.

The rumors are utterly without foundation. I have never made such efforts and would not be guilty of them. In the first place, it would be an impertinence on my part, and certainly it would not be to my credit.

From my observation of you in the House of Representatives since I became a Member of that historic body I am free to say that your district is most effectively represented by you. All of your colleagues and mine whom I have met regard you as one of the most useful men in the Congress of the United States, which is my own opinion of you.

I do not hesitate to say that, in my judgment, your defeat in your district at the next election, or any succeeding election, would be a serious loss not only to your constituents but to the Nation itself.

Please accept the expression of my high esteem and good will.

Faithfully yours,

JOHN STEPHEN MCGROARTY.

That was written by one who knew I was fighting hard to defeat his Townsend bill.

A friend from Callahan County writes:

When you refused to appoint Roy Kendrick temporary postmaster at Clyde you made him hot as a wolf. He has been campaigning the county against you. He influenced a resolution signed by H. W. Ross, Jr., who that day had just been made county chairman, succeeding your friend Jackson, who resigned. Said resolution falsely states that you ignored civil-service rules, and a lot of other lies about your appointing acting postmasters, and your enemies are going to publish it in all the newspapers.

From a loyal Cisco friend I quote:

Oscar Lyerla, of Flatwood, has just been appointed county chairman in Conner's place. His first official act was signing a statement as county chairman asserting that you would call a mass meeting and then refuse to allow 75 percent of the post-office patrons to vote, and that when you selected a postmaster you entirely evaded and ignored the civil-service law requiring the postmaster to be selected from the three who made the highest grades on examination. This is going to react against Clyde Garrett, for Eastland County people won't stand for such an injustice, as many know this resolution is not true. In the first place, you did not call a general mass meeting, but only your supporters, and fully 95 percent of the ones who came voted. In the second place, you did not evade or ignore civil-service rules, as you were selecting only a temporary postmaster, and the postmaster was chosen from the eligible list of the three highest examined, who were certified by the Civil Service. Garrett and his friends are arranging to print Lyerla's resolution in all the papers in your district.

Another good friend writes:

Judge, I hope you won't think there is no gratitude in Eastland County. After you have given us three new post-office buildings—at Cisco, Eastland, and Ranger—and the great consideration you have shown our county in the enormous amount of Federal money expended here, I am ashamed that a bunch of disappointed applicants for postmaster would conspire together in trying to defeat you. I am a strong lifelong friend of Clyde Garrett. I have voted for him every time he has run for office, and he has been holding county offices here ever since he was grown. He won't get my vote this time, because I think he has overstepped himself. He is deliberately giving up the office the people gave him and is trying to take away from you the one the people gave you. He has gotten

so fat, lazy, and indifferent holding county offices all of his life that in Washington he wouldn't be worth a cent to the people, even if he were qualified, which he is not. All of us neighbors of his realize full well that he is not congressional timber. Clyde has a disappointing awakening coming to him on July 25. He can then reduce his hat band several inches.

I quote from another friend:

Illustrative of the falsehoods being disseminated against you by one of Clyde Garrett's supporters named L. R. Pearson, who is a lawyer at Ranger, I enclose you clippings from several newspapers in your district where said Pearson falsely asserted that you are in favor of canceling all of the foreign debts, when all of us know that you have made a consistent, uncompromising fight against canceling same. You will note also that at this late date, after you have been in Congress 20 years, Pearson and Garrett are trying to criticize your record as a district judge, when all of us who served on your grand juries and your petit juries know that you made the best district judge we ever had. In the last few days I have heard numerous old-timers say they have often wished they had you back on the bench to preserve order and expedite business.

THE BRASS-BAND MOTORCADE TO SWEETWATER

From a much-appreciated letter I quote:

I will vote for you in the July primary for the first time. I accompanied Oscar Chastain and his brass-band motorcade through your district in July 1934, and in each town we stopped they claimed Chastain would carry Eastland County solidly. The election was an eye opener to me, for you got a majority over Chastain in every voting precinct in Eastland County.

I attended Clyde Garrett's brass band motorcade rally at Sweetwater on the night of Friday, May 29, and heard your enemies make the same claim about carrying Eastland County solidly that I heard Chastain's friend make, and I remembered what happened to Chastain. I hoped Garrett would offer something constructive. The entire meeting was a mudslinging affair. Not a speaker ever told one thing that Garrett could or would accomplish if elected. All of them used their time attacking you. Verily Garrett was surrounded with character assassins, and most of the people present were thoroughly ashamed and disgusted.

We expected Garrett to announce his platform, as this was advertised as his opening speech. Garrett disappointed even his best friends. He offered no platform of any kind. His whole speech was an attack on you. He gave you credit for having an enormous lot of power, for he said you had removed Postmaster Shields before his 4-year term had expired. He also asserted that Mrs. Thelma Howard Bowen is a Republican. Please send me facts about these two assertions. I took down one thing Garrett said about his indebtedness, and I quote it word for word. Garrett said: "Some 5 or 6 years ago it was reported in my home county that I took bankruptcy. I had lost money; I owed $82,000; I called my creditors together and turned over everything to them, including my Eastland home, and I moved my family to my farm some mile and a half in the country." I happen to know that the reason Clyde Garrett kept his farm was because of its acreage, exempt from debts under the law and its possible oil value under it. I don't understand how any man still in debt can be spending so much money on a campaign. Where do you suppose he is getting it? Garrett owed a lot of money if he owed $82,000.

THE REPUBLICAN AND DEMOCRATIC POSTMASTERS AT SWEETWATER

The Republican postmaster, Mr. Dan Shields, took charge of the Sweetwater post office on March 31, 1931. He held it more than 4 full years. President Roosevelt was inaugurated on March 4, 1933. Instead of removing Shields immediately, as Republicans invariably do, he allowed Shields to remain postmaster until May 1, 1935, so that Shields held it from March 31, 1931, to May 1, 1935, more than 4 years.

PRESENT POSTMASTER WAS COMMENDED BY PRESIDENT WILSON

I wonder how many ladies in my district have a letter written to them by Mrs. Woodrow Wilson thanking them for selling a painting and donating it to President Wilson's campaign in 1912. I wonder how many have a letter from President Woodrow Wilson himself, written in 1912. The present Democratic postmaster, Mrs. Thelma Howard Bowen, is the proud possessor of such letters. Before her marriage she was Miss Thelma Howard. I quote the following from the Sweetwater Daily Reporter of April 10, 1935:

I have in my files a copy of a letter which in 1912 Mrs. Woodrow Wilson wrote Thelma Howard, then a little girl, addressing her as "My dear little friend", and thanking her for her action in selling a painting and sending the President the money as her contribution to the Democratic national campaign. She made an additional contribution in Woodrow Wilson's campaign fund, for in my files is a copy of the following letter written to her just after the election by President Woodrow Wilson, to wit:

TRENTON, N. J., *November 15, 1912.*

MISS THELMA HOWARD,
Sweetwater, Tex.

MY DEAR LITTLE FRIEND: I cannot tell you what gratification that it gives me that you should think of me. Your letter has given me a great deal of genuine pleasure, and I hope that as the years go on you will continue to feel that I am the sort of man you would like to support and keep as your friend.

Cordially and faithfully yours,

WOODROW WILSON.

The following will show how this present postmaster, Mrs. Thelma Howard Bowen, gave her money, her time, and her efforts in doing everything that it was possible for one woman to do in helping Franklin D. Roosevelt to be elected President in 1932, and no one has any just right to criticize President Roosevelt for appointing her:

ABILENE, TEX., *October 18, 1932.*

MRS. THELMA HOWARD BOWEN,
Box No. 786, Sweetwater, Tex.

DEAR MRS. BOWEN: As national Democratic campaign chairman for the Seventeenth Congressional District of Texas, I am appointing you as cochairman for Nolan County, to work with the Democratic county chairman as organizer for your county. We do this in recognition of the valuable services you have already rendered our cause, and we know that you will render some very efficient and valuable work for the Democratic Party between now and the November election. Mrs. John Perry, of Sweetwater, Tex., is a member of the executive committee for the Seventeenth Congressional District, and I would suggest that you get in touch with her and render her all assistance possible in the organization of Nolan County. It is the purpose of our executive committee to organize every precinct in every county, and for that purpose a woman's committee composed of a cochairman and two other members has been deemed advisable. I would suggest that you select two other workers to work with you as members of your committee and furnish me with the names of the coworkers.

Assuring you that we will appreciate any service that you can give us and with best regards,

Yours truly,

R. W. HAYNIE, *Chairman.*

An Erath County friend writes:

Hardin spoke to 4,000 people at the Stephenville barbecue at 11 a. m. May 30. Clyde Garrett spoke that afternoon on the courthouse lawn and, while a record crowd was in town, only about 150 people heard him. He presented no platform, but his entire speech was attacks on you. He disgusted his hearers. He had a man with him passing out cards showing that Garrett had held county offices practically all of his life. He said he would come back and bring some friends with him.

A splendid citizen who used to serve on my Eastland juries writes:

I enclose you a picture of a sign with "Garrett for Congress" placed over our courthouse door. What lawful right has Garrett to do this? I also enclose you a newspaper clipping showing that J. B. Hart, who was employed on January 26 as "assistant to county judge" at a salary of $75 per month, has had his salary increased to $100 per month, with increase dated back to begin April 15. Who ever heard of a "county judge assistant" before? That is something new. We taxpayers are paying for the time Garrett is absent campaigning over the district. I am glad you are on the job in Washington attending to your duties, so that we taxpayers don't have to pay for an "assistant Congressman." Clyde Garrett has had some pictures made with him coming down the Capitol steps at Washington and of his Sunday-school class, and has been trying to get the newspapers to publish them. He will learn that it is much easier to walk down the Capitol steps than to walk up. I believe also he will learn that it doesn't pay to try to mix religion with politics. He has been trying to get invitations to preach in pulpits and to speak in prayer meetings.

A friend from Fisher County a few weeks ago wrote:

Clyde Garrett filled the pulpit twice last Sunday. If he is trying to be elected on religion, there would be a hundred preachers in your district better qualified. I agree that a man in Congress ought to be religious, but he needs some other qualifications.

A few weeks ago a friend in De Leon wrote:

Clyde Garrett came to De Leon Thursday night and made a talk before the men's Bible class group.

A Sweetwater friend writes me:

Garrett gathered no moss here. The people expected a dignified discussion but heard only abuse and mudslinging. Garrett admitted that 5 years ago he owed $82,000 and turned over to his creditors all of his property except his farm. I guess it had potential oil value—why he picked it as exempt from debts. If he could get in debt $82,000 in Eastland, I am afraid to send him to Washington.

REFUSED TO ANSWER CONSTITUENTS

From Sweetwater, dated June 3, Mr. John F. Toland, whose address is 131 Alamo Street, writes:

When Mr. Clyde Garrett announced for Congress I wrote him on February 16, asking him to advise me whether or not he was supporting the Townsend plan. Mr. Garrett did not answer. On April 10 I wrote him another letter, asking for his Townsend

views, and this one he also ignored. When he spoke here last Friday night I found out why he ignored my letter. He is riding the fence. A man who straddles the fence before going to Congress will straddle it after getting there.

SECOND BRASS-BAND MOTORCADE

I have just received the following report:

The motorcade trip to Stephenville this afternoon was a complete failure, notwithstanding Garrett carried a brass band, a lady tap dancer, a lady poem reader, and his gang of boosters; very small crowds everywhere; those present showed disappointment and little interest, many leaving at each place before meeting was over. If Garrett went unaccompanied, he could not attract any attention anywhere. One man remarked, "Clyde couldn't get recognition in Washington, because he couldn't carry his brass band, tap dancer, and poem reader with him." It is becoming amusing about his "opening speech." He claims that he hasn't yet made it.

Another Eastland County friend writes:

Clyde Garrett and his "promoters" are becoming very active and are spending lots of money. Where it is coming from no one knows, as Garrett is broke. It must be outside money from somewhere. Clyde now has a new car, with complete sound amplifier equipment, and a large supply of numerous kinds of cards, posters, hat bands, stickers, and every kind of expensive campaign material imaginable. Somebody is furnishing him plenty of money. He has employed an expert newspaper man to advertise him.

You will learn of many ingrates when you get home. Your friend, R. E. Sikes, whom you put in a good job, is working overtime for Garrett. Tom Overbey, E. E. Wood, and V. V. Cooper to whom you were unusually kind, and had them appointed to handle the farm census, the main office of which you established at Eastland, are all fighting against you for Garrett.

Before July 25 comes I want you to furnish the people a statement showing all of the money you have caused to be expended in your district during the past 2 years. I know that it must be an immense sum. It will be an answer to the false charge your enemies are making that you haven't accomplished much.

Another letter just received advises:

Clyde Garrett is arranging to take his brass band and tap dancing side show accouterments on a trip to Moran, Albany, Lueders, Avoca, Stamford, Hamlin, and Fisher County. He is spending money like he was a millionaire. When 6 years ago Garrett owed $82,000 and had to give his property over to his creditors we cannot find out who is financing him.

Dr. Townsend's organizers have raised a big campaign fund to spend against you, but they have another candidate and wouldn't spend any of it on Clyde, as he double-crossed them, and they have had enough of him. While I heard that Hopson's eastern holding companies are spending money against you, because you voted for President Roosevelt's utility bill, I believe that none of the local utility companies in your district are unfriendly toward you, and I don't think they are fighting you.

Clyde Garrett has not yet announced a platform and has not yet made a single constructive proposal, but he and his henchmen are devoting all of their time in attacking and mudslinging you. The people generally are becoming disgusted with him and his malicious method of campaigning.

Mr. Speaker, I have many scores of letters similar to the ones I have quoted. I am nearly 2,000 miles away from my district. It is not fair or just that others should finance campaigns against me and then have their candidate in my absence misrepresent my record and the facts. I am a part of this Democratic administration, and the things for which I am being attacked are a part of the business of said Democratic administration which it has sanctioned and approved, and in its defense I have the right to give the facts as they exist and not allow anyone to mislead my constituents by misrepresentations.

HAVE STOOD AGAINST WASTE AND EXTRAVAGANCE

No man in Congress will deny that I have uncompromisingly fought against all waste and all extravagance, and all will admit that I have fought always for a balanced Budget. When I am unjustly attacked I have the right to let my constituents know what those in authority here say about my work. Congressman CLARENCE CANNON, of Missouri, who is the chairman of the committee that handles appropriations for the Department of Agriculture, who is the author of the Revised Rules and Precedents in 12 volumes, who is one of the greatest parliamentarians who has ever served in the House of Representatives, and who will be parliamentarian for the National Democratic Convention at Philadelphia, said the following (CONGRESSIONAL RECORD):

Mr. CANNON. Mr. Chairman, no reference to the personnel of this Congress would be complete without mention of the other of the two brilliant Texans to whom I have just referred. It has been my privilege to serve in various capacities on the floor of this House for 23 years this month. In that time I have observed no Member who has rendered abler or more conscientious service than the gentleman from Texas, Judge BLANTON. In the legislation which he has supported, in the legislation which he has opposed, and especially in the vast sums of money which he has saved the Federal Treasury, no Member of the House in the last quarter of a century has surpassed the wise and courageous and resourceful gentleman from Texas [THOMAS L. BLANTON]. [Applause.] And speaking in behalf of the people of my State—and expressing, I am certain, the sentiments of those of every other State in the Union—I desire to thank the citizens of the Seventeenth District of Texas for sending Judge BLANTON here and keeping him here all these years. His services to the House and to the country have been invaluable. [Applause.]

STATEMENT OF HON. CRANDAL MACKEY, FORMERLY COMMONWEALTH ATTORNEY OF VIRGINIA

BLANTON has blocked more bad legislation than any other Member. Nothing escapes his vision.

He has put through more good legislation than any other Member.

BLANTON is always in his seat when Congress opens. He is always first to arrive at a committee meeting, and always knows, to the greatest detail, every matter that comes up for consideration.

There is no man in Congress more familiar with parliamentary laws, practices, and procedure, and BLANTON uses this knowledge often with surprising results. BLANTON knows more ways for obstructing and defeating bad legislation than any Member of the House. His achievements along that line would fill a big book. He is the terror of the Treasury raider.

With BLANTON everything is open and aboveboard. With him candor is the courage of the soul. To know him is to hold him in the highest esteem and respect. Few men in public life are as unselfishly working for the good of others. His example is exalting and inspiring to those who seek honesty and purity in public and private life. His influence in Congress has steadily grown until he is now one of its most powerful leaders.

WHAT BLANTON'S WORK HAS MEANT TO HIS DISTRICT

As requested by my constituent, I am going to mention some of the things I have secured for my district.

POST-OFFICE BUILDINGS

I have had new post-office buildings constructed at Sweetwater, Coleman, Cisco, Abilene, and Breckenridge. I have secured a new post-office building for Eastland, with site purchased, and contracts now being let for construction. I got obstacles removed that were holding back a building for Stephenville, which Congressman LANHAM had gotten authorized, and have had that new post-office building constructed at Stephenville. I have had appropriated the money for a site and new post-office building at Ranger, with all preliminaries cleared, and construction on the Ranger building is to be started this summer as soon as site is purchased. I have had Hamilton approved for a new post-office building and placed next in line to receive same. No other congressional district in the United States has received more buildings than mine.

SOLDIERS' BONUS

This was not a bonus, but adjusted pay. For fighting in foreign trenches our American soldiers received only $33 per month, while some men who stayed at home and worked in shipyards got as high as $33 per day. I helped to pass the law to adjust the soldier's pay, called the bonus, and allowed him an extra $1 per day for home service and $1.25 per day for foreign service. I helped to pass the law allowing him to borrow one-half of his certificate. I helped WRIGHT PATMAN to pass the law to pay these certificates, so that the soldiers would get the benefit of them before they died. I helped to pass the bill three times over the President's veto. We paid everybody else after the war in cash except the soldier. I voted to give him his rights.

Gen. Frank T. Hines, Administrator of Veterans' Affairs, has just furnished me with the following amounts that have been paid to World War and Spanish-American War veterans in my district by counties.

CALLAHAN COUNTY

World War Veterans and their dependents in Callahan County have received on loans and bonds $330,237, on certificates matured by death $21,878, on adjusted-service and dependent pay $4,565, on compensation and emergency officers' retired pay $264,697, on military and naval insurance $166,727, and to Spanish-American War veterans $62,648, making a total paid in Callahan County of $850,752.

COMANCHE COUNTY

World War veterans and their dependents in Comanche County have received on loans and bonds $466,882, on certificates matured by death $30,931, on adjusted-service and dependent pay $6,454, on compensation and emergency officers' retired pay $374,223, on military and naval insurance $235,715; and to Spanish-American War veterans $88,571; making a total paid in Comanche County of $1,202,776.

EASTLAND COUNTY

World War veterans and their dependents in Eastland County have received on loans and bonds $868,490, on certificates matured by death $57,538, on adjusted-service and dependent pay $12,005, on compensation and emergency officers' retired pay $696,126, on military and naval insurance $438,475; and to Spanish-American War veterans $164,759; making a total paid in Eastland County of $2,237,393.

ERATH COUNTY

World War veterans and their dependents in Erath County have received on loans and bonds $526,358, on certificates matured by death $34,871; on adjusted-service and dependent pay $7,276, on compensation and emergency officers' retired pay $421,895, on military and naval insurance $265,743; and to Spanish-American War veterans $99,854; making a total paid in Erath County of $1,355,997.

FISHER COUNTY

World War veterans and their dependents in Fisher County have received on loans and bonds $351,203, on certificates matured by death $23,267, on adjusted-service and dependent pay $4,855, on compensation and emergency officers' retired pay $281,502, on military and naval insurance $177,312; and to Spanish-American War veterans $66,626; making a total paid in Fisher County of $904,765.

HAMILTON COUNTY

World War veterans and their dependents in Hamilton County have received on loans and bonds $347,188, on certificates matured by death $23,001, on adjusted-service and dependent pay $4,799, on compensation and emergency officers' retired pay $278,284, on military and naval insurance $175,285; and to Spanish-American War veterans $65,864; making a total paid in Hamilton County of $894,421.

JONES COUNTY

World War veterans and their dependents in Jones County have received on loans and bonds $616,463; on certificates matured by death, $40,841; on adjusted-service and dependent pay, $8,522; on compensation and emergency officers' retired pay, $494,118; on military and naval insurance, $311,234; and to Spanish-American War veterans, $116,947, making a total paid in Jones County of $1,588,125.

NOLAN COUNTY

World War veterans and their dependents in Nolan County have received on loans and bonds $502,121; on certificates matured by death, $33,266; on adjusted-service and dependent pay, $6,941; on compensation and emergency officers' retired pay, $402,469; on military and naval insurance, $253,506; and to Spanish-American War veterans, $95,256, making a total paid in Nolan County of $1,293,559.

PALO PINTO COUNTY

World War veterans and their dependents in Palo Pinto County have received on loans and bonds $446,215; on certificates matured by death, $29,562; on adjusted-service and dependent pay, $6,168; on compensation and emergency officers' retired pay, $357,657; on military and naval insurance, $225,281; and to Spanish-American War veterans, $84,650, making a total paid in Palo Pinto County of $1,149,533.

SHACKELFORD COUNTY

World War veterans and their dependents in Shackelford County have received on loans and bonds $173,668; on certificates matured by death, $11,506; on adjusted-service and dependent pay, $2,401; on compensation and emergency officers' retired pay, $139,201; on military and naval insurance, $87,680; and to Spanish-American War veterans, $32,946, making a total paid in Shackelford County of $447,402.

STEPHENS COUNTY

World War veterans and their dependents in Stephens County have received on loans and bonds, $425,696; on certificates matured by death, $28,203; on adjusted-service and dependent pay, $5,885; on compensation and emergency officers' retired pay, $341,210; on military and naval insurance, $214,921; and to Spanish-American War veterans, $80,757; making a total paid in Stephens County of $1,096,672.

TAYLOR COUNTY

World War veterans and their dependents in Taylor County have received on loans and bonds, $1,031,156; on certificates matured by death, $68,315; on adjusted-service and dependent pay, $14,254; on compensation and emergency officers' retired pay, $826,509; on military and naval insurance, $520,600; and to Spanish-American War veterans, $195,617; making a total paid in Taylor County of $2,656,451.

GOOD ROADS MEAN EVERYTHING TO FARMERS

Every citizen of my district knows of the tremendous amount of Federal money I have secured for the highways in the counties of my district since March 1917. I have just secured from the Bureau of Public Roads the following data showing what has been done in my district only during the past 2 years:

Summary, by counties, of highway and grade-crossing projects programed since July 1, 1933, as of May 31, 1936

County	Estimated total cost	Federal funds	Miles
Callahan	$50,688	$50,379	7.7
Comanche	498,237	340,362	39.8
Eastland	323,400	320,464	18.6
Erath	368,749	324,812	34.8
Fisher	275,456	267,532	17.5
Hamilton	120,883	118,064	9.4
Jones	57,713	54,864	17.8
Nolan	174,522	174,514	10.5
Palo Pinto	229,427	211,739	15.8
Shackelford	24,643	23,561	3.3
Stephens	61,589	61,589	6.0
Taylor	477,333	427,044	17.8
Total	2,662,640	2,374,924	199.0

Highway and grade crossings May 31, 1936

	Estimated total cost	Federal funds	Miles
Programed, plans not yet approved	$317,064	$228,564	19.2
Plans approved, not under construction	344,533	329,511	29.6
Under construction	728,381	643,460	39.5
Completed	1,272,662	1,173,389	110.7
Total	2,662,640	2,374,924	199.0

LOANS TO HOME OWNERS

Up to May 7, 1936, loans to home owners in Texas had saved 44,343 families from being dispossessed of their homes. My office data furnished me by the Home Owners' Loan Corporation only covers the period up to January 2, 1936, and the following loans had been made in my 12 counties up to that date:

Loans closed

County	Number	Amount
Callahan	51	$73,355
Comanche	15	15,560
Eastland	125	203,179
Erath	40	60,505
Fisher	16	28,889
Hamilton	8	8,276
Jones	90	170,632
Nolan	165	349,547
Palo Pinto	52	96,163
Shackelford	15	21,406
Stephens	27	34,522
Taylor	463	1,073,217

LOANS BY THE RECONSTRUCTION FINANCE CORPORATION

Mr. Speaker, loans timely made by the Reconstruction Finance Corporation saved many banks from closing, saved and reopened many closed banks, saved many building and loan associations in which people had their savings of many years tied up, and prevented many mortgage-loan companies from failing, which would have meant disaster to many people. I have secured from Hon. Jesse H. Jones, Chairman,

authentic data respecting the amount of loans made in the counties of my district from February 2, 1932, to May 27, 1936. I am proud of the fact that Hamilton County is one of the very few in the entire United States which did not have a single loan made to it. I show now what my other counties received:

CALLAHAN COUNTY

Loans under section 5, authorized $25,500, disbursed $18,895.97; on assets of closed banks, authorized $11,000, disbursed $11,000; on preferred stocks, authorized $25,000, disbursed $24,875; purchasing capital notes, authorized $37,500, disbursed $12,500.

COMANCHE COUNTY

Loans under section 5, authorized $40,000, disbursed $40,000; on preferred stocks, authorized $25,000, disbursed $25,000; purchasing capital notes, authorized $35,000, disbursed $10,000.

EASTLAND COUNTY

Loans under section 5 authorized $361,015.43, disbursed $340,935.42; industrial or commercial business, authorized $8,000; on preferred stocks, authorized $25,000, disbursed $25,000; purchasing capital notes, authorized $58,000, disbursed $28,000.

ERATH COUNTY

Purchases of capital notes: Authorized $15,000, disbursed $15,000.

FISHER COUNTY

Loans under section 5: Authorized $67,574.45, disbursed $66,861.50; on preferred stocks, authorized $20,000; disbursed $20,000; purchasing capital notes, authorized $15,000, disbursed $15,000.

JONES COUNTY

Loans under section 5: Authorized $176,000, disbursed $176,000; on preferred stocks, authorized $100,000, disbursed $75,000; purchasing capital notes, authorized $25,000.

NOLAN COUNTY

Loans under section 5: Authorized $130,000, disbursed $85,730.25; purchasing capital notes, authorized $100,000, disbursed $100,000.

PALO PINTO COUNTY

Subscriptions for preferred stock: Authorized $25,000, disbursed $25,000.

SHACKELFORD COUNTY

Loans under section 5: Authorized $34,000, disbursed $33,694.43.

STEPHENS COUNTY

Subscriptions for preferred stocks: Authorized $75,000, disbursed $75,000.

TAYLOR COUNTY

Loans under section 5: Authorized $130,500, disbursed $129,924.25; on preferred stocks, authorized $200,000, disbursed $100,000; purchasing capital notes, authorized $25,000, disbursed $25,000.

HELP FROM FEDERAL HOUSING

Mr. Speaker, I have secured from Hon. Stewart McDonald, Administrator, the amount of activities of the Federal Housing Administration in the 12 counties of my district, which I show, as follows:

County	Modernization notes insured through Apr. 30, 1936		Mortgages accepted for insurance through Mar. 31, 1936	
	Number	Amount	Number	Amount
Callahan	30	$7,361.26		
Comanche	57	30,145.84	1	$1,200
Eastland	303	70,655.39	2	2,338
Erath	81	31,367.82		
Fisher	17	3,804.00		
Hamilton	69	44,477.97	3	6,990
Jones	57	19,636.94		
Nolan	160	36,972.91	2	5,400
Palo Pinto	83	32,060.97	3	6,950
Shackelford	18	9,742.00		
Stephens	130	27,629.39		
Taylor	102	36,899.19	7	17,895
Total	1,107	350,753.68	18	40,773

I have secured, Mr. Speaker, from Hon. Lyndon B. Johnson, State director, the amount of funds expended by the National Youth Administration in my district, which I show by counties:

June 1935 to June 1936

County	High-school aid	College aid		Work projects	Total
		Institution	Amount		
Callahan	$1,254			$1,349	$2,603
Comanche	918			1,200	2,118
Eastland	4,588	Randolph Junior	$1,350	2,494	10,457
		Ranger Junior	2,025		
			3,375		
Erath	2,244	John Tarleton Agricultural	11,475	464	14,183
Fisher	1,170			720	1,890
Hamilton	2,424			1,047	3,471
Jones	2,280			628	2,908
Nolan	2,646			4,050	6,696
Palo Pinto	2,946			1,852	4,798
Shackelford	972			220	1,192
Stephens	1,620			678	2,298
Taylor	5,130	Abilene Christian	9,315	2,986	31,966
		Hardin-Simmons	8,100		
		McMurry	6,210		
		Graduate (Hardin-Simmons)	225		
			23,850		
Total	28,192		38,700	17,688	84,580

FEDERAL RELIEF IN MY 12 COUNTIES

Mr. Speaker, I have secured from Hon. Harry Hopkins the amounts expended for Federal relief in my district from April 1933 to December 1935, which I show by counties: Callahan County, $155,620; Comanche County, $122,122; Eastland County, $591,223; Erath County, $230,588; Fisher County, $186,706; Hamilton County, $141,616; Jones County, $177,524; Nolan County, $222,879; Palo Pinto County, $298,703; Shackelford County, $66,487; Stephens County, $152,181; and Taylor County, $502,623.

CIVIL WORKS EXPENDITURES IN MY DISTRICT

I have secured, Mr. Speaker, the following amounts of Federal funds for Civil Works projects in my district: Callahan County, $48,504.23; Comanche County, $70,827.45; Eastland County, $223,428.49; Erath County, $106,531.77; Fisher County, $54,725.71; Hamilton County, $66,355.67; Jones County, $46,232.95; Nolan County, $133,829.42; Palo Pinto County, $145,397.08; Shackelford County, $47,143.76; Stephens County, $89,918.50; Taylor County, $204,770.45. It will be noted, Mr. Speaker, that while Jones County received the least for public works, it received $1,430,000 to its farmers on agricultural payments, which was far more than any other county in my district received.

WORKS PROGRESS EXPENDITURES

The approved cost, Mr. Speaker, to be paid for by Federal funds for projects in my district, furnished by the Works Progress Administration, are: Callahan County, $71,796; Comanche County, $48,960; Eastland County, $253,868; Erath County, $201,214; Fisher County, $69,434; Hamilton County, $60,207; Jones County, $83,003; Nolan County, $141,554; Palo Pinto County, $296,846; Shackelford County, $28,996; Stephens County, $67,005; Taylor County, $213,453.

ALLOTTED UNDER N. I. R. A.

The following Federal projects have been allotted under N. I. R. A.: Callahan County, $51,500; Comanche County, $14,346; Eastland County, $26,000; Erath County, $114,048; Fisher County, $61,553; Hamilton County, $29,039; Jones County, $13,917; Palo Pinto County, $37,000; Shackelford County, $26,000; Taylor County, $63,500. There is now under construction an allotment of $62,600 to Erath County, and there has been completed an allotment of $79,200 to Stephens County.

FOR NON-FEDERAL PROJECTS

There has been allotted by N. I. R. A. and E. R. A. on non-Federal projects through February 1936 to Callahan County $45,454; Comanche County, $5,727; Erath County,

$109,091; Jones County, $242,727; Nolan County, $335,154; Palo Pinto County, $226,203; Shackelford County, $33,909; Taylor County, $7,363.

ASSISTANCE BY RESETTLEMENT ADMINISTRATION

I have had verified, Mr. Speaker, by Hon. R. G. Tugwell, Administrator, the amounts of loans, grants, and adjustments made in my district by his Resettlement Administration, and I give the correct amounts by counties:

Total loans by Resettlement Administration (as of May 11, 1936)

County	Number of farmers to whom loans have been made	Amount of approved loans	Unpaid balance
Callahan	345	$78,964.16	$34,000.19
Comanche	189	54,259.77	19,313.94
Eastland	340	149,424.15	51,725.76
Erath	275	75,919.74	26,471.43
Fisher	207	85,761.17	28,829.69
Hamilton	115	40,802.89	13,680.48
Jones	143	55,935.59	19,165.57
Nolan	192	46,673.85	18,467.61
Palo Pinto	124	49,003.35	13,629.78
Shackelford	27	8,087.07	3,287.60
Stephens	44	11,854.99	4,685.27
Taylor	165	55,454.59	21,057.28
Total	2,200	712,141.32	254,314.60

Total grants (as of May 11, 1936)

County	Number of farmers to whom grants have been made	Amount of grants made
Callahan	167	$9,667.00
Comanche	118	6,387.00
Eastland	236	14,060.75
Erath	139	6,853.00
Fisher	65	3,775.00
Hamilton	119	5,735.00
Jones	57	2,919.00
Nolan	111	6,426.00
Palo Pinto	34	2,575.00
Shackelford	32	1,870.00
Stephens	26	1,386.00
Taylor	95	4,958.00
Total	1,199	66,611.75

Total farm-debt-adjustment cases (as of May 1, 1936)

County	Total number of cases	Cases adjusted	Original indebtedness	Debt reduction	Taxes paid	Number of acres affected
Callahan	11	9	$26,434	$10,614	$658	1,071
Comanche	15	1	1,400			266
Eastland	15	14	4,574	2,039		1,072
Erath	40	28	66,020	19,053	3,390	5,844
Fisher	22	11	30,525	90	2,991	1,945
Hamilton	11					
Jones	18	8	33,765	2,240		1,430
Nolan	15	5	20,745	20	631	692
Palo Pinto	5	3	406		56	150
Shackelford	9	2	7,385	1,693	222	369
Stephens	2					
Taylor	30	18	53,142	8,168	3,143	5,046
Total	193	99	244,396	43,917	11,091	17,885

AGRICULTURAL HELP TO FARMERS IN MY DISTRICT

I have secured, Mr. Speaker, from Hon. Henry A. Wallace, Secretary of Agriculture, the amount of rental and benefit payments made to farmers in my district on cotton, wheat, corn-hogs, and peanuts, and to stockmen on cattle, sheep, and goats to March 31, 1936, which I give by counties, namely:

CALLAHAN COUNTY

Payments on cotton, $257,920; wheat, $22,231.63; corn-hogs, $18,687.12; peanuts, $7,677.24; cattle, $125,758; sheep, $4,068; goats, $410.20; total in Callahan County, $436,215.89.

COMANCHE COUNTY

Payments on cotton, $265,833.64; wheat, $22,482.58; corn-hogs, $55,379.91; peanuts, $66,305.36; cattle, $130,504; sheep, $11,016; goats, $3,649.80; total in Comanche County, $555,171.29.

EASTLAND COUNTY

Payments on cotton, $116,957.06; corn-hogs, $37,566.12; peanuts, $51,503.98; cattle, $128,940; sheep, $106; goats, $450; total in Eastland County, $335,523.96.

ERATH COUNTY

Payments on cotton, $287,614.21; corn-hogs, $28,293.90; peanuts, $12,335.34; cattle, $146,220; sheep, $6,526; goats, $1,218; total in Erath County, $482,207.45.

FISHER COUNTY

Payments on cotton, $954,097.55; corn-hogs, $13,275.53; cattle, $103,478; sheep, $4,922; total in Fisher County, $1,075,773.08.

HAMILTON COUNTY

Payments on cotton, $304,834.14; wheat, $4,122.47; corn-hogs, $13,909.79; cattle, $101,859; sheep, $10,808; goats, $2,219; total in Hamilton County, $437,752.40.

JONES COUNTY

Payments on cotton, $1,317,770.82; wheat, $11,830.50; corn-hogs, $24,199.56; peanuts, $2,630.60; cattle, $71,423; sheep, $2,154; total in Jones County, $1,430,008.48.

NOLAN COUNTY

Payments on cotton, $483,080.61; wheat, $5,746.40; corn-hogs, $7,520.81; cattle, $108,658; sheep, $31,900; goats, $4,041.80; total in Nolan County, $640,947.62.

PALO PINTO COUNTY

Payments on cotton, $79,799.37; wheat, $4,349.18; corn-hogs, $29,797.53; peanuts, $796.14; cattle, $92,861; sheep, $1,118; goats, $399; total in Palo Pinto County, $209,120.22.

SHACKELFORD COUNTY

Payments on cotton, $77,784.25; wheat, $8,545.33; corn-hogs, $4,778.90; cattle, $82,035; sheep, $5,662; total in Shackelford County, $178,805.48.

STEPHENS COUNTY

Payments on cotton, $33,337.81; wheat, $12,637.08; corn-hogs, $11,540.13; peanuts, $1,408.20; cattle, $81,773; sheep, $2,814; total in Stephens County, $143,510.22.

TAYLOR COUNTY

Payments on cotton, $874,203.32; wheat, $16,736.09; corn-hogs, $28,038.45; cattle, $144,150; sheep, $11,534; goats, $1,103.20; total in Taylor County, $1,075,765.06.

EMERGENCY CROP AND DROUGHT LOANS TO FARMERS

Mr. Speaker, I have had Gov. W. I. Myers give me the correct amounts that have been loaned to farmers in my district between January 1, 1933, and September 30, 1935, and I show same by counties: Callahan County crop and feed loans to 659 farmers $45,925, drought loans to 67 farmers $4,887; Comanche County crop and feed loans to 847 farmers $64,675, drought loans to 448 farmers $49,032; Eastland County crop and feed loans to 1,137 farmers $84,245, drought loans to 182 farmers $12,167; Erath County crop and feed loans to 346 farmers $22,809, drought loans to 861 farmers $82,499; Fisher County crop and feed loans to 1,056 farmers $145,832, drought loans to 430 farmers $46,446; Hamilton County crop and feed loans to 217 farmers $19,190, drought loans to 363 farmers $39,508; Jones County crop and feed loans to 781 farmers $92,310, drought loans to 206 farmers $18,457; Nolan County crop and feed loans to 545 farmers $66,260, drought loans to 234 farmers $61,630; Palo Pinto County crop and feed loans to 121 farmers $7,275, drought loans to 81 farmers $6,796; Shackelford County crop and feed loans to 124 farmers $10,625, drought loans to 24 farmers $1,698; Stephens County crop and feed loans to 383 farmers $28,410, drought loans to 36 farmers $3,295; Taylor County crop and feed loans to 33 farmers $34,040, drought loans to 95 farmers $10,465. Mr. Speaker, I feel sure the farmers of my district appreciate this timely help from the Government.

SOIL CONSERVATION

In demonstration work the Soil Conservation Service has expended $117,764.64 on farms in my district. During the coming year I have been promised a C. C. C. camp for Fort Griffin, to improve the park there; a camp for Cisco, to improve their lake park; and a camp for Comanche County, which I am hoping to have located at De Leon.

SPLENDID WORK DONE BY C. C. C. CAMPS

The camp at Mineral Wells, the one at Stephenville, the one at Buffalo Gap, and the one at Sweetwater have all done splendid work. I have not been able to get the amounts of Federal funds expended on these camps, but it amounts to quite a large sum.

ADMINISTERED BY PRESIDENT OF THE UNITED STATES

All of the money spent under all of the foregoing activities were administered by the President of the United States as the Chief Executive of the Nation. He selected his own agents, who employed every official. He wanted to keep the matter out of politics, hence selected his own agents and employees. Congressmen had nothing whatever to do with selecting employees. All of us realize that there have been waste and extravagance. It is the result of men in whom the President placed confidence not being loyal to him. The President had to depend upon the advice of Governors and of high party officials in the States in selecting his personnel, and with such a large army of employees it is but natural that there was waste.

MUST GET BACK TO NORMALCY

We must get back to normal conditions, quit spending money, and balance the Budget. As one member of the Committee on Appropriations, I pledge my best efforts in the next Congress, should I be reelected, of fighting against all wasteful money spending, and balancing the Budget. While I did not agree with much of the spending that has gone on during the past 3 years, I did see to it that my constituents in my 12 counties received their fair share of all money expended.

THE LATE ROBERT M. LA FOLLETTE

Mr. WITHROW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered on June 14, 1936, at the grave of the late Senator Robert M. LaFollette, at Madison, Wis., by by colleague the gentleman from Wisconsin [Mr. SAUTHOFF].

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WITHROW. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered June 14, 1936, at the grave of the late Robert M. La Follette, at Madison, Wis., by Representative HARRY SAUTHOFF, of the Second Congressional District of Wisconsin:

Mr. Chairman, ladies, and gentlemen, I deem it a real privilege and an honor to have been chosen to speak on this occasion. I do so with no hope of adding anything of value to what has gone before, but with a profound feeling of gratitude that I should be permitted to render service, however humble, to this cause. I appreciate that any mere words of mine are rather futile to adequately express the great life to which we here do reverence and the noble cause to which this man dedicated that life. The subject of our meeting and all that he stood for merits our attention, and that attention should be devoted to remembrance of him and his cause for the older generation and instruction and inspiration for the younger generation. Nothing we can do here will add one single solitary thing to him or the great progressive principles, but in assembling here and paying this tribute and in recalling the great cause for which he fought all through his eventful life we do honor to ourselves.

EARLY YEARS

Eighty years ago today our departed friend was born in the humblest of surroundings, of sturdy pioneer stock, reared on a farm at a time when farmers were truly "hewers of wood and drawers of water." At an early age he knew what it was to trudge through the rain and the snow and the wintry blasts to district school, to saw and split wood, to haul water, to care for the stock, and do the thousand and one chores which are necessary on a farm. He knew what it was to plant the seed, hopes, and aspirations of a growing crop, and the joy and satisfaction of a harvest realized. He knew the dire necessity of poverty, the scarcity of money, and the self-denial of deprivation—all these things made him a son of the soil, kept him close to the common people, a human touch that endeared him to everyone and which he never lost up to the day of his death. No matter what great honors were bestowed upon him, and he received everything it was in our power to give him; no matter how wide his fame spread, and it became international, the common people were still just Tom and Bill and John to him, and he was still Bob to them. Pretense and hypocrisy and sham had no part in this man's life, and they were so foreign to his nature that even when worn by others they dropped away in his presence. This is one of the real tests of a strong character.

EDUCATION

His struggle for an education was no less difficult than the earlier struggles on the farm. Of slight stature, he taxed his physical strength to the utmost to pursue his studies. As a student at our State university his record was an exceptional one. He not only achieved marked distinction in his academic work but as an orator won first place as a representative of the university in the State collegiate oratorical contest, and as a representative of Wisconsin again won first place in the interstate contest held in Iowa. This achievement gave him considerable prominence and made him a hero among his fellow students. When he had finished his academic work he took up law, teaching district school while pursuing his law studies. In 1880 he was admitted to the bar and decided to run for the office of district attorney for Dane County. As he himself says in his autobiography: "I was as poverty stricken a young lawyer as ever hung his shingle to the wind. I had no money, but as fine an assortment of obligations and ambitions as any young man ever had."

PUBLIC LIFE

Opposed by the political bosses, who considered this young man an upstart, our friend began that long fight against boss rule and machine politics which he waged relentlessly until death stilled his hand and silenced his tongue. His record as district attorney for Dane County was such an outstanding one that he was reelected without opposition to succeed himself.

At the age of 29 years Bob La Follette became a Member of the House of Representatives, in which body he served with distinction for 6 years. The experience at Washington confirmed his impression that bossism and machine politics control public office and public officials and that this control was used for special privilege and not for the public welfare. He felt deeply that public office was an opportunity for public service and not a license for private profit. It was during his last term in the House that Bob La Follette drew Nation-wide attention to himself in a masterful address on the tariff, which he delivered in reply to the speech of Minority Leader John G. Carlisle, a great Kentuckian, who later became Secretary of the Treasury. As a result of this speech, he was placed on the powerful Ways and Means Committee, the most important committee in the House.

FIGHT FOR REPRESENTATIVE GOVERNMENT

There now began the long struggle with bossism and machine politics that put the iron into La Follett's soul. For 8 long years he fought ceaselessly, tirelessly, and persistently to take the control of public affairs from the hands of self-seeking politicians and put it where it belonged—into the hands of the people. He had unerring faith and confidence in the honesty and integrity of the great mass of people if they could only be informed. La Follette knew that machine control is based upon misrepresentation and ignorance. Democracy is based upon knowledge. It is of first importance that the public shall know about their Government and the work of their public servants.

"Ye shall know the truth and the truth shall make you free." This he always believed vital to self-government. He realized more than any other man in public life in our State that the great avenues of public information were owned and controlled by special interests that misrepresented the facts to the people in order to serve their own selfish interests. To free the great mass of our people from this type of dominance and to let them see clearly and to think out their own problems, La Follette canvassed the State morning, noon, and night, speaking to the people everywhere—on the streets, in the country stores, in the fields—giving them the facts and showing them the true situation. A candidate for Governor in '96 and '98 he saw his delegates taken from him through bribery and corruption, which was done so openly and flagrantly that the people finally swept him into office overwhelmingly in 1900. We now find our friend in the highest position of power and influence in the State, but still fought ruthlessly and relentlessly by those who had received special favors under every administration.

POLITICAL REVOLT

Let me point out for a moment the political movements that culminated in 1900 with the election of La Follette for Governor. Wisconsin political life was dominated by two great interests—the railroads and the lumber barons. They elected Governors, legislators, judges, and county officials, and they elected only those who served their selfish interests best. There had been an uprising against this dominance some 30 years before, known as the Granger movement, which was a protest against railroad dominance. The sturdy New England pioneer and those who had come from Northern Europe and settled in Wisconsin thought as they plowed and they reasoned out that all their labors and their hardships went for naught, because the railroads controlled the transportation of their products. This uprising led to the election of one of their number, a farmer, in 1874, as Governor. Governor Taylor attempted to regulate the railroads, but his authority and that of the State was defied by Alexander Mitchell, president of the Chicago, Milwaukee & St. Paul Railroad Co., who made the brazen statement: "They now have their judgment; let's see them enforce it."

All of the great resources of special privilege were now thrown into the fight, and Governor Taylor, a broken man, was relegated to oblivion, yet he has left a far more commendable name and record than those who opposed him.

Some years later, another pioneer stepped into the arena to cross swords with these powerful forces, a simple, direct, earnest, and sincere man, who struggled valiantly for many years against overwhelming odds.

"Plain, modest, without guile, patient, lovable, tender-hearted, his whole life was so simple, so unselfish, so humble, that he was sometimes underrated. He feared nothing except to do wrong. He made his way indifferent to abuse and misrepresentation."

In writing the Wisconsin history of Progressivism, the name of Assemblyman A. R. Hall must stand high in the list of those leaders who are men of strong convictions, courageous in maintaining those convictions, and undaunted in defeat. All honor to Governor Taylor and to Assemblyman Hall for their brave struggle against overwhelming odds.

COMING OF LA FOLLETTE

But, in 1900, there came a new leader into power—a man endowed with all the gifts that the gods could bestow upon him—a winning, charming, magnetic personality, a brilliant, keenly analytical mind, an inexhaustible energy for ceaseless labors, an unassailable integrity of character, a private and a public life without a blemish, not even a suspicion, a dogged persistence that never recognized defeat, matchless in oratory and debate, Bob La Follette, almost single-handed, conquered all the great forces of special privilege arrayed against him. His achievement is, I think, without parallel in any State of our Union.

Robert M. La Follette was Governor for 5 years, resigning to become United States Senator, and during his term as Governor there was written into Wisconsin law a record of legislative achievement that left an indelible influence on the people of our State. He rallied about him every earnest and sincere man and woman who was willing to devote himself and his energies to the public welfare. His slogan was:

"The will of the people shall be the law of the land." His dominant political philosophy is best contained in two sentences which he himself uttered:

"Shall government be for the benefit of private interests or shall government be for the benefit of the public interests? This is the simple issue involved in the present conflict in the Nation."

PROGRESSIVE LEGISLATION

Three times La Follette was elected Governor of the State of Wisconsin and after that four times to the United States Senate where he was serving at the time of his death. As Governor of Wisconsin and leader of the great progressive movement, he championed those political reforms which made Wisconsin the most forward-looking State in the Union, and later, as a Member of the United States Senate, he strove mightily to translate his ideas for social justice into the statutes of the United States. As Governor he achieved the antipass law, the taxation of corporation property based on true values, the regulation of railroad rates by a commission, now known as the public service commission, an inheritance-tax law, and a graduated income-tax law. One of the hardest fights waged for years and finally to a successful conclusion, was his effort to wipe out the old caucus and convention system and restore popular government into the hands of the people. He, therefore, promoted the primary election law, the first law of this kind to be proposed in this country. It was bitterly contested. After 10 years of struggle it was passed and a stringent corrupt practices act to prevent the use of corrupt money in elections was also undertaken and passed, and a companion act providing for the registration of all lobbyists, specifying the character of their employment and by whom employed.

La Follette was always interested in the protection of labor, and it was largely through his efforts that Wisconsin passed a law creating an industrial commission. Child labor, specified hours for women workers, unfair competitive practices have all been carefully legislated about in the State of Wisconsin. I also wish to refer briefly to some of the great constructive pieces of legislation he championed and succeeded in enacting into law in the United States Senate. Among these measures may be mentioned the Hours of Service Act, which made it unlawful for any common carrier to permit an employee to remain on duty for a longer period than 16 consecutive hours, the Employers' Liability Act, which abrogates or modifies the common-law defenses in personal-injury actions as to (1) negligence of fellow servants, (2) contributory negligence and assumption of the risk, and (3) introduces the rule of comparative negligence; the Railroad Valuation Act, seeking to establish a fair valuation of all property owned and used by common carriers; the Seamen's Act, which delivered this helpless class of laborers from industrial serfdom. In April 1922 Senator La Follette secured the adoption of the resolution for the oil investigations which finally resulted in the restoration to the Government of at least $100,000,000 worth of public property.

WORLD WAR

I must now refer to that trying period which tested his courage to the utmost—the spring of 1917. I never think back upon that period but what there rises before me like a dream the vision of his lonely figure standing out fearlessly against a war-maddened world. I can see the four horsemen of the Apocalypse spreading death and destruction in their path, with their frenzied steeds charging iron-shod and stained with blood across an entire continent, and this lonely figure standing directly in their path, attempting to stem their frenzied stampede. When the World War broke out in Europe President Wilson declared a policy of neutrality which was adhered to according to the strict letter of the law by the then Secretary of State, the late William Jennings Bryan. As the war waxed fiercer, more and more supplies were needed which meant enormous profits to certain industries in this country. A great trade sprang up and an artificial prosperity brought into bloom, but what a tragic prosperity. For every dollar of profit made out of that bloody traffic it has cost $100 since. For every millionaire created we sacrificed the lives of three American boys. It was not worth it.

In 1915 Secretary of State Lansing protested to President Wilson that our policy of neutrality was embarrassing the business interests of this country and that we ought to be less stringent in regard to financing the allied powers. As a result loans were floated on this side of the Atlantic to finance France and England, and in consequence we had ceased to be neutrals. La Follette saw this clearly and fought against it, but in vain. Through propaganda spreading false information, many people were deceived, and the newspapers of the Nation failed to present the people with the true facts. As soon as our money went into the war on the side of the Allies it was merely a matter of time when our men would follow our money. Financial penetration followed by military intervention is one of the oldest lessons of history. La Follette knew all this and warned against it, but his warnings fell on ears deadened by the fife and drum. The world can never forget, and as long as some of us live we shall never let it forget, that memorable April day when, fearless and undaunted, he faced the frenzied hysteria of a war-maddened world and opposed our entrance into the World War. All honor to those brave souls who so fearlessly accepted their responsibilities on that dreadful day. And I would feel that I had been ungenerous to the dead did I fail to mention the Honorable Claude Kitchin, who stood on the floor of the House of Representatives 19 years ago and said, "It takes neither physical nor moral courage to vote for a war which somebody else will have to fight."

REFERENDUM ON WAR

After all, who fights our wars? The common people. Who pays for our wars? The common people. And yet where or when do the common people get any profit out of war? Their portion has always been maimed and battered bodies, sightless eyes, vacant minds, and loss of life. What voice do they have in the choice of war? None. By whose right are they deprived of this choice of war? No one's. Then why, I ask, should they fight a war, which they do not create and in regard to which they have not cast a vote? Let the people decide whether they want a war or not. If that is done in every Nation on the earth you will find no civilized people voting for war.

Today the world knows that La Follette was right; that the great World War was a manufactured war, a man-made war with the basest of motives actuating it. I hope to live to see the day when an enlightened people will raise memorials to those who oppose war rather than cast bronze statues to men on horseback who fight wars.

CANDIDATE FOR PRESIDENT

In 1924 Senator La Follette ran for President of the United States as an independent, and accomplished a remarkable feat. Without a party, without organization, without newspapers, without patronage, without money, single-handed, and alone, he polled 5,000,000 votes. A testimonial of the high regard in which the people held him.

PERSONAL EXPERIENCES

I have been asked to relate some of my personal experiences with our departed friend. To me he has been a hero from the days when, as a newsboy, I sold papers on the streets of Madison, and I trust you will pardon me if I indulge in these personal references. As I think back over the years there are three occasions in my contacts with the late Senator Robert M. La Follette that I shall always remember, because each of them made a deep impression upon me.

The first incident occurred in Lake Geneva, Wis., in September 1904. This city was a hotbed of La Follette's bitter enemies, and the statement was made and freely circulated about town that La Follette would never dare to show his face inside the city limits. About a week after such rumors were circulated there came a report that Senator La Follette was touring Walworth County and would be in Lake Geneva on the following day, in the forenoon, to make a political address. He was running for Governor. The story was then circulated that he could not get a hall, but when the day dawned on which the Senator was to appear, the report went out that he was to speak at Lone's Hall, which was the largest one in the city at that time. The report was then circulated that he would not be able to get a "corporal's guard" to attend, because no one would listen to him, but long before the scheduled time for the address the hall was packed, every available seat being taken and people standing along the walls.

Finally the Senator arrived, mounted the platform, and proceeded in his customary vigorous manner. He strode to the edge of the platform and opened his remarks by saying, "They told you I would never come to this city. I am here to prove that they lied. They told you I could not get a hall. I have the largest hall in town. Again they lied. They told you that I would not have anyone here to listen to me. Look around you and see if you can see a vacant seat. There are none. Again they lied. But that is not all. I charge that 2 years ago at Milwaukee two of your leading citizens (naming them) bribed delegates to desert me and vote for my opponent. Here is one of the men they tried to bribe who was a delegate at that convention and whom you all know."

He indicated Mr. Richards, the father of John R. Richards, Wisconsin alumnus and very prominent in athletics and other activities. The people were stunned. You could have heard a pin drop anywhere in the hall. Senator La Follette then continued:

"I dare them to sue me for slander, but I know they never will because I can prove it on them and they don't dare to come into court and face me. You watch and see if they sue me."

When the election was held Senator La Follette had carried this city for the first time in his history.

My next outstanding experience with the Senator was in 1920 when he was up for reelection to the United States Senate. It was the first election after the World War, feeling was very bitter and party lines had been torn asunder. No one knew how the people were going to vote.

I was crossing the street at the intersection of Carroll and Main Streets in Madison when I met Senator La Follette who greeted me in his usual friendly way and asked me if I had time to talk with him. I assured him that I had, so we went to his office which was located at 1 West Main Street, where he said to me, "Harry, I want you to go on my campaign committee."

I replied that that was not necessary because all the members of our family would vote for him anyway, and he said:

"Just the same I want you to go on my campaign committee, but before you do, I want to tell you the rewards for progressivism. I have been at it a good many years. All I own in the world are the 66½ acres across Lake Mendota which you know. On that farm there is a $20,000 mortgage. In addition, I have had several operations and my health now is none too good. That's all you will get if you join in this fight."

I laughed, and said, "Senator, if it's good enough for you, it's good enough for me." We shook hands on that and made our plans.

I am glad to add that the Senator won that election by an overwhelming majority and his war record was vindicated.

The third outstanding event took place in August 1924. Senator La Follette was then running for the Presidency on the independent ticket. I was identified with that movement from its very inception and had been active in a small headquarters which were maintained at the Auditorium Hotel in Chicago from January on. Mr. W. T. Raleigh, of Freeport, Ill., and Mr. Julius Kespohl, of Quincy, Ill., had contributed generously to the expense of this headquarters. As time went on it became necessary for me to contact prominent people in other States, and among those I called upon was Mr. Carl Schmidt, prominent leather merchant of Detroit, a man of strong personality and considerable fortune. Mr. Schmidt was ill and at that time staying at his summer home at Oscoda, Mich. I went there and had a very interesting visit with Mr. Schmidt. In fact, I called on him three or four times that summer. I was attempting to get his help for the La Follette campaign. Mr. Schmidt finally said to me:

"Mr. SAUTHOFF. I will give $50,000 to the La Follette candidacy providing Senator La Follette will permit me to name one Cabinet official in the event that he is elected."

I said:

"Mr. Schmidt, I have no authority to enter into any agreement of such a serious nature. I will have to go to Washington and tell the Senator myself what you propose to do."

He said:

"All right, you go at once and let me know."

I thereupon went to Washington and saw the Senator in his home, I think on Wyoming Avenue. I saw the Senator in private and delivered Mr. Schmidt's message. Without any hesitation, the Senator said to me, "Harry, I never enter into a deal of any kind. Those who back me will have to do so on the strength of my past record and because they have faith and confidence in me. You can tell Mr. Schmidt that I appreciate his interest, but whatever he does will have to be done freely and of his own accord, and without any promises from me."

To me it was a declaration of principles by a man who refused to sacrifice anything of his principles for the sake of financial help of which he stood in such desperate need.

PRESENT PROBLEMS

In all civilizations there are three fundamentals:

1. Domestication of animals.
2. Planting, harvesting, and storing of cereals.
3. Mechanical invention.

Man developed a tribal instinct for his own protection; he founded settlements, engaged in commerce with neighboring tribes; as man grew wealthier, cities developed and life became more complex. No longer was barter indulged in, but a medium of exchange was perfected which we call money. In the beginning the man in the country brought what he raised to the man in the city and received a fair price for it. The man in the city sold what he made to the man in the country and received a fair price for it. The law of supply and demand regulated the price. As time went on population grew, commerce multipled, wealth increased, and artificial means were invented to change the free play of the law of supply and demand. The distributor of commodities became a factor in production and consumption. The exploitation of the masses by a powerful few meant enormous profits, until today there is hardly a field of human endeavor that is not seriously affected by this situation.

The exploitation of weaker peoples by the more powerful resulted in slavery and serfdom. Our own country declared against human bondage after a long and bitter, bloody struggle, but shattering the shackles of the black man has not removed all weaker peoples from human bondage. There are still two forms of bondage remaining from which the oppressed must be liberated. The first of these relates to industrial bondage. It is neither morally nor legally right that men and women wage earners should be forced to toil long, weary hours for a mere pittance that is scarcely sufficient to sustain life. There must be education and leisure for thought and study. This is absolutely essential in a democracy, and therefore the strong arm of the Government must reach in to rescue those helpless men, women, and children who are slaving for less than a living wage. Men invented tools to ease his labors and give him more leisure. The tool was to be his servant, but instead today we find great industrial organizations where man has become the slave of the machine. Deliverance from this serfdom is absolutely essential.

Another form of bondage is man's sacrifice to the great god—war. Scan the pages of history where we will and we read war upon war, and yet more war, all fought by man, although he loudly protests against war. Why should man be a helpless slave to this brutal, heathen god which he worships so faithfully contrary to his own commandment, "thou shalt have no other gods before me." This, too, is a form of slavery from which man must free himself. La Follette recognized these forms of slavery and opposed them, knowing that the real motive back of both of them was profits.

POLITICAL PHILOSOPHY

There are those who believe that profits are sacred. La Follette was unalterably opposed to the school of thought that believes that anything that interferes with profits is akin to treason. Injustice always aroused his antagonism, and he sought by appropriate legislation to remedy every wrong in society. He was not afraid to step out boldly and break new ground. La Follette believed, as you and I must believe, that trial and error must solve the problems of political science as well as in any other field of human endeavor. Change means growth, and growth means progress. But every change is not necessarily progress. Bob La Follette realized these facts better than we do, but he also knew that changes, lightly studied and ill-prepared, might do incalculable harm to a worthy cause and set back achievement for many years. He, therefore, gave careful, thorough, and painstaking care to every change he advocated, calling to his aid the ablest men and women everywhere to give counsel and advice. The result was sound, substantial progress, for not one of his measures was ever overturned. Time has strengthened their influence in the State and in the Nation. As La Follette himself has stated it:

"I have always felt that the political reformer, like the engineer or the architect, must know that his foundations are right. To build the superstructure in advance of that is likely to be disastrous to the whole thing. He must not put the roof on before he gets the underpinning in. And the underpinning is the education of the people."

Today there are many confusing issues. Our people have been plunged into great misery, and panaceas for every ill are advocated by the superficial and the uninformed. Many there be who seek popular approval by advocating that legislation can wipe out every human ill. This is not true. To build solidly and firmly we must proceed only after exhaustive study and preparation. As La Follette said:

"I believe in going forward a step at a time, but it must be a full step."

La Follette carried the lamp of hope to the soul weary and the sick at heart; to that helpless, inarticulate majority of society who moiled and toiled in the field and in the shop, only to see the fruits of their labors go to another; to the oppressed everywhere in those hearts the flame of hope flickered all too feebly. And at his death they stood silent, these faithful believers, anguished to the very core of their being because of the loss of their champion.

CONCLUSION

La Follette believed that man created various institutions, both public and private, for his own convenience, and that when they ceased or failed to serve that convenience the people should regulate or abolish them. We adhere to that doctrine, and pledge ourselves here and now:

"Bob, we will not turn back."

And we say to those who disagree with us:

"You shall not turn back."

This day belongs to him, and I can think of no more appropriate way of closing than by repeating the lines of his favorite poem, Invictus, by W. E. Henley:

"Out of the night that covers me,
Black as the pit from pole to pole,
I thank whatever gods there be
For my unconquerable soul.

"In the fell clutch of circumstance
I have not winced nor cried aloud;
Beneath the bludgeoning of chance,
My head is bloody but unbowed.

"It matters not how strait the gate,
How charged with punishments the scroll,
I am the master of my fate,
I am the captain of my soul."

ROOSEVELT AND RECOVERY

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address I am to deliver tonight over the National Broadcasting System.

The SPEAKER. The Chair is of the opinion the gentleman already has that right under general permission heretofore granted.

Mr. JOHNSON of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio speech which I delivered tonight over the National Broadcasting Co., in a Nation-wide hook-up, from station WMAL, in Washington, on the subject Roosevelt and Recovery:

The theme song of the Republican national convention at Cleveland last week was "3 Long Years." Against the 3 years of the Roosevelt administration, which they derided and condemned in song and speech and platform, I want to match the 4 longer years through which the country suffered when Herbert Hoover, the man to whom that convention accorded the most applause and greatest ovation, was President.

Ordinarily, national political conventions, either in speech or resolution, point with pride to the record and achievements of the last administration when their party was in power, and contrast it with the failures and foibles of the administration which they are seeking to supplant. But the Republicans at Cleveland last week forgot to do this. Upon that subject the platform was silent. Of the speakers, and there were many, not one alluded thereto, and even Mr. Hoover, although he spoke at length in bitter denunciation of the Roosevelt administration, made no reference to what he had done for the country, or to the country, while he was President.

They spent their time making brilliant speeches, viewing with alarm, lambasting the Roosevelt administration, criticizing what had been done, and picking flaws here and there, but with the exception of some high-sounding phrases in the platform—some of which were so meaningless that even their Presidential nominee had to interpret them by telegram—they made no promises of what they proposed to do. They were looking backward, not forward. Their action reminds us of the little ditty:

"The lightning bug is brilliant, but lacks a stable mind.
He rambles through the bushes with his headlight on behind."

But they did not want to look too far behind—3 years back was enough, for they knew if they went beyond that, it would reveal the shortcomings and the colossal failure of the last administration, for which their party was responsible, and they knew that party responsibility is the only justification for the existence of political parties. They knew that Hoover's administration, even in a Republican convention with their ablest leaders to defend it, and no one to condemn it, would not stand comparison with Roosevelt's. So they rang the curtain down upon Mr. Hoover's 4 years, and sang and talked and laughed about Mr. Roosevelt's 3. That may be pretty good political strategy, if you can get by with it, but the American people are not that gullible.

The Republican convention may have forgotten, or tried to forget, the deadly parallel between the Hoover and the Roosevelt administrations, but the American people have not done so. The one did nothing, the other did something. The one promised, the other performed. One adhered to the old order of things, of hands off, hoping that nature and lady luck would do the trick; the other set the wheels of Government in motion and attacked the depression in a militant and aggressive way from every angle. Under one we sank deeper and deeper in the mire of the depression, under the other we have climbed steadily and persistently upward.

The 3 years of the Roosevelt administration may seem long to the Republican politicians who are anxious to get back in power and to that small group of big-business leaders like the Du Ponts and their associates, who also desire to again get a strangle hold upon the reins of Government, but to the American people it is like a ray of sunshine when compared with the darkness, the gloom, and the despair which pervaded the country under Hoover's leadership.

Figures and statistics reveal with unerring accuracy the transformation and the wonderful improvement that has taken place in the last 3 years in business, agriculture, labor, and economic conditions generally throughout the country. These are the best answer to Roosevelt's critics. Let me quote a few of them:

In 1932 American industrial production was 65 percent of normal; in 1935 it was 88 percent.

In 1932 the pay rolls of America were 46 percent of normal; in 1935 they were 70 percent of normal.

Unemployment in 3 years has declined about 40 percent.

The net income of class I railroads for 1935 was the highest since 1931.

Contracts for residence construction increased from $250,000,000 in 1933 to $550,000,000 in 1935.

The urban home-loan debt has declined $3,000,000,000 in 4 years.

Commercial failures in the United States have dropped from 31,822 in 1932 to 12,185 in 1935.

In the 4 years under Hoover's administration, 1,035 national banks failed, while only 8 failed in 3 years under Roosevelt.

The aggregate annual income of the American people increased from 39 billion on December 31, 1932, to 54 billion in 1935, an increase of $15,000,000,000.

The total wealth of the Nation has increased by more than $50,000,000,000 since the advent of the Roosevelt administration.

RESTORATION OF AGRICULTURE

No administration in the history of the Republic has done more for the farmers of America. Others have promised, but this one has performed. A few weeks before his inauguration as President, I heard Franklin D. Roosevelt, not in a political speech, but in a private conference with a small congressional group, of which I was a member, say that the restoration of the buying power of the American farmer was the first and most important thing to do toward recovery from the depression.

With the aid of a sympathetic Democratic Congress, much has been done. While the condition of the farmer is yet far from ideal, farm conditions generally have been greatly improved and benefited. The prices of all major agricultural products have doubled under the Roosevelt administration. Take a few examples: Cotton, for instance, on March 1, 1933, was selling at an average of 5.90 cents per pound and on January 1, 1936, at 11.35 cents per pound, an advance of 92 percent. Dairy products, cattle, sheep, and hogs have had similar increases. Wheat increased from 31.6 cents in December 1932 to 90 cents per bushel in December 1935; corn from 20 cents to 75 cents per bushel; hogs in 1932 were selling for 3.40 cents per pound, and in 1935, 7.30 cents.

Farm income in 1935 was 60.2 percent higher than for the low of the depression. As compared with the low of the depression, farmers' purchasing power in 1935 showed a smaller increase than their income, due to a 16.6-percent rise in price level of the goods they bought. But even with the rise of price level of goods purchased when compared with the price level of 1929, and farm prices in 1929, the farmers' purchasing power in 1935 represented a net recovery of 54 percent of ground lost in the 1929–32 slump.

In addition to increased price of farm products, the cotton, hog, and wheat farmers have received cash benefits from the Federal Treasury. The manufacturing industry has long received tariff subsidies, railroads, shipping interests, and other corporations and industries have also received, at different times, cash benefits, directly and indirectly, but for the first time in history, this administration has paid cash benefits to the farmers of America, and has dealt directly with the individual farmers, and not indirectly through some organization.

LOW-INTEREST RATE TO FARMERS

This administration has materially reduced the interest rate paid by farmers. Emergency crop loans have been made to farmers at a rate of 5½ percent, and Congress has also created a new agency which makes chattel-mortgage loans to farmers, known as the Production Credit Corporation, at an interest rate of 5 percent. We have also reduced the rate of interest on farm mortgages from 5 percent under the Hoover administration to 3½ percent.

Loans on farms may now be obtained in the United States at the lowest rate that prevails in any great country. Here are some of the rates which prevail elsewhere: Great Britain, 5.2 percent; Germany, 4½ to 8 percent; Canada, 5 percent; Denmark, 4 to 6½ percent; Hungary, 7 percent; Bulgaria, 9 percent; Czechoslovakia, 6 percent; France, 6 percent.

In the last 2½ years more farms have been refinanced by the Farm Credit Administration than in the 16 previous years of the land bank's history. One billion nine hundred and seventy-two million dollars have been used to make 748,000 loans on farms. These banks now have outstanding nearly 1,000,000 loans, aggregating $2,800,000,000, and we have the lowest interest rate for farm mortgages that ever existed in the history of the world.

BANK DEPOSITS GUARANTEED

During the Hoover administration more banks (State and National) failed than in almost the entire history of the United States, and the first official act of President Roosevelt was to declare a bank holiday and close all banks until they could be reopened with some assurance that they would remain open.

Thereafter laws were passed which corrected this deplorable condition, in reorganizing and strengthening the banks of the country, but the banking legislation of most benefit to the American people was the creation of the Federal Deposit Insurance Corporation, by which the Federal Government, for the first time, guaranteed individual deposits up to $5,000 in both State and National banks that were members of the Federal Reserve System.

Governor Landon, the Republican nominee for President, in a speech delivered at Chicago, September 6, 1933, at a meeting of the State Bank Division of the American Bankers' Association, vigorously opposed that portion of the Glass-Steagall Act guaranteeing bank deposits. From his speech I quote:

"There is no question in my mind but that the guaranty of bank deposits is a greater blow to the ultimate welfare of the American people than the wildest inflation of the currency could possibly be.

"In my judgment, the guaranty of bank deposits, if carried out in this country to its logical conclusion, will completely destroy the entire banking system of the Nation."

The metropolitan banks also opposed this legislation, but the prediction of Governor Landon, and the metropolitan banks' opposition has proved to be unfounded, for it has benefited both banks and depositors, the deposits in the national banks having reached an all-time peak, the total bank deposits having increased by more than $6,000,000,000 in 3 years, and the number of bank failures dwindled to a minimum.

The thousands of bank failures during the Hoover administration swept away the savings of a lifetime of millions of our citizens, and it is gratifying to know that the Roosevelt administration has safeguarded the depositors against a recurrence of this calamity. The Republican platform is silent upon bank-deposit guaranty, which is significant in view of Governor Landon's opposition.

The Roosevelt administration has not only brought us far on the way to recovery, but laws have been passed to correct abuses by racketeers in business and for the public's protection. Three of these, for all of which I voted, were:

(1) The Securities and Exchange Commission Act, prohibiting the sale of stock by any corporation to the public until after same is first registered with the Commission and the facts and circumstances surrounding its issuance are investigated by the Commission, has already saved innocent investors in this country millions of dollars, and will in the future save them many billions.

(2) The stock exchange regulation bill, making it more difficult for persons to manipulate the stock exchange and thereby inflict gigantic losses upon individuals throughout the country. Under this act the Securities and Exchange Commission has the right to reject any rule or regulation of the stock exchanges of the country. The manipulation of the stock market was one of the causes of the crash which came in October 1929, which marked the beginning of the depression.

(3) The Utility Holding Company Act of 1935 was designed for the control and elimination of public-utility holding companies. Many of these holding companies had for years unfairly and unjustly exploited the stockholders of the operating companies, and thereby imposed useless and inflated capitalization, resulting in increased rates for service, which the public had to pay. In the language of President Roosevelt—

"This legislation will not only in the long run result in providing lower electric and gas rates to the consumer, but it will protect the actual value and earning power of properties now owned by thousands of investors who have little protection under the old laws against what used to be called frenzied finance."

The Roosevelt recovery program has touched every phase of American life.

For the aged, under the social-security law, the Federal Government will match 50–50 all sums paid for old-age pensions by the States.

The youth of the land and education have been generously provided for. Fifty thousand school buildings have been repaired or improved; 2,813 public schools in 48 States have been built; 219 colleges and universities have had assistance from the Public Works Administration; rural schools in 33 States have been able to keep going by grants from the Federal Emergency Relief funds; 290,000 high-school, college, and graduate students have been helped to continue their studies.

More than 1,000,000 urban homes have been saved from foreclosure by the Home Owners' Loan Corporation, and the entire number of foreclosures by the Home Owners' Loan up to March 31 was less than 1 percent of the loans made by it.

This recovery program has had my wholehearted support, and the Democratic Congress is entitled to praise, for without their cooperation in enacting these measures into law, the program would have failed.

To the charge that excessive expenditures have been made we answer that we have been making war upon a depression, the worst in all history, the winning of which was just as vital to the preservation of America as the winning of the World War. Expenditures in this war have been less than one-half of the sum spent by our Government alone in the World War, and, over and above this sum, we loaned European countries $14,000,000,000 which has never been repaid. Money spent in the World War is gone forever, but much of that spent in the war against the depression will be repaid, for the Government holds collectible assets for a large portion thereof.

The Republicans preach rugged individualism, but produced ragged individuals; they decry regimentation, but they regimented the greatest army of unemployed the world has ever seen; they cry that under the New Deal the liberty of the citizen is in jeopardy, but to this we make answer that the only liberty that has been abridged or curtailed by this administration is not against the individual, but against business racketeers who have too long exploited the American public.

The enemies of the New Deal are crying, "Stop Roosevelt", but in the coming election the shibboleth, "Stop Roosevelt", will not appeal to the American people; what they want to be assured of is that they will not stop the marvelous recovery which he has set in motion.

THE VIEWPOINT AND THE RECORD

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with the privilege of printing three or four paragraphs of a brief address to the voters in my district in 8-point type.

Mr. RICH. Mr. Speaker, reserving the right to object, the gentleman can put the address in the RECORD only in the size of type specified by the rules of the Committee on Printing.

The SPEAKER. The Joint Committee on Printing has jurisdiction of this matter. The gentleman should take it up with them.

Mr. MARTIN of Colorado. I thank the Chair. Mr. Speaker, I ask permission to extend this matter in accordance with the rules of the Committee on Printing.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker, in my campaign to return to Congress 4 years ago, after a lapse of 20 years, I put out a very brief and simple campaign pamphlet. In this little pamphlet I gave my viewpoint, the viewpoint from which I would approach legislation if again elected to Congress. I tried to show the people what that viewpoint was and how I came by it.

After 4 years in what is conceded to be the hardest peacetime grind in Congress in American history, I am a candidate for reelection. It is customary for Representatives seeking reelection to have printed and distributed some of the speeches they have made in Congress and to give some account of their record.

In accordance with this custom I had begun considering what speeches I would send out, when the thought occurred to me that I could cover the field in one address to the people of my district, based upon the appeal I made to them 4 years ago, and then following this up with a brief review of my stand in Congress during the past 4 years on the many tremendously important measures with which the administration of President Roosevelt has undertaken to meet and overcome the greatest peacetime crisis in American history. In other words, give you the viewpoint and the record and let you determine how the one fits into the other. I shall therefore begin with the brief appeal of 4 years ago, which I hope you will find not unprofitable, and follow it up with the record.

CAMPAIGN OF 1932

To the voters of the Third Congressional District of Colorado:

I shall depart from the usual style of campaign pamphlet and talk to you directly. No pamphlet I could pay for, or you take time to read, could set forth my views on the flood of questions with which we are beset. But I can and will get before you my viewpoint. After all the viewpoint is the main thing. This being fixed everything else fits into it.

I shall put into it what I have learned in a lifetime. I have studied in many schools: The school of the plow on the Kansas prairies, the school of the shovel on Colorado roads, the school of the lawyer in court, and of the legislator in Congress, with many minor courses.

In all these schools my eyes have been on Washington. And in all of them this is what I saw: A government, in theory, of, by, and for the people, but a government, in fact, by and for big business.

I got my first political training in the old Farmer's Alliance. That is what they taught me. That is what Bryan taught, and Theodore Roosevelt, and Wilson, and they devoted their lives to the task of turning the Government back to the people. Any change in the course of the stream is where those giants labored.

It is always so easy to get things done for the big fellow, but so hard to get them done for the little one. When it comes to handing out billions to the big fellows the administration fairly exudes courage, but when it comes to a handout to the little ones the administration is very fearful lest we depart from sound principles of government.

So great and fixed has been the rule of wealth in this country that it has been repeatedly accepted by a majority of the voters that they could assure themselves a full belly only by voting in a government which would let big business have its own way. Vote one ticket and eat, or vote the other and go hungry. Stripped to the stark fact, this has been the only issue in every Presidential election since I became a voter.

But it is pressing toward a crisis. And the old appeal to fear should fall flat. We should be hungry enough now to think. It is my firm conviction that if we are to avoid a serious political and economic upheaval the Government at Washington must be made more responsive to the needs and interests of the people.

Government is not a mechanical problem of fixed quantities, to be activated by a robot. Government is a fluid human problem, to be administered with understanding and sympathy. That the present administration has neither was clearly revealed by its action against the jobless veterans at Washington. Party campaign orators are likening Hoover to Lincoln. Can you imagine old Abe calling out the military at midnight to drive a rabble of hungry Union soldiers from the National Capital, while he gave a state dinner at the White House?

When I tell you how all this looks to me I am telling you how I look. I am opposed to this kind of government and governors. The old regime has failed. It is obsolete. I do not believe a nation based on the welfare of farmers, wage earners, and small-business men can be governed only from the top. These great classes are working out ideas for economic betterment. I am willing to give their ideas a try. This in brief states my viewpoint. If it states yours, I earnestly invite your support.

Very truly yours,

JOHN A. MARTIN.

APPLYING THE VIEWPOINT

Perhaps I can give no better illustration of the application of the philosophy set forth in the viewpoint than a statement

made by me in the House of Representatives on May 27 of this year in the debate on the Robinson-Patman bill to preserve the independent merchant. I not only supported that measure, but was secretary of an organization of 80 Members formed to promote its passage, and also served on several subcommittees of a steering committee to handle the bill.

Here is the statement:

Whether this bill will accomplish its object, I leave for others to say. I feel sure about only one thing, it will not destroy the big fellow. The big fellow always gets by. That is one of my guiding maxims in all legislation in which there is a big-fellow and a little-fellow side to it. The big fellows always get by. He not only gets by, but he gets bigger. He was only in swaddling clothes when the Sherman antitrust law was enacted in the late eighties. Now he bestrides this narrow world like a colossus.

DIMES VERSUS DOLLARS

In the viewpoint it will be noticed that I especially mentioned the welfare of farmers, wage earners, and small-business men. These are the great groups which must be preserved if the America which we inherited is to endure. You could wipe out every millionaire in America and under our economic system they would all be reproduced in 10 years, but if you wipe out the three classes mentioned they could never be reproduced. There is an old saying that if you take care of the dimes the dollars will take care of themselves. The little fellow is the dime and the big fellow is the dollar. There is one corporation in the United States which owns 18,000 stores. That fellow is a billion dollars. Such developments in this and other fields of our economic life gives rise to a question in my mind which I expressed in this same speech as follows:

I am not appraising this change altogether by a yardstick of dollars, but also by a yardstick of men. I am wondering what will be its ultimate effect on the community life of America and upon its citizenship. In the final analysis, what is the difference between the absentee landlord and the absentee merchant? I find it difficult to accept this fundamental change as a sound, healthy, and desirable condition in the economic and social life of the Nation, and both its economic and social life must eventually be profoundly affected and altered.

And here is another brief statement which I consider worth pondering:

Perhaps this trend is inevitable. Perhaps this phenomenon of the chain system is only one more milestone on the road to the socialized state. Perhaps, when a few large private hands have gathered it all in, a larger hand will reach out. I believe as firmly as I believe anything that the men who are fighting these monopolistic trends in all lines are making the last stand for individualism in American industry and commerce.

As stated in the viewpoint, Bryan and Theodore Roosevelt and Woodrow Wilson devoted their lives to the task of turning the Government back to the people. Later on I shall add another name, which was only coming into the picture when the viewpoint was written. He, too, has labored mightily and not in vain. The enemies he has raised up shows in what direction he has labored.

Early in his administration a second bonus army came to Washington. He offered them jobs and the army demobilized. The first lady visited them in the C. C. C. camp in which they had enrolled, tramped about in the dust and talked to them. It is all a matter of viewpoint.

THE FARMER

But let me get on here with my own little story. Agriculture is the foundation of our national life. The farmer has heard this so much, it is a wonder he has not grown a chest. Instead of a chest he was bankrupt in 1929. The panic did not break the farmer. He went broke during the so-called greatest era of prosperity in the history of the world, which ended in an explosion that sent a hundred billions of the people's savings up in smoke.

Here is a pledge which was widely circulated in my campaign of 4 years ago:

The farmer. Farmers make up 40 percent of our population, but the combined farm organizations have never gotten a single farm measure on the Federal statutes. Why not give the farmers' program a try? I will.

The first opportunity to make good on this pledge came with the Agricultural Adjustment Act, which had the endorsement of more than 50 farm organizations, and which I supported. At Chicago, Ill., just 30 days before the Supreme Court rendered its decision knocking out this law, the American Farm Bureau Federation issued a set of resolutions declaring that:

The great farm policy embodied in this act is the culmination of a 12-year fight by organized agriculture to obtain from government necessary recognition of and assistance and cooperation in an economic program by which farmers may obtain fair and equitable prices for their products in terms of relationship with industry and labor * * *. We rededicate our efforts to improve and perfect this measure in every way.

When this act went out the window, I supported as a substitute the Soil Conservation Act. If you say it is not as good as the original act, I have no quarrel with you. In my opinion, nothing will be as good. Under the A. A. A. every major crop operated on its own plan and was self-financing. It was democratic, being effective only at the will of the farmer. It was simple and it was working. It had been accepted by the producers and the great majority of the processors and consumers. This is a majority country. But it is dead.

SOIL CONSERVATION VITAL TO MOUNTAIN STATES

The Soil Conservation Act, however, is of tremendous importance to Colorado and the Mountain States. These States are chronically subjected to floods and peculiarly susceptible to soil erosion. Fifty more years like the last fifty will reduce much of the valley and mesa lands of the mountain country to desolate wastes. I supported the Soil Conservation Act and quote from my speech on it the picture as I have seen it:

Mr. Chairman, as I have driven about over the western country with my eyes opened by what I have learned in the past few years about soil erosion, water as well as wind erosion, the devastation being wrought by deforestation, overgrazing, scratch farming, water, and wind, I have become alarmed for the future of the country. I have seen the 15-foot soil bed of a mountain valley washed down to the gravel. In my lifetime I have seen streams widened from 40 or 50 feet to 600 or 800 feet. I have seen the growth of the arroyos eating into and destroying the lands along the streams. I have seen once grassy stretches turned into sand boils which would make a man's flesh creep. This destruction has been largely man-made, and it must be cured in the same way.

SUPPORTED ALL FARM ACTS

I also supported the Bankhead Cotton Act, the Kerr Tobacco Act, the Warren potato bill, the Jones-Costigan Sugar Act, all now dead. These were not administration measures. The farmers asked for them and Congress framed and passed them. I also supported all farm-credit and farm-aid legislation, including reductions of interest rates on farm refinancing. Also both farm mortgage moratorium bills, winding up with the Frazier-Lemke farm mortgage refinancing bill. I was urged to take my name from the petition to discharge the committee and bring this bill before the House. I replied that when I signed anything, it stayed signed.

THE WORKER

The remaining great class, largest of all, is the workers. There was much rejoicing in certain quarters when the National Industrial Recovery Act went out the window. Labor did not rejoice. N. R. A. put men to work, shortened hours, raised wages. The statistics show that since its death the trend has been the other way. Many industries did not rejoice. N. R. A. had stabilized them. Many of them are still observing their codes. Some of them have since been down here at Washington asking us to pass special bills to take the place of the codes where they could not maintain them. We passed an act to regulate motor transportation and put some N. R. A. in that to stabilize the industry. We passed the Guffey Coal Act and put some N. R. A. in that. It, too, has gone out the window.

I supported all such legislation on the theory that it helped to spread the labor load out over the machine. I favored the shorter-hour week on the same basis; also legislation to write labor and wage safeguards into Government contracts, and the act to create the Labor Relations Board, which is now thought to be doomed in the Supreme Court. (Held void by U. S. Circuit Court, June 16, 1936.)

THE YARDSTICK OF FAILURE

The chief yardstick by which our opponents measure the failure of the New Deal is the still great army of unemployed. They say it is as great as ever. I do not blink this issue. I say to them it will continue to be as great as ever, so far as you have proposed any remedy. Sometime we must sit down and face the cold facts that large-scale unemployment in industry and overproduction in agriculture are fixed conditions. The machine has settled that.

I can remember when we used to read the rosy prophecies that some day the machine would perform all the labor. The day appears to be coming, but we did not then see what it would bring with it. We had not then envisioned the question, If the machine performed all the labor, what would we do with all the men and women? We are beginning to look at that now. I looked on both the N. R. A. and the A. A. A., regulating production in industry and agriculture, as at least approaches to the solution of that problem. I have supported every measure without a single exception during the past 4 years which I thought tended toward that solution. There was a tendency on the part of some Representatives from the industrial States to oppose farm legislation and of some Representatives from the farm States to oppose industrial legislation. I took both programs whole. It is my philosophy that neither can get anywhere without the other, plus a hunch that it will be a man-sized job for both of them together to get anywhere.

I have mentioned the major acts of this 4-year program in Congress. I could challenge anyone to point out a single act or vote in the RECORD, which does not fit into the viewpoint. They may challenge the record as a whole, but not in detail.

SOCIAL SECURITY

There was other, and to my mind, most important legislation, really interesting me more deeply than any, bearing on what is now commonly called social security. In the Seventy-third Congress, while speaking in support of the Railroad Pension Act, I predicted that the next Congress would pass a general old-age pension bill. The Railroad Pension Act, the first ever passed by Congress providing a pension for persons in private industry, went out the window. This Congress passed a second act. It may go out, too. As I had predicted, we also passed a general old-age pension bill, carrying many valuable social-security features. Its fate is in question. I know now that some of it will fall. After the decision of the Supreme Court knocking out the New York minimum-wage law, anything can happen, and probably will.

THE CALF PATH

A long-gone record, which had almost passed from my memory, was recently recalled by a State-wide writer in the Colorado papers—a bill which I introduced in the Colorado General Assembly 35 years ago, the first of its kind, containing small beginnings of security for the aged and the sick and the dependent mothers and children. I made a speech on that bill based on the famous poem, the Calf Path. The moral of the speech was that, while the calf path had grown into a great thoroughfare, we still had only a calf-path civilization through the woods in the matter of caring and providing for those who could not care and provide for themselves. The bill was defeated. Old-age pensions were not then, as now, a popular political fad, a springboard into public office for persons who had never in their lives raised their hands for any underprivileged class.

THE CALF PATH GROWS

After recounting the failure of that initial effort, the writer went on to say:

> Although each of the human thoughts in that bill was defeated, John Martin had planted the seed of consideration of those matters and he has lived to see that path grow as extensively as the path that was trod by the animals grew. Today we have the mothers' compensation, our blind are cared for, our aged need no longer fear tomorrow's foodless sun-up.
>
> When John Martin first introduced that human welfare bill in 1901, less than $50,000 a year was spent in this State outside of the county poor farms and our State charitable institutions. Today we are spending as a State government approximately a half million dollars a month for the welfare of our unfortunate citizens. The human side of Colorado's life has outgrown the commercial side. To me this is the greatest change in State government that has been effected since I have been reporting its progress.

And still we are only in the dawn of the movement to remove the shadow of the greatest fear in the heart of humanity, the fear of an impoverished old age. In Congress I have supported every effort to establish social security on a national scale, including the little-understood McGroarty bill. Eventually we shall have a Federal-State program worthy of our civilization. I may not live to see it, but I shall have thrown my mite in the scale for it.

THE CONSTITUTION AND THE SUPREME COURT

No statement from a man who has been representing the people at Washington and asking them to send him there again would be complete without a mention of the Nation-wide controversy which has arisen over the Constitution and the Supreme Court.

I have mentioned a number of acts which have gone out the window. Some of these originated with the administration, some in Congress. It was boasted at the Cleveland convention that 8 out of 10 have been declared unconstitutional by the Supreme Court. The score might be made 9 out of 11, since the ninth to fall was enacted under Roosevelt as Governor of New York. What happened to the eleventh is not so popular. I refer to the decision knocking out the New York minimum-wage law for women and children. Among the bitterest critics of that decision were strongly conservative Republican newspapers and writers. They feared it might be the turning point in the growing controversy over the Supreme Court and the Constitution.

FREEDOM OF CONTRACT

They have been preaching States' rights. They had become converts to the right of the States to regulate commerce and industry, well knowing that commerce and industry have obliterated State lines and that the States cannot regulate them. Then, in the teeth of a national election came the Supreme Court decision holding that the States have no right to regulate the relations between employer and employee, because it would violate the freedom of contract guaranteed by the Federal Constitution. To which the four dissenting Justices rejoined:

> There is grim irony in speaking of the freedom of contract between those who, because of their economic necessities, give their services for less than is needful to keep body and soul together.

What bitter words falling from the lips of Judges of the Supreme Court. Quoting my own words from the CONGRESSIONAL RECORD on this decision, which was characterized on the floor of the House by such a Republican leader as Congressman FISH, of New York, as "A new Dred Scott decision", I said:

> It is not a question whether what we attempt to do is necessary or good; it is only a question whether it is constitutional. Presumably maximum hours and minimum wages would be good for women and children, also for men. Reasonable prices, meaning the cost of production and a reasonable profit, would be good for farmers. Pensions would be good for the aged, and so would insurance for the unemployed. All these would be good for society as a whole, making it more stable, more equitable, more civilized. But, says the Court, once again and finally, laws, whether State or National, effecting these beneficent ends violate the freedom of contract guaranteed by the Federal Constitution.

Is it not becoming obvious that something must be changed—either our economic system or the law? I range myself with those who hold that it must be the law—the organic law of the land.

BACK TO THE GOLD STANDARD

We of the West, regardless of politics, have always been for expansion of the currency, for the equal use of gold and silver as the money of the country, for bimetallism. This monetary policy has been fundamental in every one of the political movements with which I have been identified since boyhood. Wave after wave, this struggle of two generations to destroy the gold standard, to restore silver to its rightful place in the monetary system of the country, and to expand the currency to keep pace with the growing needs of the

business of the people, has swept the West from the Mississippi to the Pacific. Almost without exception every outstanding political leader west of the Mississippi River, regardless of his party affiliations, was an adherent of expansion of the currency and of bimetallism and owed his chief claim to fame to his championship of this cause.

Now, in the year 1936, we have a western candidate for President who, not satisfied with his party-platform declaration for a sound currency, goes the platform one better by wiring the convention his definition of a sound currency as meaning a currency redeemable in gold. In other words, the gold standard. Shades of Bryan. Forty years after the great commoner raised the oriflamme of bimetallism, and on that issue made a campaign without parallel in American politics, and was defeated only by an unparalleled counter-campaign of coercion and corruption, another candidate for President from an identical western State raises the yellow flag of the gold standard.

MONEY PLANK NEEDED NO DEFINITION

The Republican money plank needed no definition. The party demonetized silver and established the gold standard. For 60 years it has stood for scarce and dear money controlled by the banks. For 60 years its monetary and banking policy has headed up in Wall Street. No one would have doubted its continued adherence to its traditional policy, but the candidate, to make assurance doubly sure, says that sound currency means gold redemption.

I vigorously supported the steps taken by this administration which at least point toward the restoration of silver. At the same time I know that silver can never be restored as a money of redemption while being treated as a commodity valued in terms of gold. Our enemies say that what we have done has failed. No doubt the wish is father to the thought. The object of this legislation was to bring silver to a status of parity with gold. It is in the law. We now have our choice of sustaining it and fighting on or of accepting the death sentence for silver, definitely pronounced in the telegram of the Governor of Kansas.

THE QUESTION MARK OF YOUTH

To attempt to cover everything in this statement would be to cover nothing. I want to touch on only one more thought. The youth of the land is stirring. Reports on the Republican national convention say there was a note of skepticism in the attitude of its youth. They appeared to be more interested in the assurance of jobs than in the security of insurance policies.

They may well be. The geographical frontiers are gone. The frontiers of new natural resources are gone. The frontiers of business independence are going. The 18,000 stores under the control of one man displaced 18,000 independent individual merchants. It is the same story in every field. If I cannot give you the answer, I can at least ask the question, and I ask it from the record in my own words:

Henry Ford is the largest individual employer of labor in America, but he is the only individual in his system. The Ford system will never produce any Henry Fords. The future of the youth of America is wrapped up in this and similar problems. What is that future? A place on the pay roll of a national octopus which will cast him out as soon as his pace slackens? That is all I can see for him. He may be better educated than his father. But will he be that substantial, independent figure walking down "Main Street", bearing upon him the stamp of a community builder?

THE TELEPHONE RINGS

Believe it or not, here is a windfall. Just as the last above-quoted word fell from my lips the telephone rang. It was a national labor leader whose judgment and character I admire. He called me to say that he was going to give a wide publication to my remarks on the decision of the Supreme Court wiping out the New York minimum-wage law; then he said:

John, this does not matter much to you and me. Our heyday is gone. What I am thinking about is the four and a half million boys and girls turned out of the schools and colleges of this country who have nowhere to go.

Yes; that is what I am thinking about, too. I know three or four of them who are of my own flesh and blood. In its final analysis this program for which we have been fighting here at Washington for 4 years is for them. This fight is their fight. Every single measure of the New Deal, whether constitutional or not, had as its final objective the opening of the door of opportunity to the youth of the country. The future of the youth of America is a question mark which stands daily before my mind. It is only commonplace to say that on the answer to this question, which had no existence when I was a boy—mark that—hangs the future of America.

THE FOURTH MAN WHO LABORED

I turn now to the fourth man who in my lifetime has labored to turn this Government back to the people, to make it function for the people, to safeguard them against the practices and the abuses from which they have long suffered.

It is a mighty task. It is a task whose magnitude can be best appreciated by a man who has been privileged to take some small part in and see at first hand the National Government in action; who has gone about this vast country, with its 130,000,000 of different types of people, with different kinds of interests; who has traveled the canyons of its great cities, weighing him down with a sense of their power and wealth, making his heart sink with the realization of his impotence to change it in any material respect, making his own little impulses to change it seem foolish, like changing Pikes Peak.

WANT ANOTHER JOYRIDE

The man in the White House has at least tried to change it. Even the keynoter of the Cleveland convention excepted from the barrage of his criticism such reforms as the Stock Exchange Act, the Securities Act, the Holding Company Act, the Federal Reserve Bank Reform Act. Had these four major measures alone been on the statute books and enforced, the explosion of September 1929 might never have happened. As each of these acts went through the legislative mill it was protested that they would kill rather than cure. The answer: The regulated agencies are all still doing business at the old stand, and more of it. We have only changed the rules of the game, tightened them up a bit, cut down the percentage of the house. The game goes on. Now that we have reconditioned the old car, the people who wrecked it want to take it back for another joyride.

WHERE MOST OF THE MONEY WENT

I cannot make this a statistical review. Bank deposits, stocks and bonds, farms and real estate, industries, have increased in value some $50,000,000,000 since March 4, 1933. Against this gain the opposition keynoter at Cleveland said the public debt had increased $12,000,000,000. He told a half truth. It has. What he did not say is that two-thirds of this so-called debt is represented by Reconstruction Finance Corporation loans to save the railroads, the banks, the insurance companies, the industries; by farm-credit loans to save hundreds of thousands of farms from foreclosure; by home loans to save hundreds of thousands of homes from foreclosure; by public-works loans to States, counties, cities, towns, school districts, drainage and irrigation districts; all or nearly all of which loans will be repaid with interest. Of the rest, 95 percent went to keep people from starving. Five percent may have been wasted.

On the part of the opposition this will be almost wholly a campaign of criticism. Some of it will be merited. It would be surprising if it were not. But most of it when seen in the light of all the facts will be about like the criticism of the increase in the public debt.

A much more important question to the voter is, What is offered in place of what we have got? A Washington correspondent at the Cleveland convention who has been most critical of the New Deal and all its works summed up in the fewest possible words the case of the opposition in his review of the keynote speech, prepared and delivered by a reactionary leader in the United States Senate, who ought to know not only the shortcomings of the New Deal but what his party proposes in place of it. Here it is, headline and all:

VAGUE ON PROPOSALS

On the constructive side the address was vague and general, except for the contention that if the Republicans were restored to power they would correct all the evils which the keynoter maintained had flowed from the New Deal.

That they are vague on proposals should set the voter to thinking; and what are the evils? Among them will not be a country in a seemingly bottomless pit of depression and despair, as it was on March 4, 1933. It is resurrecting. Among them will not be the necessity of closing all the banks in the country, as on March 4, 1933, to avoid universal bankruptcy. The banks were never sounder and their deposits are now insured. Among them will not be the strangle hold of the gold standard on the economic throat of the country. That strangle hold has been removed. Will the people ever again permit its grip to be fastened upon them? Among them will not be the unlicensed privilege of Wall Street to engage in an orgy of fraudulent speculation, such as dissipated one hundred billions of the savings of the American people. That has been taken care of. If and when the Republican Party comes in again, it will come to take over a going concern.

WHAT ONE MAN CAN DO

The most astounding criticism of the President which I have seen is the charge that between the time of his election and inauguration he refused to cooperate with President Hoover. President Roosevelt was inaugurated on a Saturday noon and on the following Monday morning he put into effect the orders to close all the banks of the country and to impound all the gold of the country, stopping its flow to Europe, and such other steps as were immediately necessary to avert a major catastrophe. Hoover, going out, had nothing to lose by doing these things. Roosevelt, coming in, had everything to lose. It shows what one man can do if he has the vision and the courage to do it.

THE FORK OF THE ROAD IS MARKED

Let us face the future. In my opinion in the campaign of 1936 the people rather than the President will be on trial. It will not be disputed that he has carried the greatest peacetime burden and faced the greatest peacetime problems of any President in American history. It cannot be disputed that in all his policies he has been motivated by sympathy for the masses of the people, the farmer, the worker, the small-business men, and that his program has been intended to help them. Some of these measures may have been faulty, errors have been made, but through it all there stands out clearly, as the great objective of President Roosevelt, not only the rescue of this country from the terrible condition into which it had fallen, but to eliminate the abuses which so largely contributed to this disaster, and to establish our economic life on a more just and equitable basis.

In this program he has had a large measure of success, and his reelection, which I firmly anticipate, will enable him to successfully complete it insofar as it lies within the power of any one man to lift the level of life in a great nation. He has attacked the greatest depression in our history on every front. He has routed it on many fronts. The clouds are lifting. Conditions in business, industry, and agriculture are manifestly better, and getting better even in the face of a Presidential campaign. This is our answer to those who have only criticism to offer.

PROGRAM CUT PARTY LINES

It is only fair to state that support of the Roosevelt program cut across party lines. It was supported by the progressive-minded Members regardless of party. Great dissenting opinions of the Supreme Court in favor of the constitutionality of these laws were written by a Republican Justice, Harlan F. Stone. Those dissenting opinions will yet be the law of the land. Progressivism is an attitude, not a creed. Nor a party label.

Now a great political contest is on. The prize is the control of the greatest and richest of nations. I have not the time to write, nor you to read, the answer to all the deceptive calls of reactionary leadership to the people to return to what they call the ideals and policies of genuine democracy, of opportunity for each and all in every field of action, free from the interference of government.

I have the time to answer, and you to read, that behind the ticket nominated at Cleveland is every great interest that exploited this country, not for 3 long years, but for 12 long years; impoverishing agriculture, disemploying labor, bankrupting business, and making a New Deal necessary. Are you in doubt about where your interest lies? They are not.

THE PROBLEM

Ten million unemployed workers, with the machine gaining on the employed. One-half the farmers reduced to tenantry, and the percentage growing. Independent business in commerce and industry disappearing. The economic structure of the country in the control of great corporations, defying effective public control. Laws, Federal and State, intended to correct these evils, nullified by the courts as unconstitutional. This is the picture from my viewpoint. Government will change this picture or this picture will change government. Roosevelt is trying.

JOSEPH W. BYRNS

Mr. REECE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a eulogy delivered by me on the late Speaker BYRNS over the facilities of the National Broadcasting Co.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. REECE. Mr. Speaker, under leave to extend my remarks, I include the following eulogy on the late Speaker delivered by me over the facilities of the National Broadcasting Co. from Washington, D. C., June 5, 1936:

Death's grim sergeant at arms has summoned our beloved Speaker, JOSEPH W. BYRNS, away with him into that distant vale which we poor mortals are destined never to know about in advance.

In his passing the Nation has lost a highly honored leader, my State a stalwart son, and I a noble friend of many years' standing.

Heavy and bewildered, indeed, are the hearts of us who are left here on Capitol hill. Only a few brief hours ago he was safely presiding over us in the tumult of debate over important legislation.

Now his form is strangely still. Never again will those penetrating eyes of his peer at us and through us—from under those shaggy eyebrows.

Never again on earth will his arm sweep down with a gavel to demand order or to remind us of time expired. For him all is order now and time is no longer of consequence. He has left us puny mortals behind as his spirit soars off into space with the immortals.

As Robert Louis Stevenson once said, so, too, could JOSEPH W. BYRNS this moment were he able to speak, "I am a little ahead of you, gentlemen!"

Our differences of opinion, our debates, our lapses from the rules no longer concern him. For him now there is only peace and calm—the final fulfillment of God's promised reward for all who obey His precepts.

Most men have to die ere they earn the spoken esteem of their fellows. Speaker BYRNS had that esteem all the years of his life. Here on the hill men honored him, respected him, and found him all that was good and all that was human perfection. By trial and error, by victory and defeat, his character had become a sweet and noble thing.

He was one of those rare types of beings—a man whom Almighty God Himself, must have qualified for public service. He might have taken for his own that knightly motto of the Middle Ages—"Ich Dien!"—I serve!

For all of JOSEPH W. BYRNS' life was consecrated to public service and welfare. His every action was for the common good and there was never a sordid thought in his mind for personal rewards. Nigh 40 years of his life was freely and gladly given to his State and his country.

As a State representative and a senator for some 12 years, he left a shining record in the annals of Tennessee. As a Member of the House of Representatives these past 28 years, he leaves behind him a distinguished record of service which few men have ever equaled or ever will equal.

As the Speaker of the House he gave dignity to his office and won the respect and admiration of Democrat and Republican alike by his capable and fair rulings.

Of noble characteristics he had many, but his outstanding features were his loyalty to his friends and his uncanny ability to harmonize dissenting groups. Mild-mannered and with Chesterfieldian courtesy, he was ever able to bring order out of confusion. Of a truth, he was a real leader of men.

Physicians declare he would be alive today but for his untiring zeal and interest in the problems which are now confronting the Nation. A tireless worker, he burned his body out in devotion to public service. It was nothing for him to work 15 and 20 hours at a stretch without rest. It is no figment of the imagination to say that he deliberately sacrificed his life on the altar of what he took to be the national need.

It is hard to realize that he is no longer among us—that we will no longer chuckle over his stories of the fish he never caught but

dearly loved to angle for. It is hard to realize that he will no longer be available when we need his sage counsel and advice. The Union will carry on without him, but the piloting will be harder than were he still here to help hold the wheel.

Whenever I think of death I think of a sentence I once read in one of the sacred books of the East. It came from the Bhagavad Gita, and it runs like this:

"Death is but a rusty scabbard
From which emerges a shining sword!"

If that be true, then JOSEPH W. BYRNS, reincarnated, is now winging his way off into the infinite, more useful than ever in that divine plan of things which none of us living are given the right to understand. His body lies here, stilled in the awful majesty of death, but his spirit is carrying on as he did himself when he was with us in person.

There are men who scoff and say that when we are dead that is the end of everything. They are arrant fools. Nothing in Nature ever dies and becomes wasted material. Always a new cycle of development results, whether it be a tree, a shrub, a blade of grass.

With such perfection in Nature, can anyone doubt for a second that an all-wise Creator would do less for us who are created in His image? For us humans who have been given the right of speech and unlimited mental development, is it thinkable that the bitterly learned lessons of life are to be of no future use?

Life, with its stern realities, affords men a chance to prove themselves. Step by step down the years, we are given the chance to develop mentally and physically and in our strength and our weakness to serve as object lessons to our fellows.

Some men, by reason of unusual and inherent qualities, are outstanding in this regard as to their spiritual value to others. Their virtues and their noble actions make them lodestones of attraction to others—make them fountain heads of wisdom for the benefit of all humanity.

JOSEPH W. BYRNS was such a man. In life he was a natural leader. In death he is a tremendous object lesson for us who are temporarily left behind. We have been enriched by his character and we are one and all the better for his having passed among us and for his all too brief span of leadership.

We are enriched by his standards of loyalty and devotion. Part of the good that was him becomes our heritage whether we are aware of it or not. Consciously or unconsciously, we will ape and take on those qualities of his and be all the better for them.

Do you doubt my statement? Then I refer you to Paul's Epistles to the Hebrews in which you will find one of the subtlest and deepest principles of life—mayhap the answer to the riddle of life—"God having provided some better thing for us, that they without us should not be made perfect." Say that to yourself, and imagine, if you can, that they are the words of the dead to us who are still alive.

JOSEPH W. BYRNS loved his State and his country. Their best interests were always his best interests. Early and late, he ever stood ready to give them the last ounce of energy he possessed. Now, like a valiant soldier, he has expended that last ounce and his cold form lies stilled before us in an unforgettable lesson in service.

He was a gentleman of the first rank and a firm Christian. He was a devoted husband and father.

All of us who knew him well are better off for these shining virtues of his because, awed and humbled by the mystery of death, we are unconsciously receiving this spiritual legacy he has left behind. So goes the law of life—in such fashion is exemplified the words of the poet, "The good men do lives on after them and never dies."

Hail and farewell, JOSEPH WELLINGTON BYRNS!

There is sorrow and weeping in our fair State of Tennessee today, because you are gone—there is sorrow and weeping everywhere in the Nation.

We will sadly miss you in the days which lie ahead but we are all the better and all the more strengthened because you passed amongst us and helped show us the way to immortality.

STATEMENT BY NATIONAL WOMAN'S PARTY

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief statement by the National Woman's Party.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, the National Woman's Party, which is sponsor for the proposed equal-rights amendment, has issued an interesting statement on the recent minimum-wage decision of the United States Supreme Court. Its statement is as follows:

The Supreme Court has exposed the fallacy and forever disposed of the strange theory that the imposition upon women of wage rates not applicable to men would be an act of social justice, leaving only the question of such minimum-wage regulation for all workers.

The New York minimum-wage case has served to clarify the issue and clear the air, leaving to be decided on its merits the issue of whether or not to maintain, abridge, or wholly yield to legal regulation the hitherto guaranteed privilege of American men and women freely to exercise a right inherent in our form of government.

Perhaps the time has come to reconsider and redetermine this fundamental question.

But if it has, or when it does, that issue will be decided and a new design for living created, if at all, by the votes of men and women, acting not in opposition to each other but in their mutual interest and on grounds broader than any presented in the narrow field of minimum-wage regulation for women only.

Thus far, men have not wanted and labor leaders have strenuously opposed minimum-wage legislation for themselves, while cordially approving and even urging the enactment of such laws for women regardless of protest against them.

Disguised as protection, the grinning specter of discrimination has been advancing behind a smiling face.

The Supreme Court has torn away the mask.

Never again can it be argued that women are helpfully affected by minimum-wage laws which fail to apply equally to men.

In a decision which should be read by every American citizen, and with gratitude by all women, the Supreme Court has declared that—

"While men are left free to fix their wages by agreement with employers, it would be fanciful to suppose that the regulation of women's wages would be useful to prevent or lessen the evils listed in the first section of the act."

And therefore the Court concluded:

"It is plain that under the circumstances such as those portrayed in the factual background prescribing of minimum wages for women alone would unreasonably restrain them in competition with men and tend arbitrarily to deprive them of employment and a fair chance to find work."

Not only did the Court find "repugnant" to constitutional guaranties the provisions of the minimum-wage law it was asked to uphold, it also found, and so declared, that the facts presented in its favor were the best arguments against it.

"These declarations or recitals of fact," the Court ruled, "serve well to illustrate why any measure that deprives employers and adult women of freedom to agree upon wages, leaving employers and men free to do so, is necessarily arbitrary."

Proponents of special restrictive laws for women in industry will strive in vain to obscure the grounds on which was rendered the decison handed down last Monday, June 1, and to divert attention from the arguments advanced in favor of the New York minimum-wage law by those who frankly indicated their greater concern with its desired effect on the employment of men than on women, the alleged beneficiaries of the proposed legislation.

"Doubtless", these advocates told the Court, "some persons may suffer hardship"; that some women would be deprived of employment, and the wages of others depressed by it was conceded.

But that such persons would be those least able to take care of themselves when displaced, and others of greater skill who in replacing them would be forced to accept the lower wage, concerned these advocates of social justice not at all.

It did concern the court of last resort, which not only reaffirmed all previous rulings that the fixing of wages by law is an invasion of a private right beyond the legislative power, but further held that the law in question involved a specific discrimination against women.

Thus stripped of illusion and pretense, there remains only the question of whether social justice is best served by the preservation of liberties reserved by the Constitution "to the people" or by laws for all workers enacted in accordance with another and different social philosophy.

MULTIMETALISM—A LOGICAL SOLUTION OF OUR EXISTING MONETARY PROBLEM, INCLUDING PROPOSED ACT

Mr. WHITE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein an article on finance. I have an estimate on this from the Public Printer. I made the request recently, but the matter runs a few lines over the two-page limit. I therefore renew my request.

Mr. RICH. Mr. Speaker, will the gentleman give the House the estimate he received from the Printer?

Mr. WHITE. It is two pages and a quarter.

Mr. RICH. But what will it cost to print the speech in the RECORD?

Mr. WHITE. I do not remember the exact figures at the minute, but it runs two pages and a quarter, they said, in the estimate.

Mr. RICH. I should like the House to know what two pages and a quarter cost.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE. Mr. Speaker, in consideration of what is generally admitted to be one of the paramount issues before the people of this Nation—the money question, to which all other issues are more or less related and subordinate, I include a treatise on multimetalism prepared by one of the

leading sound-money advocates of my State of Idaho, Mr. Frank E. Johnesse, Boise, Idaho:

As the existing depression continues and its resultant problems become more complicated, it is all the more evident that the basic cause is the impracticability and instability of our crude and antiquated monetary system, and there must be a radical change therein before we can ever hope to recover from existing governmental ills. The cause must be removed.

We must devise a monetary system that will conform to our advanced industrial and commercial methods, and it should provide a compensated commodity dollar, a dollar that will be in some way guaranteed; not alone by Government credit, but by real commodities, in order to render sound our national monetary structure. When we receive a dollar in compensation for work performed, whether by applying brain or brawn, and it is accepted in exchange for commodities created by labor, it becomes a compensated commodity dollar; and having it secured by, or redeemable in a reasonable number of essential commodities produced from nature's products by the application of labor thereto, it will very naturally stabilize the value and price of all commodities so produced, and likewise our dollar or medium of exchange.

A paper unit of our national currency is nothing more or less than a national check, which differs in no essential from the check of a responsible private citizen. There should be available, in the Nation at least, 100 cents worth of some imperishable and indispensable commodities on which the relative price has been fixed by law, for the security or redemption thereof on demand.

One single commodity will not suffice; and particularly one such as gold that has no real intrinsic value. It must consist of a sufficient number of imperishable essentials of which there is an ample supply available and which will provide sufficient security and for the working out of the law of relativity.

There is no more reason why the Government should stamp 50 cents worth of silver with the value of one dollar and offer the coin or irredeemable paper currency in exchange for a dollar's worth of commodity of any kind than why an individual should do so. Such a dollar is in no way compensated, and in reality the transaction is dishonest, whether indulged in by a Nation or an individual. When the credit of the issuer weakens; whether it be the Nation or the individual, its exchange value is deflated and the holder loses.

The recent inflation in the price of gold the world over, averaging close to 100 percent, together with the marked advances made in metallurgy in recent years, which has greatly reduced the cost of reduction of large low-grade gold deposits of both lode and placer, is going to result in a material increase in the world's output. Then, it being withdrawn from circulation and the human race no longer bedecking themselves with it in gaudy jewelry as in the past, its consumption is bound to be greatly reduced. There will also be a limit to the amount each nation can afford to buy and store away with no interest accruing. Therefore, at the present rate of production, and the increased rate that is bound to develop to a marked degree, it will not be long before the supply will be far in excess of the demand. Not being an essential in any particular, with its use confined to that of a convenient exchange medium, it will lose even the broadly fluctuating exchange value it has had in the past.

It is a travesty upon the concept of a standard to define the dollar in terms of a metal, the production of which accounts for less than 1 percent of our national income and has no real intrinsic value, and it reflects most unfavorably upon the intellect of our citizenship to acclaim alleged soundness to a monetary standard such as gold alone, when we realize its extreme instability.

A stable price for labor and commodities means prosperity, while highly fluctuating prices mean speculation, bankruptcies, unemployment, depression, hunger, and disaster.

The international bankers and big-moneyed interests do not want a stable monetary system; it is to their interest to have a broadly fluctuable standard of value or commodity price level, for under such a system they can control the market—run it down and buy, then run it up and sell. Under existing laws they can issue a circulating currency and loan it to the Government at a fair rate of interest, in spite of the fact that the Government is its only security. As they loan this money out, credit is inflated, and when they call it in, credit is deflated, and the earning power of the working class and the commodity-price level varies accordingly.

The American people at a cost in income alone of over $127,000,000,000 and a still greater depreciation in capital assets have learned, or should have learned from this depression, how unwise and destructive it has been to let such interests dictate our monetary policies.

Superficial treatment of the basic causes which bring on a depression will not end it. Emergency measures are but temporary at best. We have reached the point where we can no longer rely upon experimentations in currency manipulations, and the pretentious altruism of the large financial and commercial interests whose souls are seared by overacquisitiveness and desire for excessive profit.

Ways and means must be provided by which private enterprises will be revived so as to take up the slack in business when this artificial stimulus of Government spending is withdrawn, as it must be in the near future.

The uncertainty as to the future stability of our monetary system has destroyed the confidence of investors in the safety of long-term ventures of all kinds, and until we provide a more practical, logical, and stable monetary standard the depression will remain with us.

A currency or monetary system managed or directed by a bureau or commission cannot be made to serve the public on an equitable basis, because "to err is human", and it would be more or less subject to the powerful influence of predatory interests. It should be made mandatory—subject to a fixed law.

It is unfortunate that the administration in power has not before this realized the extreme importance of providing a stable monetary system.

It would seem that anyone with the least conception of economics or the monetary question should realize the impossibility of stabilizing the exchange value or purchasing power of a nation's currency or medium of exchange without having it redeemable in the relative exchange value of a reasonable number of interchangeable, indestructible, and indispensable commodities produced by labor, which is the source of all wealth, and of which there is an adequate supply. And this being a fact, what group of commodities could be more appropriate than silver, nickel, tin, copper, lead, and zinc at their relative labor cost with gold at any fixed value in dollars. Aside from food products, which are perishable, and therefore could not be made to serve the purpose, they are the most essential of all commodities.

The progress of science and industry has brought us well along into the metal age, and without these seven metals, particularly the last six named—silver, nickel, tin, copper, lead, and zinc—we never could have reached our present advanced state of mechanization in the progress of civilization.

If money is to be sound, that is to say, exercise an approximately constant control over economic values, some way must be provided by which it can be related to some such group of essential commodities as it has in the past supposed to have been related to gold. The reason why raising the price of gold did not cause the general price level to rise in the same proportion, or anything like it, was due to the fact that the single gold standard is a traditional fetichism; and while the other six mentioned metals are not so worshipped, they are absolutely essential to the progress and maintenance of our modernized world. Therefore they are the logical commodities upon which to base a sound monetary system. Their relative value can be closely adjusted to their labor cost and therefore made to provide a stable price and wage level as no other group of commodities could.

Our economic order cannot survive on a fiat money or a single gold standard. The inclusion of silver along with gold would lend to the stability of the system but could not bring about the desired results.

We must establish an economic system that will serve equitably internationally, so that every human being with wants unsatisfied, and who is willing to perform his share of work, can draw upon the mass-production facilities of factory and farm on an equitable basis for work performed.

To meet these requirements the following act is hereby recommended:

"An act to provide a compensated commodity dollar or standard of value as the basis for a stable monetary system

"Whereas a great national emergency exists, requiring immediate restoration of the commodity-price level, a revival of industry, relief from the serious unemployment situation, restoration of the earning power of the people, and an increase in the current income of our National Government; and

"Whereas it has become an established fact that gold alone, at any fixed price or in any quantity, cannot provide a stable standard of value for our medium of exchange, that our past crude monetary system based upon the single gold standard has become an antiquated, outworn traditional theory, which does not and cannot be made to serve the purpose for which it is intended; and

"Whereas in order to provide the basis for a compensated commodity dollar that will function equitably as our medium of exchange, it must be based upon a sufficient number of the most essential, indispensable, indestructible, and interchangeable commodities to provide for the free applicability of the working out of the law of relativity; and

"Whereas the Constitution of the United States, by article I, paragraph 8, has vested in Congress alone the power to issue and coin money and regulate the value thereof: Now therefore

"Be it enacted, etc.—

"1. That on and after the enactment of this act the fixed value of our dollar or our national medium of exchange, shall consist of 13⅛ grains of gold, equivalent to $40 an ounce, and silver, nickel, tin, copper, lead, and zinc at a fixed relative value, on the following basis:

Gold	ounce	$40.00
Silver, 26⅔ ounces to 1 ounce of gold, or	do	1.00
Nickel, 114 pounds to 1 ounce of gold, or	pound	.35
Tin, 80 pounds to 1 ounce of gold, or	do	.50
Copper, 320 pounds to 1 ounce of gold, or	do	.12½
Lead, 400 pounds to 1 ounce of gold, or	do	.10
Zinc, 400 pounds to 1 ounce of gold, or	do	.10

"2. That the price of gold shall be fixed at $40 an ounce and not subject to change except by act of Congress, but the relative price of the other six metals, silver, nickel, tin, copper, lead, and zinc, shall be subject to change within certain limitations as hereinafter provided, and the said seven metals at their fixed

relative price shall constitute our standard unit of values, and all forms of money issued or authorized by Congress shall be maintained at a parity of value with this established standard, and it shall be the duty of the Secretary of the Treasury to maintain this parity; and all United States notes, Treasury notes, and bonds now outstanding and which were redeemable in gold at the old price of $20.67 an ounce, as well as all other debt and obligations, both public and private now outstanding, except those held by foreign nations and citizens of other nations at the time of enactment of this act, shall be redeemable in any one or more of these said seven metals at their fixed relative value or a currency or medium of exchange representing the same.

"3. That any amount of any one or more of the said seven metals imported or accepted in exchange for commodities from foreign nations, corporations or individuals at a price less than the fixed standard, shall be subject to an import tax equal to the difference.

"4. That the President shall appoint a currency-control board consisting of three members of which the Secretary of the Treasury shall be one and serve as chairman thereof. The other two members to receive a salary of $10,000 a year, but the salary so fixed shall be subject to the reductions applicable to officers and employees of the Federal Government generally.

"5. That the currency-control board shall have the power to increase or decrease the price of one or more of the said six metals other than that of gold, in order to regulate extreme fluctuation in supply and demand; provided the change is not in excess of 5 percent within 3 months or 10 percent within 1 year, and that notice of any and all changes so made shall be made public at least 30 days prior thereto.

"6. That the production of any amount of any one or more of the said seven metals shall be reported to the United States Treasury or its agencies for certification, for which the producer shall pay a certification fee of 15 percent on all gold, 10 percent on all silver and 5 percent on any one of the other five metals produced in the United States or its possessions, or imported from any other nation not internationally associated with us under a like monetary system.

"7. That all or any part of any one or more of the said seven metals produced in the United States or its possessions and certified to as herein provided, shall be subject to purchase by the United States, in preference to any other purchaser, and no quantity of any one of the said seven metals shall be sold for more or less than the said fixed price.

"8. That for every dollar's worth of any one or more of the said seven metals produced as herein provided and purchased by the United States and not minted to be used as coin of the realm, the Secretary of the Treasury shall have issued in legal tender paper currency of various denomination in a like amount, which shall become a part of the general fund. Likewise, the Secretary of the Treasury shall have issued a like legal tender paper currency for every dollar received in certification fees, and it also shall become a part of the general fund.

"9. That a production tax of 5 percent of the sales price of all other metals and minerals of every kind and description mined or otherwise produced from nature shall be paid by the producer when sold, or if and when processed by the producer, the tax shall be 5 percent of the open-market price at the time of processing, said tax to be collected by the United States Treasury, become a part of the general fund and subject to the issuance of legal tender paper currency as herein provided.

"10. That any person, persons, or corporation violating any of the provisions of this act shall be deemed guilty of felony, and on conviction shall be punished by a fine of not less than $100 and not to exceed $5,000, or by imprisonment for a period of not less than 60 days or in excess of 5 years, or both fine and imprisonment within the limits hereinbefore specified, at the discretion of the court.

"11. That all acts or parts of acts in conflict with this act are hereby repealed.

"12. That, whereas an emergency exists, therefore, this act is to take effect on and after its passage."

PERTINENT POINTS REGARDING THE FOREGOING PROPOSED ACT

The relative price of the seven metals, except for that of gold and silver, as herein provided, is about an average for 25 years under normal conditions, but could be fixed at any desired level to meet existing conditions.

The price of gold alone can have but little, if any, bearing on the price of essential commodities. Therefore the higher its price the better, for its main function under the proposed act will be in using it to balance accounts between nations and to adjust the supply of currency and circulating credit to the changing demands of trade.

By fixing a relative price of the other six metals it will have the direct effect of bringing the price of labor and all commodities up to a relative level and make them stable.

A certification fee or tax on metals and minerals of all kinds which are nature's matured products, is far more reasonable and just than a tax on farm products, which are perishable and require planting, cultivating, and harvesting to produce, with results dependent upon market, weather, climatic conditions, and pestilence of all kinds. Such a tax will provide an annual income of over $750,000,000 and be felt less than any now imposed by the Federal Government.

The certification fee or production tax will provide for the issuance of a non-interest-bearing circulation medium to take the place of interest-bearing bonds and Federal Reserve bank notes issued against them and in the payment of Government obligations of all kinds. Such an exchange medium will have far greater stability than any form of money heretofore issued by any nation.

It is not intended, nor is it to be expected, that any or all of the seven metals are to be used in actual exchange for products or in balancing accounts any more than gold has been for the past threescore or more of years while serving as a standard for our medium of exchange. It is only intended that their combined value and national supply shall secure our circulating currency or medium of exchange and provide a stable credit basis.

Silver, nickel, tin, copper, lead, and zinc are essential to the life and progress of industry, and therefore have real commodity value, while gold has not. Therefore, our dollar, based upon the relative or combined value of the seven, should have far greater stability than on gold alone, or both gold and silver. The extreme variability in the purchasing power of gold, due to the supply being hoarded and controlled by a few nations or certain interests, has made it impossible to maintain anything like a stable commodity price or labor cost level, and has no doubt been the chief cause of the present and past depressions.

With such a stable monetary system as the proposed act provides, the value of all other commodities produced by applying labor to the earth or its products, as all commodities are, will become automatically adjusted to their relative labor cost level. By fixing the relative cost level at something like the average for 1926 it will enhance the value of the debtors' assets, strengthen private and public credit, and greatly increase the buying power of the masses. One of the most important and far-reaching factors is that it provides the ideal basis for an international monetary system that will prove a world-wide blessing, and a system to which most nations, once they realize its far-reaching international beneficial effect, would readily subscribe to.

This world-wide depression has vitally affected every nation and our international relations have developed to the point where no one nation can emerge from it alone. With our highly developed means of transportation and communication, extreme nationalism is a thing of the past; we are more or less dependent upon each other for our future well-being, and particularly the progress of industry, and the first and most essential requisite is a sound and logical international monetary system.

There is a much greater need for an international monetary system today than there was for a national or interstate system 100 years ago. It would eliminate many of the obstacles of foreign commerce and pave the way for advancing the living standard of the masses of the entire world, which, in turn, would greatly increase the demand for and consumption of the necessities, comforts, and luxuries of life, provide a more equitable distribution of wealth created by labor, as all real wealth must be, and eliminate many of the prime causes of war.

Our economic system must be modernized to the rapid advances being made in science and industry, and as the monetary system is the cornerstone of economics, a more practical, logical, and equitable system must be devised and adopted. Instead of a fiat or gold dollar, we must provide a compensated commodity dollar as suggested in the foregoing proposed act. Without some such radical but practical change in our monetary system there can be no permanent relief from existing conditions.

Neither monometalism—the single gold standard—nor bimetalism—both gold and silver—will suffice. What we must have is multimetalism—gold and silver—with the five leading industrial metals, nickel, tin, copper, lead, and zinc—real essentials, which will provide the necessary breadth and stability and prevent hoarding and control by nations or powerful corporations.

Monometalism (the single gold standard) is a thing of the past. We are in dire need of a logical, practical, modernized monetary system. Multimetalism is the logical solution.

While multimetalism has never been tried out and its feasibility demonstrated, no other plan so far proposed comes anywhere near providing so sound a method; and while it may not prove perfect, it will, without a doubt, prove to be far superior to any plan ever devised or adopted by any nation in the past. It is the only plan upon which an international monetary system that will function satisfactorily can be based. Its early adoption by our own Nation will at once start us on the short cut back to prosperity with such startling results that other nations, looking for a logical way out and not bound by tradition and the greed and narrowness of the dominating class, will quickly fall in line. Right now multimetalism is our salvation. It will also tend to obliterate extreme national independence and lead the world on to a broader application of interdependence and internationalism, for it will provide an ideal international monetary exchange medium and check the growing tendency toward extreme nationalism, which is much to be desired.

The first step toward multimetalism is to peg gold at some fixed price and remonetize silver at a reasonable ratio, then fix the relative price of nickel, tin, copper, lead, and zinc at the proper level therewith, and have all obligations, both public and private, redeemable therein, and we will then have modernized, harmonized, and stabilized our monetary system.

It provides for the issuance of multimetal certificates in various denominations for our circulating currency, to be redeemable in any one or more of the said seven metals at their fixed relative prices, and all debts, public and private, payable therein. For a Federal currency control board with power to gradually vary the relative value of any of the said metals other than gold, if necessary,

to conform to extreme variation in supply and demand, and for the Government to certify to the production of all the said seven metals hereafter produced in the Nation and charge a certification fee of, say, 15 percent on gold, 10 percent on silver, and 5 percent on the other five.

A like certification fee could well be imposed on the production of all other metals. They constitute real wealth coming from the earth, which is the natural birthright of the people. It would therefore be just and felt less than most any other form of tax. It would also provide a large percentage of the necessary income.

Under this system the relative price of all commodities could be brought to any desired level, because the relative average price level of all commodities would conform to the fixed relative labor cost of the seven metals and would become stable.

We are living in the metal age. The progress of science and industry is dependent upon the use of metals. With these industrial metals functioning as a monetary standard, they will be used to a very large extent in commodity exchange and thereby greatly increase our international commercial intercourse.

Once it is adopted, details as to the particular metals used, their price, certification fees, etc., can very easily be worked out to conform to existing conditions, and we will then have paved the way for a rapid recovery from our present ills.

PROBLEMS OF AMERICAN DIPLOMACY

Mr. KENNEDY of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an open letter to the President of the United States by a justice of the Supreme Court of the State of New York on the question of American diplomacy.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KENNEDY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter of Justice Cotillo to President Roosevelt, which, I believe, is a fine presentation of a difficult as well as a delicate question of American diplomacy:

NEW YORK CITY, *June 5, 1936.*

To the PRESIDENT,

White House, Washington, D. C.

MY DEAR MR. PRESIDENT: "Future events cast their shadows before." This has for American diplomacy today a great significance. I call your attention to what the public press reports are agitations and disturbances in Palestine, wherein the English accuse the Italians of exercising unfair propaganda. This agitation, in a far-away land, may be the means of starting another war in Europe, and on behalf of all Americans here, I take the liberty to address to you this open letter, calling your attention to the potential dangers in any future embroilment by us.

Though occupied with the many duties of a justice of the supreme court here, yet from the standpoint of an American interested in maintaining strict neutrality, I have made a study of the situation in foreign affairs as it affects our relations in the Ethiopian dispute.

For this reason, I thought it my duty, representing as I did in 1918 the United States Government in Europe and in Italy particularly, to offer what little aid I can to this country, because of my deep appreciation of the good I have received here.

It is discouraging to read in the public press statements accredited to a member of the House of Lords made in the English Parliament, that upon your reelection they (the foreigners) can depend upon you to push this country's influence on the side of England, on the side of the League of Nations, on the side of other interests other than those primarily American. I desire to blast this infamous statement, because, knowing as I do of your deep loyalty to America and to the supreme trust placed upon you by the American people, I am confident that whatever decision you arrive at will be fair, impartial, and above all else, American. Knowing you as I do, I can truthfully say for the benefit not only of Italian-Americans, but for all Americans, that your decision will be fair and just and afford no basis in fact for such calumnies.

If the memorandum I enclose herewith can be of any assistance to you, either through its formulation of the facts or presentation of one of the viewpoints involved, it will have served its purpose.

We have heard in the past how wars were made for America, not in Washington but in foreign capitals. It is asserted by international lawyers that our War of 1812 was thus made. It is repeated in places, too numerous to mention, that the same situation was duplicated in 1917. For this reason no effort should be spared to acquaint our people with the true facts and thus put in your hands a weapon so as to influence public opinion and enable us to religiously eschew these influences from foreign sources, and remain neutral, not only in spirit but also in fact.

A coming question before you as Chief Executive of the American Nation is the problem of recognition of Italy's rights to sovereignty over Ethiopia. Concerning the solution of this problem in my memorandum, I offer two suggestions. Both are offered in my humble capacity as an American citizen and both are neutral in spirit. One is that in determining this question we stick to the precedents afforded through international law; the other is that we base our policy on realistic diplomacy.

I, perhaps, can make clear what I mean when I quote the following from my memorandum:

"With the advance of the Italian Armies and the imposition of sanctions against Italy, a crusade began to mobilize public opinion in the United States, not in the cause of peace but in the cause of war. That was a war against Italy because she had been designated by the League as an aggressor.

"By this time conferences were being held by the Senate and House committees with a view to framing a permanent neutrality policy. Arguments were advanced pro and con. So convinced were our leaders that all the morals were not on one side, that it was definitely declared additional time was necessary for consideration. As a result the 1935 neutrality policy was reenacted in 1936.

"The test laid down in the public debates was whether or not we should or should not apply sanctions. The arguments advanced a decade or more before by Senator BORAH and Senator JOHNSON against interference in European wars were repeated. We were happy that we had not been inveigled in them.

"To apply sanctions meant to abandon international law and invited a new departure. It meant definitely to cripple Italy by depriving her of essential oils. The prosanctionists were definite that only by such a policy could they accomplish what they sought after, namely, to defeat Italy.

"The pro-English element, who are a minority in our population, sponsored this division within our people here; that it set up groups and classes against each other within our masses was a minor concern.

"The propaganda failed because it was not based on neutrality. It meant abandoning traditional American diplomacy doctrines such as the freedom of the seas and rewriting a new schedule on embargoable goods not recognized under international law. It definitely led us into making moral commitments in all foreign wars. The morality of such wars might even be decided by Asiatic nations sitting in the League of Nations, and fascist or communistic nations, too, for that matter.

"It became apparent that neutrality was something which could not be hastily passed upon."

The League has come to America and made its play for our support through its pro-League organizers. It failed to convince us that they were sincere. We became satisfied that American neutrality was not going to be easy to define, and that everybody was on the "suspect list" so far as motives and morals were concerned.

Now, let us take stock where we stand so that we may know how to do the right thing now that the war is over. This is important, because as the public press reports that the League of Nations intends to continue sanctions, once again our happy refusal to join with the League prevents us from lining up in a policy which no longer is a policy of sanctions but is a policy of vengeance instead.

First and most important, let us do nothing to bring down ridicule upon us. Let us avoid backing unrealities because if we do, the next obvious deduction is an accusation of hypocrisy.

Let us illustrate. In Asia, we do not recognize the existing government in Manchuria. We do still recognize a defunct Chinese autonomy there, not based on anything in fact.

Under the nine-power treaty, Mr. Stimson enunciated our policy of nonrecognition. The nine-power treaty left him no other alternative. There lay an instrument specifically created to preserve her territorial integrity. Three years have passed, and we have our first example of a policy where we recognize a country which has ceased to exsit, and have failed to recognize an existing state evidently destined to survive. Diplomatic policy so contradictory to settled facts in fields so foreign or alien to what Prof. Charles A. Beard calls "our defensible interests" tends to border on the ludicrous.

To apply the Stimson doctrine in Africa may easily duplicate such a questionable performance, excepting this time we would not have the concrete applicability of a specific treaty directly designed to save Ethiopia. In such an event we would have by holding onto the old set of facts still another Minister without duties and credited again to a nonexistent regime. And vice versa, the existence of an African territory whose 10,000,000 inhabitants and 350,000 square miles of territory remains a blind spot in our diplomatic lexicon. Such unrealistic diplomacy can bring no glories to America.

From these citations I conceive it desirable that we attempt no experiments; that America stick to that which is tried, tested, and in the past found sufficient; and, finally, that the interests of America compel that we attempt no other course.

My second suggestion, that we place our recognition to Italy's claims over Ethiopia on a realistic basis is readily supported by a reference to the following excerpts again taken from the accompanying memorandum:

"It is instructive to note that the second half of the nineteenth century alone provides five instances of annexation similar to Italy's recent annexation of Ethiopia, where one state has annexed the entire territory of another state without the latter's consent and without any treaty providing for its cessation. Three of these annexations were of colonial territory:

"'(1) On January 1, 1886, following the Third Burmese War, Great Britain, by a proclamation of Lord Dufferin, annexed the independent kingdom of Burma. The territory thus conquered is now known as the Province of Upper Burma and constitutes a province of the Indian Empire under the Central Government of India.

"'(2) In 1896 France annexed Madagascar after a military expedition had been sent to the island. Madagascar is now a thriving French colony.

"'(3) In 1900 Great Britain, by proclamations made May 24 and September 1, respectively, annexed the independent Orange Free State and South African Republic (the Transvaal). These territories now form part of the Union of South Africa, a British dominion.'

"The other two instances of annexation referred to above occurred in Europe, and were the following:

"'(4) In 1860 Sardinia annexed the Emilian Province of Naples and Sicily. This, however, was not a true conquest, since it followed a popular vote of the inhabitants of the annexed territories in favor of such union and was preceded by popular risings which had overthrown the ruling houses of such territories.

"'(5) In 1866 and 1867 Prussia, by unilateral decree, annexed Hanover, Nassau, Hesse-Cassel, the free town of Frankfort-on-the-Main, Holstein, and Schleswig.'"

Let us reflect back on our Russian experience. With the outbreak of communism there we closed the diplomatic door and kept it closed for 14 long years. Then we found a circuitous road to the inevitable recognition which followed. England waited for 12 years before recognizing the revolutionary government of France. We hedged many years before we negotiated through diplomatic overtures through Obregon with Mexico, having refused to recognize the Huerta regime. Delays are merely face saving, experience shows. If there was something to be gained by waiting, there might be something to be said for this unrealistic attitude. If the spirit of the Pact of Paris means anything, it means to grant recognition now and avoid a prolongation of war. In this way alone may we help keep the peace of Europe at least unimpaired. In this way we will help save the interests of the League of Nations and the face of England besides. All we need to do is to stick to international law.

Europe will doubtlessly call us names. It will also continue its scolding. At least we have done our part in closing the door against one more possible European conflagration. We would thus pull the League of Nations out of an awkward position and save England's face at the same time.

Let us not again do the quixotic in diplomacy. Neutrality requires that we recognize Italy's claim over Ethiopia. To refuse is to be unneutral.

Let us imitate the English in their realistic diplomacy. In 1933, though the League found Japan an aggressor, Great Britain announced an arms embargo applicable equally against both China and Japan. This was to demonstrate English neutrality, it was said.

When accused of unneutrality, Sir John Simon replied in the House of Commons: "I do not intend my country (Mr. Stimson to the contrary) to get into trouble." Is this not of great significance concerning what our stand should be on recognition in Ethiopia?

By all means, realistic diplomacy compels us to be just as neutral in Africa as England has been, the Kellogg Pact notwithstanding, in Asia. The moral is: Recognize Ethiopia as annexed Italian territory. This is but to pursue our rights as neutrals for which we have insisted throughout many times since 1928, when the Kellogg Pact was signed.

If, on a finding of fact, though no war was declared, you saw fit, Mr. President, to proclaim the existence of a state of belligerency, I urge you, in the name of American fair play, consistency, and logic, to now indulge in a similar finding of fact that no longer is there any war. If such is the case, the American people fairly may demand that you proclaim the end of a state of belligerency, and, further, that the temporary prohibitions, heretofore pronounced by you, such as nontravel on Italian ships, be rescinded.

The American people would support a realistic attitude by your administration concerning the recognition of Italy's claims over Ethiopia. The first step, courageous but factual, is for you to set aside as inoperative our neutrality legislation, specifically temporarily in character, and designed to be ineffective with the cessation of hostilities. I urge this practical attitude upon you, especially when it carries with it an added assurance for insuring peace in Europe.

Let us keep anchored to present-day realities. The sanctity of treaties per se means nothing when removed from present-day realities. Everyone welcomes the day when diplomatic realism and actual world realities may coalesce and thus occupy similar moral planes. If such a desired world morality existed today, then Germany and Italy would have no trouble or have to fight England and France for colonial territory or lands containing the sources of raw materials deemed necessary for their congested populations.

In addition, disturbing impediments to migration movements of peoples would be removed, all in a spirit of harmony. Only nationalism and human nature prevent this "Utopia" today. I say in my memorandum:

"Examining the Kellogg Pact for the outlawry of war, we find this termed essentially a document to insure peace. As a matter of fact the price of peace it exacts is the perpetuation of the Treaty of Versailles' errors. This is so because the minute Germany attempts to separate the fetters which bind the Covenant and the treaty together, she has automatically violated the Paris Pact and automatically is deemed to have started a war of aggression. Once more the hounds are called to the chase. The vicious circle can never be broken in the interests of peace. It can be broken only to start a new war.

"When the first illustration of a national self-interest wave lifted its head, as it did in Japan in 1931, the Pacific Pact was available to denounce her as an aggressor, even though this ran contradictory to Japan's national self-interests and manifest destiny in Asia. We were caught in the net, and the Stimson doctrine was announced. By it we were launched into a threatening attitude toward a major power without our national self-interest requiring it."

Treaty sanctity and essential fairness depend on national self-interest between the contracting parties. This is true in private law and public law. International law affords no exception to this rule. Let us have as much faith in national trends as we have in diplomacy or statesmanship. In fact, of the two, it is safer to trust the former because it is not so evanescent as the latter. Treaties that deserve to endure will endure; those that do not will not. There is a survival test in the field of treaties just as there is in every other form of human activity.

In the present instance one calls to mind the London Pact of April 26, 1915, where England, France, and Russia gave Italy specific promises and which granted Italy certain lands in Africa for her aid to the Allies. Who doubts today that Italy has not been cheated and that the present Ethiopian war was not a direct result of Italy's violated treaty rights?

I honestly believe that your enunciated doctrine of a good neighbor falls harmoniously in line with the doctrine of realistic diplomacy that I favor in my humble capacity as citizen.

Why should we not, instead of backing a questionable international League of Nations, develop a pan-Americanism here on the basis that the similarity of interests of the nations here, both large and small, on this Western Hemisphere, calls for a unity of action and a parallelism of interest such as is out of question, impossible to achieve in Asia, Europe, and in Africa?

You have, therefore, sounded a real note of optimism and of hope in foreign affairs through your program of a good neighbor and your pan-American peace-organization movement. The eyes of this Nation are watching you. So, too, are other nations, though possibly from a different angle of interest.

No one can deny that the prolongation of sanctions in Europe is no longer in the interests of war, but is based on a policy of vengeance.

America cannot afford to sustain, expressly or impliedly, such a doctrine. First, because it is not American and second, because it would be to continue to hold open the door to the possible further outbreak of new wars in foreign lands. America's attention, therefore, Mr. President, is upon you, and we are confident you will do the right thing.

Congress is still in session; and, seeing that the neutrality legislation of 1935–36 was promulgated, to remain effective only during the continuance of war, now that the Ethiopian war is no longer a fact, in all fairness and with deep earnestness I urge upon you to demonstrate American impartiality, American fair play, and a true American neutrality and rescind the operation of that legislation by virtue of the cessation of hostilities. This would stamp the policy of your administration with a courageousness and a fearlessness that would rebound to America's credit both at home and abroad. It would be but to anticipate what the League will ultimately do, namely, eradicate sanctions, and also the course of other nations, by recognizing the fait accompli. It would compel respect for America. It would stifle the propagandists here of minorities seeking to disseminate propaganda among us for selfish purposes; it would silence any criticisms that have cropped out in the past that we hear asserting we favor one side as against the other; it would afford an irrefutable illustration that we intend to be neutral, and it would set a guidepost for future American action.

I offer, Mr. President, these few suggestions in a spirit of helpfulness, and I am sure you will accept them in that and in no other spirit.

My deep interest in this problem causes me not to want to leave any stone unturned where I might return in some small measure the benefits which I have received here.

Wishing you, Mr. President, every good success in this trying field, I am,

Very sincerely yours,

SALVATORE A. COTILLO.

THE FLORIDA CANAL

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute for the purpose of making a statement.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker, a few days ago I received permission to extend my remarks in the RECORD, and to include therein three or four short letters. I have not availed myself of that opportunity. I should like to renew my request and to assure my colleagues it will not be more than a page or perhaps a page and a half.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker, recently I have been engaged in a campaign for renomination to Congress, but returned

here to assist all that I can in passing the resolution amendment as mentioned above, affecting the Florida canal.

Our first primary in Florida was on June 2. We polled approximately 31,000 votes as against the combined vote of our four opponents of a little more than 31,000. The next high man received about 11,000; the next about 10,500; the next about 8,000; the next about 2,000. These are approximate figures. We missed, by about 300 or 400, polling a clear majority over all the others. There were approximately 20,000 votes between us and the highest opponent. For this wonderful vote of confidence on the part of my constituents I am profoundly grateful. A run-off, or second primary, will be held on the 23d day of June, and I have urged our friends to go back to the polls on the 23d and to work earnestly for a majority most substantial.

I have kept faith with the people of my district and shall as long as I represent them. My record is an open book, and it is my desire that every one of my constituents be informed concerning it. For this reason it has been mailed to them upon different occasions.

It costs me from my salary several hundred dollars each year to print, address, and get it out to my constituents, but I am glad to do it and thus give them my correct record rather than to permit the unfriendly newspapers and special interests to place me in the wrong light in the eyes of my constituents. Under the law a Congressman is authorized to mail out his record, and I have abided by the law. If mail goes from my office with postage due, if I learn of it, I pay the postage to the Government. Two years ago my record was mailed under the name of our then great Democratic leader and late Speaker, Joseph W. Byrns, and this year it was mailed under the name of one of my esteemed colleagues. I am not ashamed of my record, because it is my hope that it has more perfection and accomplishment than imperfection.

I have voted for relief of veterans of the various wars, and now have a bill pending which will restore to the pension rolls all World War veterans who have drawn compensation for 12 months or longer, and will also give pensions to all veterans who have 10 percent or greater disability. It likewise provides for pension benefits to widows and orphans, regardless of the cause of the veteran's death. I shall work earnestly for the passage of this bill. Also shall favor further relief for Spanish-American War veterans.

The CONGRESSIONAL RECORD of January 10, 1936, roll call no. 3, shows that I voted to pass the bonus bill. I also was the only Florida Congressman who signed the petition on the Speaker's desk to force consideration of this bill. The CONGRESSIONAL RECORD of January 24, 1936, page 976, roll call no. 11, shows that I voted to pass the bonus bill over the veto of the President. This is the bill under which the bonus is being paid to the veterans this week.

I introduced a bill to establish a soldiers' home in my State, and this home is now established at St. Petersburg, Fla. I introduced a bill to obtain added facilities at the Lake City Veterans' Hospital, and recently $150,000 has been allocated for enlargement of this institution.

I impeached Federal Judge Ritter because he was corrupt, and I cannot condone dishonesty in office.

I have voted for practically all bills endorsed by organized labor and will continue to do so in the future. I have voted for farm-relief bills ever since I have been a Member of Congress, and will do so in the future. I am now working earnestly for rural electrification in my congressional district and have bright hopes for its realization. I introduced a bill to establish a naval-stores experiment station in my district, and it is now established at Olustee, Baker County, Fla. I have labored for river and harbor improvements of my district and State, and various other improvements which I shall not take time to enumerate.

Out of the approximately 25 years of seniority held by the Members of Congress from Florida, 11½ of it is held in my name. I hold 4 of the 11 committee assignments held by Florida in the House of Representatives, and also serve as assistant Democratic whip. My committee assignments are: First, Territories, chairman; second, Rivers and Harbors; third, Flood Control; fourth, Immigration and Naturalization.

I mention these matters in deep appreciation for the continuous service which my constituents have given me, because such assignments as I may hold and such accomplishments as I may be able to perform are the result of their cooperation and confidence.

The project of foremost importance to my people is the completion of the Florida canal, and I have promised them that this canal will be completed. I include herewith two or three letters of interest.

DEMOCRATIC NATIONAL COMMITTEE,
JAMES A. FARLEY, *Chairman.*
Hotel Biltmore, New York City, April 4, 1936.

Hon. R. A. GREEN,
House of Representatives, Washington, D. C.

DEAR LEX: I acknowledge receipt of the data on the Florida canal. In this matter I am following the procedure as outlined at the conference a few days ago with you and Mr. H. H. Buckman.

You are ably handling the Florida canal matter in the House of Representatives. You are doing it in a splendid fashion, and are assisting in exactly the same manner as you have the Democratic Party in the general legislative program. Since President Roosevelt's inauguration more legislation of lasting benefit to the American people has been enacted than during any other period in the history of our country.

Assuring you of my appreciation for your support, I am,
Sincerely yours,

JIM.

THE SPEAKER'S ROOMS,
HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
Washington, D. C.

Hon. R. A. GREEN,
House of Representatives, Washington, D. C.

MY DEAR LEX: I want to drop you this note and express my deep appreciation of the splendid service you rendered as assistant whip at the last session. The entire Democratic membership of the House, and also the administration, is under lasting obligation to you for your very active work and cooperation which made it possible to put over the beneficial legislation which was enacted.

With best wishes, I am,
Sincerely your friend,

JO BYRNS.

OCTOBER 12, 1935.

ARMY AND NAVY UNION, UNITED STATES OF AMERICA,
Washington, D. C., May 8, 1936.

Hon. R. A. GREEN,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: After carefully checking your record since you first came to Congress, and being in a position with the organization that I represent to know who the real friends of the ex-service men and women are on Capitol hill, you should have the complete backing of the ex-service men and women of your district because of your unselfish efforts in their behalf, and the veterans' legislation that you have been instrumental in having passed by Congress is of vital importance to every veteran in Florida.

Your stand on immigration is the position that every true American citizen is in favor of.

Knowing that the citizens of your district will pay no attention to the whispering campaign being circulated by the special interests against you when your record is one of the best of any Congressman in Congress, you need have no fear of it because the people of this Nation are awake to the efforts that special interests will go to try and defeat men who are at all times representing their constituents in a manner for the best welfare of their district.

Sincerely yours,

JOHN J. CRIM,
National Legislative Chairman.

CITATION

In recognition of the outstanding service rendered to the United States war veterans in assisting them to secure their well-earned adjusted-service compensation and for his earnest support of this worthy cause, be it ordained that Robert A. Green is hereby cited for conspicuous service in the enactment of veteran legislation, and as a worthy leader in the forces of right in carrying out the precepts of the Golden Rule in America, and this citation is hereby presented at the national celebration for the adjusted-service compensation victory, at Norfolk, Va., on the site of the first adjusted-compensation meeting in America.

Given under my hand and seal this 15th day of March 1936 A. D.

[SEAL] W. B. SHAFER, Jr.,
Originator of the World War Adjusted Service Campaign.

LAKE CITY, FLA., *April 25, 1936.*

Congressman R. A. GREEN,
Washington, D. C.:

Greatly appreciate your cooperation to the end that President has today approved expenditure hundred and fifty thousand dollars veterans' hospital here. * * * In behalf Florida American Legion, I extend thanks.

T. H. BATES,
Chairman, Rehabilitation Committee.

JACKSONVILLE, FLA., *May 1, 1936.*

DEAR MR. GREEN: We certainly appreciate that you opposed the consolidation of the Jacksonville terminals. Also, that you are supporting the Wheeler-Crosser bill and that you vote on all occasions favorable to labor. We know that you have been endorsed by the 21 standard railroad organizations, being a member of the Order of Railroad Telegraphers.

F. E. LANE.
A. L. GRIMSLEY.

JOSEPH W. BYRNS

Mr. HILDEBRANDT. Mr. Speaker, I ask unanimous consent to address the House for a period of 3 or 4 minutes.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to address the House for 3 or 4 minutes; and the Chair trusts there will be no objection to this request.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from South Dakota.

Mr. HILDEBRANDT. Mr. Speaker, one of the saddest journeys I have ever taken was that to Nashville, Tenn., when, as 1 of the 50 Representatives designated to accompany President Roosevelt, 10 Senators, and other officials, I attended the funeral of the late Speaker JOSEPH W. BYRNS. The honor that I felt had been conferred upon me in my selection to represent South Dakota was, however, exceeded manyfold by the profound sorrow that swept over me.

One of the experiences of life that compensates for much of disappointment and disillusionment is the privilege of working in comradeship and cooperation with a man like our beloved Speaker who has just left us, JOE BYRNS.

I knew Speaker BYRNS intimately and well. I respected him for his rare ability, so modestly covered by a manner of democratic informality that made everyone feel at home in his presence. I cherished genuine affection for him because of his warm heart, his kindly helpfulness, and his human qualities. The strain of long hours of labor over legislation that is often unappreciated, that is often also spoiled and crippled by amendments, and that often, moreover, is blocked on the way to enactment and never becomes a part of the law of the land at all, is wearying and exhausting. But when one has such leadership and fellowship as Speaker BYRNS gave us, the task is rendered much easier.

Only a few weeks ago, when I was engaged in my primary campaign for renomination as Democratic candidate for Congress, one of my constituents—Mr. C. A. Hess, of Watertown, S. Dak.—wrote Speaker BYRNS a letter of inquiry as to my record. The reply, which Mr. Hess was later kind enough to let me see and keep, was a tribute from our late Speaker that I shall always prize most highly. In it he referred to his desire to be associated with me in the next session of Congress, as we had been in previous sessions. This wish on his part, and on mine, can never be realized, disappointing as it is to recognize the fact.

Individuals come and go, but the principles of Democracy will last forever. JOE BYRNS, native of the mountain district from which came the fearless and fighting Andrew Jackson—Democracy's second great leader—is one of the immortals in the long crusade waged by champions of the people against plutocracy. When the history of the warfare between humanity and property is written, the name of Speaker BYRNS will loom large along with the names of other sincere, conscientious, and unassuming Democrats who have played an even greater part in the scheme of things than they themselves perhaps knew.

Death must come to all, but it is usually hard to reconcile ourselves to it. When men of the stature and sympathy of Speaker BYRNS are claimed by the Grim Reaper, we are never ready. But in the aftermath of his passing we can unite in homage to him as a real follower of Jefferson and Jackson, and a man who also, waiving questions of North and South, embodied the finest qualities of Lincoln.

Peace to his ashes—and may there be many more in America like him.

ORDER OF BUSINESS

Mr. O'CONNOR. Mr. Speaker, before presenting a unanimous-consent request I have been asked to state that when the House finishes its business today the plan is to move to stand in recess until 7:30 o'clock this evening, at which time we shall consider the Consent Calendar. There are about 100 bills on this calendar. We hope to dispose of these bills this evening.

The plan further is that on tomorrow evening we shall consider bills on the Private Calendar. On this calendar there are five omnibus bills and two individual bills.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. O'CONNOR. I yield.

Mr. SNELL. What does the gentleman intend to take up during the balance of this afternoon?

Mr. O'CONNOR. There are 10 conference reports which have to be disposed of, and if they are disposed of at a reasonable hour this afternoon we will start consideration of the bituminous-coal bill this afternoon.

Mr. SNELL. Otherwise known as the Guffey coal bill.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that in the consideration of the Consent Calendar this evening it shall be in order to consider bills which have not been on the calendar for 3 days, as provided by the rule.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to say to the gentleman, the majority leader now, that the Members on this side of the House have had a very pleasant, enjoyable week at Cleveland, but a great many of them are tired. If the bills on the Consent Calendar are brought up for consideration this evening, it is going to be a difficult proposition for them to come here with a keen, alert mind and do the things they ought to do. If the gentleman is going to permit a lot of bills to come up for consideration this evening which have not been on the Consent Calendar the required time, he should postpone his request, and I therefore object.

Mr. BLANTON. Will the gentleman yield? I hope the gentleman from Pennsylvania will withdraw his objection.

The SPEAKER. Does the gentleman yield to the gentleman from Texas [Mr. BLANTON]?

Mr. RICH. I yield to the gentleman from Texas.

Mr. BLANTON. I hope my friend will not object. We have to dispose of these bills sometime in order to adjourn. The Members over on my side of the aisle, whether they have been out all night or not, always come in here with keen, alert minds, and the gentlemen on that side of the aisle should be the same way.

Mr. RICH. The Members on that side are not responsible. They put through every piece of foolish legislation they can and have not considered the welfare of this country. We cannot do business with Members like you have on that side of the House. All they do is appropriate money. You will tax the country to death to pay your bills.

The regular order was demanded.

Mr. O'CONNOR. Will the gentleman withhold his objection?

Mr. RICH. I withdraw my request.

Mr. O'CONNOR. Unanimous consent is not necessary to take up the bills on the Consent Calendar this evening. We can do that under the rule. The unanimous-consent request I propounded was that we might include bills which have not been on that calendar for 3 days, as required by the rule.

Mr. RICH. I would like to ask the majority leader a question. Many of these bills will come up for consideration that have not been on the Consent Calendar the required time, and nobody in the House of Representatives knows anything about them. They are brought up here and the Members on that side pass them. It is contrary to good common sense and we should not do it.

The regular order was demanded.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Speaker, reserving the right to object, and I am not going to object, I should like to ask the gentleman a question. It is the intention, I suppose, to call the bills on the Consent Calendar in their regular order?

Mr. O'CONNOR. Yes.

Mr. SNELL. And the other bills will come up later?

Mr. O'CONNOR. Yes.

Mr. SNELL. Are there any suspensions included in the gentleman's request?

Mr. O'CONNOR. For this evening?

Mr. SNELL. Yes.

Mr. O'CONNOR. No; nothing but the bills on the Consent Calendar.

Mr. SNELL. I think that is all right.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RICH. Mr. Speaker, I object.

ORDER OF BUSINESS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that from now until the close of the session of the Seventy-fourth Congress it shall be in order to consider conference reports on the same day they are filed, notwithstanding the provisions of clause 2, rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. PARKS. Mr. Speaker, reserving the right to object, will the gentleman restate the request?

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that from now until the close of this session of Congress it shall be in order to consider conference reports on the day they are filed rather than to have them lay over under the rule.

Mr. SNELL. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from New York.

Mr. SNELL. I shall not object, but I wish the gentleman would give us at least 2 minutes' notice in advance with reference to what conference reports will be called up so that the minority Members may be called on the floor.

The SPEAKER. The Chair will endeavor to do that.

Is there objection to the request of the gentleman from New York?

There was no objection.

PUERTO RICAN INDEPENDENCE

Mr. O'CONNOR, from the Committee on Rules, submitted a privileged report on the joint resolution (S. J. Res. 270) to provide for the appointment of a committee to study the question of Puerto Rican independence (Rept. No. 2965), which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. TAYLOR of Colorado. Mr. Speaker, I call up the conference report on the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

[To accompany H. R. 10630]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 24, 53, and 54 to the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

The committee of conference report in disagreement amendments numbered 24, 53, and 54.

EDWARD T. TAYLOR,
B. M. JACOBSEN,
JED JOHNSON,
J. G. SCRUGHAM,
Managers on the part of the House.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
GERALD P. NYE,
FREDERICK STEIWER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate (nos. 24, 53, and 54) to the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, submit the following statement in connection with the action of the conferees on such amendments:

The committee of conference report in disagreement the following amendments:

On amendment no. 24: Relating to the construction and repair of certain irrigation systems on Indian reservations.

On amendment no. 53: Authorizing the construcion of various reclamation projects.

On amendment no. 54: Making an appropriation for the construction of various reclamation projects.

EDWARD T. TAYLOR,
B. M. JACOBSEN,
JED JOHNSON,
J. G. SCRUGHAM,
Managers on the part of the House.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 24: Page 41, after line 6, insert the following: "For the construction, repair, and rehabilitation of irrigation systems on Indian reservations; for the purchase or rental of equipment, tools, and appliances; for the acquisition of rights-of-way, and payment of damages in connection with such irrigation systems; for the development of domestic and stock water and water for subsistence gardens; for the purchase of water rights, ditches, and lands needed for such projects; and for drainage and protection of irrigable lands from damage by floods or loss of water rights, as follows:

"Arizona: Colorado River, as authorized by section 2 of the Rivers and Harbors Act, approved August 30, 1935, $1,000,000; Havasupai, $5,000; Hopi, $50,000; Navajo, $70,000; Ak Chin, $3,000; Navajo and Hopi (domestic and stock water), $45,000; Chiu Chui, $5,000; Papago (domestic and stock water), $26,400; San Xavier, $30,000; Salt River, $55,000; San Carlos, $25,000; Fort Apache, $10,000;

"Colorado: Consolidated Ute, $65,000, reimbursable; Pine River, $1,000,000, reimbursable;

"Montana: Crow, $100,000, reimbursable; Fort Belknap, $12,000; Fort Peck, $125,000, reimbursable;

"Nevada: Fort McDermitt, $2,000; Moapa, $5,000; Summit Lake, $5,000; Walker River, $5,000; miscellaneous (garden tracts), $5,000;

"New Mexico: Navajo, $69,500; Pueblo, $240,100; Jicarilla, $13,000; Navajo and Pueblo (domestic and stock water), $60,000;

"North Dakota: Miscellaneous (domestic and stock water and garden tracts), $15,000;

"Oklahoma: Miscellaneous (garden tracts), $16,000;

"Oregon: Warm Springs, $10,000; miscellaneous (garden tracts), $5,000;

"South Dakota: Miscellaneous (domestic and stock water), $10,000;

"Utah: Uncompahgre, $10,000; Oljeto and Montezuma Creeks, $3,500; miscellaneous (garden tracts), $5,000;

"Washington: Lummi, $20,000; Makah (dikes and flood gates), $5,000; Wapato, $100,000, reimbursable; Klickitat, $50,000; miscellaneous (domestic and stock water and garden tracts), $20,000;

"Wisconsin: Miscellaneous (garden tracts), $5,000;

"Wyoming: Wind River, $105,000, reimbursable;

"For miscellaneous small irrigation developments, $200,000;

"For administrative expenses, including personal services in the District of Columbia and elsewhere, $100,000;

"In all, $3,710,500, to be immediately available: *Provided*, That the foregoing amounts may be used interchangeably, in the discretion of the Secretary of the Interior, but not more than 10 percent of any specific amount shall be transferred to any other amount, and no appropriation shall be increased by more than 15 percent: *Provided further*, That when necessary the foregoing amounts may be used for subjugating lands for which irrigation facilities are being developed."

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 24, and agree to the same with an amendment.

The Clerk read as follows:

Mr. TAYLOR of Colorado moves that the House recede from its disagreement to the amendment of the Senate no. 24, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"For the construction, repair, and rehabilitation of irrigation systems on Indian reservations; for the purchase or rental of equipment, tools, and appliances; for the acquisition of rights-of-way, and payment of damages in connection with such irrigation systems; for the development of domestic and stock water and water for subsistence gardens; for the purchase of water rights, ditches, and lands needed for such projects; and for drainage and protection of irrigable lands from damage by floods or loss of water rights, as follows:

"Arizona: Havasupai, $5,000, reimbursable; Hopi, $50,000, reimbursable; Navajo, $60,000, reimbursable; Ak Chin, $3,000, reimbursable; Navajo and Hopi (domestic and stock water), $45,000; Chiu Chui, $5,000, reimbursable; Papago (domestic and stock water), $26,400.

"Montana: Fort Belknap, $12,000, reimbursable; Fort Peck, $100,000, reimbursable.

"Nevada: Fort McDermitt, $2,000, reimbursable; Moapa, $5,000, reimbursable; Summit Lake, $5,000, reimbursable; Walker River, $5,000, reimbursable; miscellaneous (garden tracts), $5,000.

"New Mexico: Navajo, $30,000, reimbursable; Pueblo, $100,000, reimbursable; Jicarilla, $13,000, reimbursable; Navajo and Pueblo (domestic and stock water), $50,000.

"North Dakota: Miscellaneous (domestic and stock water and garden tracts), $15,000.

"Oklahoma: Miscellaneous (garden tracts), $16,000.

"Oregon: Warm Springs, $10,000, reimbursable; miscellaneous (garden tracts), $5,000.

"South Dakota: Miscellaneous (domestic and stock water), $10,000.

"Utah: Uncompahgre, $10,000, reimbursable; Ojeto and Montezuma Creeks, $3,500, reimbursable; miscellaneous (garden tracts), $5,000.

"Washington: Lummi, $20,000, reimbursable; Makah (dikes and flood gates), $5,000, reimbursable; miscellaneous (domestic and stock water and garden tracts), $20,000;

"Wisconsin: Miscellaneous (garden tracts), $5,000;

"Wyoming: Wind River, $85,000, reimbursable;

"For administrative expenses, including personal services in the District of Columbia and elsewhere, $50,000, of which amount $35,000 shall be reimbursable;

"In all, $780,900, to be immediately available: *Provided*, That the foregoing amounts may be used interchangeably in the discretion of the Secretary of the Interior, but not more than 10 percent of any specific amount shall be transferred to any other amount, and no appropriation shall be increased by more than 15 percent: *Provided further*, That when necessary the foregoing amounts may be used for subjugating lands for which irrigation facilities are being developed: *Provided further*, That the cost of the foregoing irrigation projects and of operating and maintaining such projects where reimbursement thereof is required by law, but not including the cost of domestic and stock water projects and of projects for the development of water for garden tracts, shall be apportioned on a per-acre basis against the lands under the respective projects and shall be collected by the Secretary of the Interior as required by such law, and any unpaid charges outstanding against such lands shall constitute a first lien thereon, which shall be recited in any patent or instrument issued for such lands."

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 10 minutes to the gentleman from Texas, the chairman of the Committee on Appropriations [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Speaker, as the House will recall, about 3 weeks ago we had a contest in the House over the conference report on the Interior Department appropriation bill and we sent it back for further consideration by further insisting, and I take it that we sent it back for revision downward.

We now report it back to the House with amendments and ask the adoption of these amendments. As reported back, if the House agrees to the amendments and the Senate conferees have promised to advocate their adoption on the floor of the Senate, the bill, as finally passed, will carry $114,574,000. The Budget estimate was $148,433,000, in round numbers, which will make the appropriations actually made $33,858,000 under the Budget.

For your action today there are three amendments in controversy. The first one is amendment no. 24, that deals with reclamation projects for the Indians of the West and Southwest. As this provision came to the House the other day from the Senate, it contained 42 projects, not a single one estimated for and not a single one submitted to the Budget for an estimate. As it came to us the other day from the Senate it carried an appropriation of $3,710,500 and a commitment to complete these projects of $26,900,000 more. As it comes to you in this amendment it carries an appropriation not of $3,710,500, but of only $780,900, with no commitment and no uncompleted project to be hereafter appropriated for in order for it to be of value to the Indians. Each item will be of immediate value and they are practically all small projects for repair and replacement, due to decay and damage to Indian irrigation projects. It is primarily a repair item. They have gotten in very bad shape in the last few years and every one is to be completed without any further commitment. I shall not discuss them any further, because I take it that every Member of the House realizes that if we can make the Indians self-sustaining it is that much saved by way of relief, and this is strictly a project to assist the Indians in raising something to eat for themselves.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. WIGGLESWORTH. And it is a fact, is it not, that each one of these projects has a Budget estimate?

Mr. BUCHANAN. Yes; when we decided to approve this we took it up with the Budget and the Budget sent an estimate and approved the project. Therefore I shall not deal with them any further.

This is the amendment now before the House, but while I am on my feet I want to discuss the more important amendments sent to us by the Senate and I shall discuss amendment no. 53 first, because it is easily disposed of. Amendment no. 53 is a Senate amendment that authorizes appropriations for seven reclamation projects involving obligations, if we complete them, of $248,000,000. This entire page of the entire Senate amendment is stricken out and is before you for approval. We are not going to endorse legislative or authorizing amendments in appropriation bills if I can help it. [Applause.]

Amendment no. 54 is the next one. As it originally came to us from the Senate, it contained 16 reclamation projects carrying appropriations of $57,610,000 and involving future obligations, if we completed the projects, of $703,000,000, and all of this money to be appropriated out of the general funds of the Treasury—out of the moneys contributed by the taxpayers of the Nation.

We changed that and we brought back these 16 projects carrying not appropriations of $57,610,000, but an appropriation of $31,610,000 and involving no future obligation or claim upon the Treasury like the Senate amendment, and we appropriate the money, not out of the Treasury, but, with the exception of the Grand Coulee Dam, out of the reclamation fund, and it is our idea that these projects when and as completed will be completed out of the reclamation fund and not out of the funds of the taxpayers of the Nation.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. PIERCE. Is there any reclamation fund?

Mr. BUCHANAN. Yes.

Mr. PIERCE. How much?

Mr. BUCHANAN. At the end of this year it was $15,000,000.

Mr. PIERCE. To do $50,000,000 worth of work.

Mr. BUCHANAN. Certainly.

Mr. PIERCE. Then they will not be built.

Mr. BUCHANAN. They will be built not next year or year after next, but you will have $15,000,000 in the reclamation fund and the money is coming back every year, and as the money comes in from the payment of construction and operation and maintenance charges, and other things, other projects can be completed. In addition to this, you will have over $2,000,000 coming in from oil royalties and you will have receipts from land sales and revenue from minerals.

Mr. PIERCE. What is the average income to the reclamation fund annually?

Mr. BUCHANAN. About $250,000,000 since 1901. The gentleman can figure that for himself.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. LEWIS of Colorado. Is the Gila reclamation project in Arizona included?

Mr. BUCHANAN. It is included under the reclamation fund, yes.

Mr. LEWIS of Colorado. The gentleman is aware of the fact, I presume, that the Gila project is a pistol pointed at the heart of every one of the upper-basin States in the Colorado River system because the State of Arizona has not ratified the Colorado River compact and has refused to abide by its provisions.

Mr. BUCHANAN. I understand that Arizona has not approved the Colorado compact, yes.

Mr. LEWIS of Colorado. If this appropriation for the Gila project is made and work begun thereunder, it will acquire a priority against the upper-basin States?

Mr. BUCHANAN. I would not say so, I don't think that is true.

Mr. LEWIS of Colorado. I think if the gentleman will grant me some time, I shall be able to demonstrate that.

Mr. TAYLOR of Colorado. The Gila project is subject to the Colorado River compact anyway?

Mr. BUCHANAN. I know it is.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. MAY. Referring to page 76 of this bill, the gentleman made the statement that those projects were to be built out of funds coming from the reclamation projects?

Mr. BUCHANAN. All that I have discussed so far, except the Grand Coulee.

Mr. MAY. The expression used here is "to be reimbursable." Under the reclamation law, as I understand it, it will first come out of the Treasury and then the Treasury will have to collect it back from the reclamation fund?

Mr. BUCHANAN. Under that bill, perhaps, but not under this amendment.

Mr. MAY. That has been changed, has it?

Mr. BUCHANAN. Yes. As I said, this amendment carried $57,610,000 out of the Treasury and committed us to complete projects about $703,000,000. What the conference committee has recommended is that $37,000,000 shall all come out of the reclamation fund, with no commitment whatever out of the Treasury hereafter. In other words, a construction, if started, must be completed out of the reclamation fund, which is not a burden upon the taxpayers.

That is a decrease from the Senate amendment of $26,000,000 on reclamation projects.

That is about all I have to say.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. RICH. I appreciate the fact that the gentleman from Texas is doing everything he can to keep down Budget estimates, because somebody has to do that and there is nobody who is more ardent in that than the gentleman from Texas. But the fact of the matter remains that if this bill now carries $114,574,000, as the gentleman said, and last year the Interior Department appropriation bill was $77,041,000, we are about $37,533,000 over what we were a year ago. If we continue permitting these conference reports to increase appropriations, where are you going to get the money? All we do here is spend, spend, spend.

Mr. PIERCE. They do not provide the money. It comes from the reclamation fund.

The SPEAKER pro tempore (Mr. WARREN). The time of the gentleman from Texas has expired.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, frankly I do not approve of a great many of the reclamation projects that are named in the amendment to which the gentleman from Colorado [Mr. TAYLOR] will offer.

Frankly, however, I believe that the House, with the acceptance of these amendments, will have received a fairly good bargain in the interest of the Treasury.

Amendment no. 24 is reduced from about $3,700,000 down to a total of a little less than $800,000 in actual immediate outlay, and it is all made reimbursable. It relates largely to the smaller projects. By an amendment which I understand the gentleman from Colorado will offer with reference to the larger reclamation projects as distinguished from the Indian projects, everything except the Grand Coulee item, as I understand, will come out of the reclamation fund instead of directly out of the Treasury. Is that not correct?

Mr. BUCHANAN. That is correct; yes. The Grand Coulee project comes out of the Treasury.

Mr. TABER. And that is the only one which comes out of the Treasury?

Mr. BUCHANAN. That is true.

Mr. TABER. The other items all come out of the reclamation fund and are dependent for their progress upon the amount of receipts in that fund?

Mr. BUCHANAN. The gentleman knows, I presume, why I approved that project.

Mr. TABER. I understand that.

Mr. BUCHANAN. Because there are $35,000,000 allotted, most of it expended, and a binding contract entered into, with the contract about two-thirds completed.

Mr. TABER. Which the Congress had authorized the Department to go ahead with in the rivers and harbors bill of last year.

Mr. BUCHANAN. The gentleman is correct.

Mr. TABER. And it is an advantage to the situation of the country to pass the amendment which the gentleman from Colorado will propose with reference to that item.

Mr. BUCHANAN. Will the gentleman yield further?

Mr. TABER. I yield.

Mr. BUCHANAN. The gentleman further understands that the amendment that will be offered by the gentleman from Colorado absolutely prohibits any further expenditure of money or any further obligation of money until the consent of Congress is procured?

Mr. TABER. I understand that, and that is a very good reason why we should support that amendment when it is presented.

I believe, frankly, that when we can tie the major portion of these items into the reclamation fund, when we can limit the Grand Coulee, as it is proposed to do by the amendment, which I understand will be offered by the gentleman from Colorado [Mr. TAYLOR], and limit these Indian items, cut them down from $3,700,000 to a little less than $800,000, I believe the House should adopt it, even if it does increase what we originally allowed in the House bill. It cuts out a very large number of projects. I will admit there are still projects that I do not like and that I do not believe are justifiable, but in view of the fact that they can only be proceeded with out of the reclamation fund, I do not believe the House should turn down this proposition.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. RICH. How many of these projects that were started by W. P. A. funds under Executive order are continued in this bill? Can the gentleman tell us that?

Mr. TABER. There are several of them that are continued, but they are limited absolutely to this reclamation fund.

The reclamation fund, as I understand it—and I would like to have the gentleman from Colorado correct me if I am not right—is limited to those funds that are received from the sale of public lands in these localities, to a portion of the oil royalties, and to the repayments that are made by settlers on reclamation projects that already exist.

Mr. TAYLOR of Colorado. The gentleman is correct.

Mr. TABER. These are the three sources of this fund; and this money is set aside as a separate fund.

Mr. TAYLOR of Colorado. And the money never was in the Federal Treasury and we are not appropriating it from the Federal Treasury.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. RICH. Does not this fund naturally come from the Federal Treasury? Was it not the intent and purpose that this fund should be used to pay back to the Federal Treasury the Government's original investment in these projects?

Mr. TAYLOR of Colorado. No; that never was in mind at all.

Mr. BUCHANAN. Mr. Speaker, if the gentleman will permit, in 1902 Congress passed what is called the Reclamation Act, which has been variously amended since then. It is known as the Oil Leasing Act. Under it 52½ percent of the oil royalties go to the reclamation fund. To this fund likewise go proceeds from the sale of public lands, potassium royalties, and also money received for water-power licenses. We have collected revenues for the reclamation fund under the act of 1902 and amendatory acts, and the fund now amounts to approximately $250,000,000. This is set aside and kept as a separate fund.

Mr. RICH. Is not this money to be used to repay the Federal Government for projects the Government has constructed?

Mr. BUCHANAN. It can only be used for other reclamation projects in public-land States on land dedicated to and selected for that purpose. That is why I objected the other day to lending money out of the Treasury for 40 years without interest.

Mr. RICH. I appreciate what these gentlemen have done in saving money; but I cannot understand why, when the Federal Government spent the money for reclamation projects and the money is still outstanding, part of this fund should not be used to repay the Federal Treasury. It is like the song about the music and the horn; you put the money in, it goes round and round, but nobody knows where it comes out.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Speaker, while I am still very much opposed to certain projects still left in the bill, yet in view of the recommendation of the Senate on their projects which would have cost $1,500,000,000 when completed, I want to congratulate the gentleman from Texas [Mr. BUCHANAN] and the members of this subcommittee on this splendid compromise. I think in this give-and-take world we ought to be willing to accept good compromises. These items remaining are supported by Budget estimates and approval and are very much short of the gigantic projects the Senate put on the bill originally.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the motion of the gentleman from Colorado to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 53: Page 74, after line 21, insert:

"The following-named reclamation projects are hereby authorized to be constructed, the cost thereof to be reimbursable under the reclamation law:

"Central Valley project, California: For flood control, improving, and in aid of navigation, and to provide for the general welfare in cooperation with the State of California and for incidental purposes, including irrigation, drainage, and power production.

"Grand Lake-Big Thompson transmountain diversion project, Colorado: To irrigate public lands of the United States and to provide for the general welfare in cooperation with the State of Colorado and for incidental purposes, including the irrigation of patented land, power production, and flood control: *Provided*, That said project shall include the construction and the permanent maintenance of adequate compensatory or replacement reservoirs, necessary feeder canals, and other incidental works, at the most suitable sites within said State; the water impounded by said reservoirs to be used within the Colorado River Basin and the cost of constructing and maintaining such reservoirs, feeder canals, and incidental works shall be included in the cost of said project and be repaid by the beneficiaries of the water so diverted from said basin: *Provided further*, That said project shall be constructed and operated in such manner as to continuously maintain the normal levels of the waters of said Grand Lake.

"Carlsbad project, New Mexico: To provide for the general welfare, in cooperation with the State of New Mexico, and for incidental purposes, including irrigation and flood control.

"Deschutes project, Oregon: To provide for the general welfare, in cooperation with the State of Oregon, and for incidental purposes, including irrigation and flood control.

"Provo River project, Utah: To provide for the general welfare, in cooperation with the State of Utah, and for incidental purposes, including irrigation and flood control.

"Yakima project, Washington, Roza division: To provide for the general welfare, in cooperation with the State of Washington, and for incidental purposes, including irrigation and flood control.

"Casper-Alcova project, Wyoming: To irrigate public lands of the United States and to provide for the general welfare, in cooperation with the State of Wyoming, and for incidental purposes, including the irrigation of patented lands, power production, and flood control."

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House further insist upon its disagreement to the amendment of the Senate no. 53.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 54: Page 76, after line 17, insert:

"For continuation of the following projects in not to exceed the following amounts, respectively, to be expended in the same manner and for the same objects of expenditure as specified for projects included in the Interior Department Appropriation Act for the fiscal year 1937 under the caption 'Bureau of Reclamation', and to be reimbursable under the reclamation law.

"Gila project, Arizona, $2,500,000;

"Salt River project, Arizona, $2,300,000;

"Central Valley project, California, $16,000,000;

"Grand Valley project, Colorado, $200,000;

"Boise project, Idaho, Payette division, $1,800,000;

"Boise project, Idaho, drainage, $160,000;

"Carlsbad project, New Mexico, $900,000;

"Deschutes project, Oregon, $450,000;

"Owyhee project, Oregon, $400,000;

"Grand Coulee Dam project, Washington, $20,000,000;

"Columbia Basin project, Washington, economic surveys and investigations, $250,000;

"Yakima project, Washington, Roza division, $2,500,000;

"Provo River project, Utah, $1,750,000;

"Casper-Alcova project, Wyoming, $4,000,000;

"Riverton project, Wyoming, $900,000;

"Shoshone project, Wyoming, Heart Mountain division, $1,000,000;

"For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field, $2,500,000; in all, $57,610,000, to be immediately available: *Provided*, That this appropriation shall be available for the employment of personal services without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided further*, That of this amount not to exceed $160,000 may be expended for personal services in the District of Columbia."

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House recede from its disagreement to amendment of the Senate no. 54 and agree to the same with an amendment.

The Clerk read as follows:

Amendment no. 54: Mr. TAYLOR of Colorado moves that the House recede from its disagreement to the amendment of the Senate no. 54 and agree to the same with an amendment as follows:

"Construction: For continuation of construction of the following projects in not to exceed the following amounts, respectively, to be expended from the reclamation fund under the same general conditions as those specified for projects hereinbefore included under the caption 'Bureau of Reclamation' and payable from the reclamation fund:

"Gila project, Arizona, $1,250,000;

"Salt River project, Arizona, $1,500,000;

"Grand Valley project, Colorado, $200,000;

"Pine River project, Colorado, $1,000,000;

"Boise project, Idaho, Payette division, $1,000,000;

"Boise project, Idaho, drainage, $160,000;

"Carlsbad project, New Mexico, $900,000;

"Deschutes project, Oregon, $450,000;

"Owyhee project, Oregon, $200,000;

"Yakima project, Washington, Roza division, $1,000,000;

"Provo River project, Utah, $500,000;

"Casper-Alcova project, Wyoming, $1,000,000;

"Riverton project, Wyoming, $250,000;

"Shoshone project, Wyoming, Heart Mountain division, $700,000;

"For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field, $750,000, in addition to and for the same objects of expenditure as enumerated in paragraphs 2 and 3 under the caption 'Bureau of Reclamation'; in all, $10,860,000, to be immediately available: *Provided*, That of this amount not to exceed $75,000 may be expended for personal services in the District of Columbia: *Provided further*, That the last line of section 10 of the act of April 1, 1932 (47 Stat., 75), as amended by the act of March 3, 1933 (47 Stat., 1427), is hereby further amended by substituting '1938' for '1936.'

"Grand Coulee Dam, Wash.: For continuation of construction of the Grand Coulee Dam, $20,000,000; for administrative expenses, $750,000, including personal services in the District of Columbia and in the field; in all, $20,750,000, to be immediately available and to be available for the same purposes as those specified for projects hereinbefore included under the caption 'Bureau of Reclamation', and to be reimbursable under the reclamation law: *Provided*, That not to exceed $75,000 may be expended for personal services in the District of Columbia: *Provided further*, That this appropriation shall be available for the employment of personal services without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided further*, That the obligations for the construction of the Grand Coulee Dam and appurtenant works, including those heretofore entered into, shall not exceed a total of $63,000,000, and no obligations in excess of that amount shall be incurred for such dam, or dams, canals, structures, or incidental works in connection therewith under section 2 of the Rivers and Harbors Act, approved August 30, 1935 (49 Stat., 1039, 1040), until appropriations, or contract authorizations, or both, therefore are hereafter specifically granted by Congress."

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. LEWIS].

Mr. LEWIS of Colorado. Mr. Speaker, I have always been and am now a strong advocate of reclamation and the foster-

ing of irrigation by the Federal Government. It is significant that the earliest civilizations in recorded history—in Egypt and in Mesopotamia—developed in regions dependent upon irrigation. As one who, except for his very early years, has lived all his life in Colorado, I realize that reclamation and irrigation lie at the very foundation not merely of the future economic development of the far West but also of our very existence. I regret very much, in view of this fact and in view of the further fact there are some excellent projects in this Senate amendment, to be obliged to vote against this proposal to concur. I know full well the difficulties the conferees have had. I realize they have had a great deal of trouble trying to work out this compromise. Nevertheless, as I shall point out, the Gila reclamation project represents a pistol pointed at the heart of all the upper basin States; and I refer to Colorado, Utah, New Mexico, and Wyoming.

It is true each of these four upper basin States has a project included in this Senate amendment. As it comes to us we cannot, under the rules, vote separately on each of the 16 projects and discriminate between the good and the bad. We must vote for or against all of them en bloc—the meritorious and those without merit all together. But if we Representatives of the upper basin States are induced to vote to concur in this amendment merely because it contains projects in our several States, we will be selling the most precious birthright of our respective States for a mess of pottage.

I am particularly regretful I am obliged to vote against this motion to concur in the amendment because I understand there is included a most meritorious project for the State of Colorado. Am I correct that the Pine River project is included in here?

Mr. BUCHANAN. Yes.

Mr. LEWIS of Colorado. Nevertheless, I repeat that, with this Gila project included in the amendment, to vote for it would be to sell our birthright for a mess of pottage. The reason for that, very briefly, is that in 1922 the commissioners for the various States on the Colorado River met at Santa Fe, N. Mex., and with the consent of the Congress, drafted a compact between the seven States in the Colorado River Basin, namely, Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming. All of the States ratified this compact except the State of Arizona, and ever since then there has been an effort by the State of Arizona to run on its own and to fight all the other six States. Arizona has harassed the other six States with litigation in the United States Supreme Court, the outcome of none of which has been successful. Meanwhile it has secured huge grants from the relief funds.

Those of you who are familiar with the law of waters in the western country realize that the initiation of a water right is made by diversion of water and its application to a beneficial use.

Seventy-five or eighty years ago, when agriculture was first undertaken by settlers in the region now included in the irrigated-land States, it was realized that the common law "doctrine of riparian rights" in regard to the waters of natural streams was not applicable to conditions in those regions. Consequently, the common law "doctrine of riparian rights" or "riparian doctrine"—that a riparian landowner was entitled to have waters of a natural stream continue to flow as they had flowed from time immemorial, subject to the reasonable uses of other riparian landowners—was rejected, and there was formulated and adopted the "doctrine of prior appropriation" or "appropriation doctrine", under which he who first diverts the water of a natural stream and applies such water to beneficial use, regardless of the locus of such beneficial use, acquires a prior right or "priority", to the extent of such use, against all subsequent appropriators up and down the stream. This doctrine is the law in all States in the Colorado River Basin.

As a consequence, the result of this grant of money to Arizona, whether it be out of the reclamation fund or otherwise, and the construction of this Gila project will create a water right and "priority" against all other water users up and down the stream. The Supreme Court of the United States has held that this principle of water-right priorities applies, regardless of State lines, from the source of the river to the mouth. Se we are here in position of voting Government funds belonging to all the people of the United States, whether it comes out of the reclamation fund or otherwise, for the building of a project in Arizona which for all time will create a priority against water rights in other States, and particularly against the upper-basin States. One of these is my State of Colorado, which produces about 65 percent of the entire flow of the Colorado River at Lee Ferry and 60 percent of the water flowing into the Boulder Canyon Reservoir.

Mr. Speaker, I ask unanimous consent at this point to insert the protest against this Gila project by the four upper-basin States, speaking by the attorneys general of the States of Colorado, New Mexico, and Wyoming, and by the special counsel of the State of Utah.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman this question? If he has a recommendation from the people back there in five or six States that a project should not be included in this bill, why does the Congress put it in there?

Mr. LEWIS of Colorado. That is what I want to know. I am against this Gila reclamation project because it is a menace to the rights of all the upper-basin States.

Mr. RICH. Why do not the Members of the Western States get up here and assert their rights and stop it?

Mr. LEWIS of Colorado. We are trying to do that very thing.

Mr. RICH. You cannot stop anything in this Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

[Here the gavel fell.]

Mr. LEWIS of Colorado. Pertinent portions of the protest of the four States of Colorado, New Mexico, Utah, and Wyoming against the proposed Gila Valley irrigation project in Arizona, as formulated by the legal representatives of these four States in interstate conference held at Denver, February 5, 1936, is as follows:

PROTEST OF THE STATES OF COLORADO, NEW MEXICO, UTAH, AND WYOMING AGAINST THE PROPOSED GILA VALLEY IRRIGATION PROJECT IN ARIZONA

The representatives of the States of Colorado, New Mexico, Utah, and Wyoming in conference assembled to consider various problems connected with their interests under the Colorado River compact as upper-basin States in the waters of the Colorado River system, hereby and upon the grounds hereinafter stated, express their opposition to any Federal aid for the proposed Gila Valley project in Arizona until that State shall have accepted the Colorado River compact.

In supporting this protest against the Gila Valley project * * * the first thing to do is to define the interests of the protesting States under the Colorado River compact that the proposed project * * * if constructed, would invade.

WATER INTERESTS OF STATES OF UPPER BASIN

The water interests of the upper basin under the Colorado River compact, which was ratified by the Boulder Canyon Project Act, are:

(1) The protection of its own apportionment of the 7,500,000 acre-feet of water per annum out of the Colorado River system, and

(2) The procural of the further apportionment, in an amount to be determined in 1963, of the residue of the "surplus" waters of the system over and above the combined apportionments of 16,000,000 acre-feet of water per annum made by the compact to the upper and lower basins, after first deducting from that "surplus" whatever amount of water may be set aside hereafter for Mexico by treaty between the two nations, or failing that, then by some international tribunal. Should the allowance to Mexico exceed the "surplus", then the deficit is to be taken equally from the 7,500,000 acre-feet and the 8,500,000 acre-feet already allotted to the upper and lower basins respectively.

THE COLORADO RIVER COMPACT

The Colorado River compact does several things. It—

1. Apportions to the upper basin, comprised of the States of Colorado, New Mexico, Utah, Wyoming, and a small part of the State of Arizona, 7,500,000 acre-feet of water per annum out of the entire Colorado River system, inclusive of all tributaries, and 8,500,000 acre-feet of water per annum to the lower basin, comprised of the States of Arizona, California, Nevada, a small part of New Mexico, and a small part of Utah.

2. Reserves for future apportionment in 1963 between the same basins on the principle of "equitable division", as distinguished from priority regardless of State lines, all the remaining water of the entire system, less whatever amount the United States may recognize Mexico as entitled to—not as a matter of law, but as one of international comity.

3. Subordinates, as between the States, the use of water for the generation of power to uses for other purposes.

4. Imposes upon the States of Colorado, New Mexico, Utah, and Wyoming the obligation not to cause the flow of the river to be depleted below 75,000,000 acre-feet for any 10-year period at Lee Ferry, which is a point on the river in Arizona just below the Arizona-Utah boundary line, and which is above the dam on the Colorado built under the authority of the Boulder Canyon Project Act.

If the States never should be able to agree upon a division of the unapportioned surplus above referred to, then undoubtedly the determination of the division would go to the Supreme Court of the United States, where, under the compact, the principle which would be applied by the Court would be that of "equitable division", which might or might not yield the same results that would follow from an application of the competing principle of priority, more or less regardless of State lines. The compact makes no division of water between States, but only between basins, as above referred to, with Lee Ferry in Arizona as the dividing line on the river, and with all States or parts of States draining into the river above Lee Ferry as constituting the upper basin, and all States or parts of States draining into the river below Lee Ferry as constituting the lower basin. While, according to the interbasinal division, Arizona, New Mexico, and Utah lie in both basins, yet the location of their respective areas is such that, for all practical purposes, Arizona is to be considered as identified with the lower basin, while New Mexico and Utah are to be identified with the upper basin.

The compact does not forbid either basin, pending the future apportionment, to put to use the unapportioned waters—in other words, the water in excess of the 7,500,000 acre-feet and the 8,500,000 acre-feet already apportioned to the upper and lower basins, respectively—after first deducting the water that by treaty the United States may choose to give to Mexico.

Neither basin is to be censured for going ahead with all of the development possible, if it wants to chance the uncertainty of its title to waters thus taken from the unapportioned "surplus", in advance of any agreement among the States, or, failing that, in advance of any judicial decision as to what an "equitable division" would be. It is, however, manifestly unfair for either basin to invoke, as against the other, the outside financial aid of the Government, or for the Government to give financial aid in respect to this unapportioned "surplus" where the degree of aid thus given to one basin exceeds disproportionately the aid given to the other. Government money is the money of all the States. As far as concerns the two basins of the Colorado River area, it is the money of both basins, and neither of them should be allowed to call upon it in disproportionate degree. Either each basin should be left to finance itself in respect to its water projects or else the Government in extending aid should keep both basins in mind by equitable allotments of money to each. * * *

THE GILA VALLEY PROJECT

The proposed Gila Valley project calls for water from the main stream of the Colorado River, to be taken from the east end of the Imperial Dam of the All-American Canal now being constructed, for the ultimate irrigation of approximately 585,000 acres of land situated in the valley of the Gila River, which is a tributary of the Colorado. The prosecution of this project would be by units, both in point of location and of time. The water required would be in excess of 2,000,000 acre-feet per year, and the total cost approximately $80,000,000. The first unit will comprise about 150,000 acres and the cost will be about $20,000,000. The project has not been expressly authorized by any act of the Congress. A proposed contract has been drafted between the United States and the Yuma-Gila irrigation district of Arizona, the Secretary of the Interior to sign for the United States. The contract relates to the first unit and is drawn under the Reclamation Act of 1902, the amendments thereto, and the Emergency Appropriation Act of 1935. The W. P. A., which is the administering agency of the Emergency Appropriation Act, has allocated to the Reclamation Bureau $2,000,000 with which to begin work. Bids will be in shortly.

The representatives of the protesting States oppose Federal aid to this project for the following reasons:

1. Arizona should receive no Federal aid for this or any other water project sourcing in the Colorado River system until she first accepts the Colorado River compact.

Arizona never has ratified the compact which has been ratified by every other State in the Colorado River Basin and which divides the waters of the river system between the upper basin to which the protesting States of Colorado, New Mexico, Utah, and Wyoming belong, and the lower basin, to which California, Nevada, and Arizona belong. The compact contemplates that the States of the upper basin shall divide among themselves their common present allocation of 7,500,000 acre-feet a year, and that the States of the lower basin should do likewise with their common present allocation of 8,500,000 acre-feet a year, and similarly such parts of the "surplus" water (all waters in excess of the combined 16,000,000 acre-feet already apportioned) as in 1963 may be apportioned to their particular basin.

One of the principal purposes of the compact is to protect the protesting States in respect to their present and future allocations against the acquisition of priorities that might be asserted against their basinal allocation by the States of the lower basin. It contemplates that Arizona, like California and Nevada, shall take her water, not out of the allocations made and to be made under the compact to the upper basin but out of those to the lower basin in which she belongs. Arizona, by not ratifying the compact, denies and repudiates the interbasinal division of the water made by the compact and thereby questions the legal effect of water appropriations made and to be made in the protesting States of the upper basin, as against water appropriations made and to be made within her own limits.

The water that would be used for the project under consideration, and which would be applied by the process of gravity and pumping, would come from the flow in the main river as equated by the great dam built under the Boulder Canyon Project Act—in other words, from water stored by the dam. Arizona has tried hitherto to obtain from the Secretary of the Interior a contract for water from that dam for use in Arizona but failed, upon the opposition of these protesting States, because she would not incorporate in the contract language that would expressly subject herself and all claiming under her at no matter what point on the Colorado River system, unequivocally and without reservation, to the Boulder Canyon Project Act and to the Colorado River compact which the act ratifies and upon which the act is predicated.

The Gila Valley project with its proposed contract, already drafted but still unsigned, between the Yuma-Gila irrigation district and the United States, under the Reclamation Act of 1902, instead of a contract of Arizona herself with the United States under the Boulder Canyon Project Act, would prove, if it could be consummated legally, only a circumvention of these protesting States and of the Government itself—an attempt on Arizona's part to get Boulder Canyon project water indirectly through one of its minor agencies instead of directly in its own name and binding all of its water users who at any point within her boundaries take water from the Colorado River system.

2. Paragraph 34 of the proposed contract with the Yuma-Gila irrigation district purports to subject Gila Valley project to the Colorado River compact. Passing by the inadequacy of the language of this paragraph to protect these protesting States in respect even to this particular project it may be said that the mere insertion of this paragraph would not give to the protesting States, with sufficient certainty, adequate protection as against the total appropriations of water made and to be made at all points upon that part of the Colorado River system (main stream and tributaries) lying within the State of Arizona.

The Yuma-Gila irrigation district is not the State of Arizona, but only a minor agency thereof, that at most, even with a paragraph adequately worded, could bind only itself and the particular project. What is wanted is the acceptance of the Colorado River compact by Arizona herself in behalf of herself and of all water users claiming under her, to the end that all water rights and projects anywhere and everywhere in Arizona drawing their supply from the Colorado River system would be bound thereby, as are the water rights and projects within the six other Colorado River States.

3. These protesting States do not question the right of Arizona or of those claiming under her to initiate water rights or finance water rights within the State of Arizona if they can finance the same out of their own resources, but the protestants do say that Federal money expended comes from the people, comes in part from these protesting States, and that it is unfair to them that what in effect is in part their money should be taken and expended to build up or uphold water priorities that in conjunction with other priorities would be asserted against them in and at the hands of a State that has not yet through the acceptance of the compact been willing to accord to the protesting States the reciprocal protection of the interbasinal division of water that they by the compact offered and still offer to her. The other States have subjected all of their priorities to the compact. Why should not Arizona do the same?

4. Six States have accepted the compact with its interbasin division of water as fair and equitable; and the Congress of the United States, by the Boulder Canyon Project Act, likewise has ratified it as fair and equitable, and has subjected the water interests of the United States in the general Colorado River Basin wherever they may be to its terms and is spending hundreds of millions of dollars on dams and canals built under the act, which in turn is predicated upon the compact.

Any other solution of the water problems of the Colorado River system than that of the compact interbasinal division of water is now because of complications practically impossible. No one, unless Arizona, wants any different solution. The Government should finance no water projects in Arizona until that State puts herself in line with other States and with the Government itself by accepting the compact.

5. The proposed contract between the United States and the Gila Valley irrigation district would be illegal if signed. The contract does not purport to be made in pursuance of authority of the Boulder Canyon Project Act, which is the only act of Congress under which the Secretary of the Interior is authorized to dispose of water stored by the dam which has been built under the act. Instead, the contract is made under the Reclamation Act of 1902, with no mention of the Boulder Canyon Project Act, and financed by an Executive money allotment that has been made under the Emergency Appropriation Act of 1935.

The water supplying the project would come from the equated flow of the waters stored by the dam. The contract says so. The project would be futile if it could not depend upon this artificially equated flow rather than upon the natural, variable, seasonable flow of the river. The Boulder Canyon Project Act provides that all stored waters shall be contracted for only in accordance with its

terms and under the general regulations promulgated by the Secretary of the Interior pursuant thereto, just as in the case of the contracts already made by the Secretary with the various California agencies and entities. Indeed, under the act the Secretary must charge something for the water deliveries to be made under the contracts which he issues. This charge is in addition to any assessment that the Government might make under the reclamation act against the lands benefited by the construction of dams and canals whereby the water contracted for is to be made usable. Section 4 (b) of the act provides that before the Secretary can commence construction of the dam "he shall make provision for revenues by contract in accordance with the provisions of this act" wherewith to pay expenses of operation and repay to the Government the costs of construction. While these provisions relate to contracts made before the commencement of construction of the great dam they indicate, nevertheless, the general policy of the act to require "charges" in contracts made under the act. This policy is carried forward in section 5 and is there expressly extended to contracts, no matter when made. The language of the section is to the effect that "no person shall have or be entitled to have the use for any purpose of the water stored, as aforesaid, except by contract made as herein stated" and upon "charges that will provide revenue", to be applied to maintenance expenses and to retirement of capital costs connected with the Boulder Canyon Project Dam. This section, inclusive of the exaction of "charges" and prohibiting any use of the stored water except by contract made under the act, contains the following:

"That the Secretary of the Interior is hereby authorized, under such general regulations as he may prescribe, to contract for the storage of water in said reservoir and for the delivery thereof to such points on the river and on said canal as may be agreed upon, for irrigation and domestic uses and generation of electrical energy and delivery at the switchboard to States, municipal corporations, political subdivisions, and private corporations of electrical energy generated at said dam, upon charges that will provide revenue which, in addition to other revenue accruing under the reclamation law and under this act, will in his judgment cover all expenses of operation and maintenance incurred by the United States on account of works constructed under this act and the payments to the United States under subdivision (b) of section 4. Contracts respecting water for irrigation and domestic uses shall be for permanent service and shall conform to paragraph (a) of section 4 of this act. No person shall have or be entitled to have the use for any purpose of the water stored as aforesaid except by contract made as herein stated."

THE CONDITION CONTAINED IN THIS PROTEST

The condition attached to this protest is that, subject to the Colorado River compact protecting them in respect to their present and future allocations of water to their upper basin, these protesting States would have no objection to Federal aid to water projects in Arizona if, as a condition precedent to the operative effect of such aid, that State, with the consent of the Congress, which is now in session, would enter into an interstate agreement with the other six States whereby she would become a signatory to the compact, or if, with the consent of the Congress, she were to enact a self-limitation act whereby she would contract with the United States for the benefit of the other Colorado River States, and each thereof, that her interests and rights in the Colorado River system should be bound by the compact.

The language to be employed in following either method would have to be chosen with care, but the choice would not be difficult and these protesting States stand ready at any time to cooperate in achieving the end by either method.

RECOMMENDATIONS TO THE GOVERNORS

In conclusion, the representatives of the States of Colorado, New Mexico, Utah, and Wyoming in conference assembled, having in mind the protection of their water interests under the Colorado River compact, hereby recommend to their respective Governors and Members of the Congress:

That vigorous protest be made by them to the President and to the appropriate departments or agencies of the Government, including the Secretaries of the Interior and Agriculture, against the proposed Gila Valley project in Arizona except upon the condition that Arizona shall first accept the Colorado River compact either by supplemental interstate compact with the other Colorado River States or else by act of self-limitation. * * *

The chairman of this conference is requested to transmit to the several Governors copies of this protest, to the end that the copies may be forwarded, should the Governors so desire, in support of such official protests as the Governors themselves may choose to make in the premises.

Dated at Denver, Colo., February 5, 1936.

PAUL P. PROSSER,
Attorney General for Colorado.
FRANK H. PATTON,
Attorney General for New Mexico.
WILLIAM W. RAY,
Special Counsel for Utah.
RAY E. LEE,
Attorney General for Wyoming.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield to the gentleman 2 additional minutes.

Mr. LEWIS of Colorado. Mr. Speaker, as I previously stated, I regret very much I am obliged to oppose this amendment because it includes some very excellent projects. There is one, I repeat, in my own State, and I regard it as one of the very best projects that has ever been proposed. I refer to the Pine River project which is on the western slope of Colorado in the congressional district of the distinguished and beloved dean of the Colorado delegation [Mr. TAYLOR]. If we further insist that the conferees stand by the bill as passed by the House and vote down this proposed compromise on the Senate amendment, including all these projects, we will be in a position of deferring this matter only a few months. The Congress is going to meet here again next January—less than 7 months from now. It will not prejudice any of these projects that are meritorious if the matter is deferred until that time. I plead with all my colleagues in the best interest of irrigation, in the interest of the upper-basin States, to insist further in our objections to this Senate amendment which we declined to accept only 3 or 4 weeks ago.

The Colorado River compact, which, with the consent of the Congress, was negotiated by the commissioners representing all seven States and which Arizona only declined to ratify is set forth hereinbelow:

COLORADO RIVER COMPACT, SIGNED AT SANTA FE, N. MEX., NOVEMBER 24, 1922

The States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming, having resolved to enter into a compact under the act of the Congress of the United States of America approved August 19, 1921 (42 Stat. L., p. 171), and the acts of the legislatures of the said States, have, through their Governors, appointed as their commissioners: W. S. Norviel for the State of Arizona, W. F. McClure for the State of California, Delph E. Carpenter for the State of Colorado, J. G. Scrugham for the State of Nevada, Stephen B. Davis, Jr., for the State of New Mexico, R. E. Caldwell for the State of Utah, Frank C. Emerson for the State of Wyoming, who, after negotiations participated in by Herbert Hoover, appointed by the President as the representative of the United States of America, have agreed upon the following articles:

ARTICLE I

The major purposes of this compact are to provide for the equitable division and apportionment of the use of the waters of the Colorado River system; to establish the relative importance of different beneficial uses of water; to promote interstate comity; to remove causes of present and future controversies; and to secure the expeditious agricultural and industrial development of the Colorado River Basin, the storage of its waters, and the protection of life and property from floods. To these ends the Colorado River Basin is divided into two basins, and an apportionment of the use of part of the water of the Colorado River system is made to each of them with the provision that further equitable apportionments may be made.

ARTICLE II

As used in this compact:

(a) The term "Colorado River system" means that portion of the Colorado River and its tributaries within the United States of America.

(b) The term "Colorado River Basin" means all of the drainage area of the Colorado River system and all other territory within the United States of America to which the waters of the Colorado River system shall be beneficially applied.

(c) The term "States of the upper division" means the States of Colorado, New Mexico, Utah, and Wyoming.

(d) The term "States of the lower division" means the States of Arizona, California, and Nevada.

(e) The term "Lee Ferry" means a point in the main stream of the Colorado River 1 mile below the mouth of the Paria River.

(f) The term "upper basin" means those parts of the States of Arizona, Colorado, New Mexico, Utah, and Wyoming within and from which waters naturally drain into the Colorado River system above Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system above Lee Ferry.

(g) The term "lower basin" means those parts of the States of Arizona, California, Nevada, New Mexico, and Utah within and from which waters naturally drain into the Colorado River system below Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system below Lee Ferry.

(h) The term "domestic use" shall include the use of water for household, stock, municipal, mining, milling, industrial, and other like purposes, but shall exclude the generation of electrical power.

ARTICLE III

(a) There is hereby apportioned from the Colorado River system in perpetuity to the upper basin and to the lower basin, respectively, the exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum, which shall include all water necessary for the supply of any rights which may now exist.

(b) In addition to the apportionment in paragraph (a), the lower basin is hereby given the right to increase its beneficial consumptive use of such waters by 1,000,000 acre-feet per annum.

(c) If, as a matter of international comity, the United States of America shall hereafter recognize in the United States of Mexico

any right to the use of any waters of the Colorado River system, such waters shall be supplied first from the waters which are surplus over and above the aggregate of the quantities specified in paragraphs (a) and (b); and if such surplus shall prove insufficient for this purpose, then, the burden of such deficiency shall be equally borne by the upper basin and the lower basin, and whenever necessary the States of the upper division shall deliver at Lee Ferry water to supply one-half of the deficiency so recognized in addition to that provided in paragraph (d).

(d) The States of the upper division will not cause the flow of the river at Lee Ferry to be depleted below an aggregate of 75,000,000 acre-feet for any period of 10 consecutive years reckoned in continuing progressive series beginning with the 1st day of October next succeeding the ratification of this compact.

(e) The States of the upper division shall not withhold water, and the States of the lower division shall not require the delivery of water, which cannot reasonably be applied to domestic and agricultural uses.

(f) Further equitable apportionment of the beneficial uses of the waters of the Colorado River system unapportioned by paragraphs (a), (b), and (c) may be made in the manner provided in paragraph (g) at any time after October 1, 1963, if and when either basin shall have reached its total beneficial consumptive use as set out in paragraphs (a) and (b).

(g) In the event of a desire for a further apportionment as provided in paragraph (f) any two signatory States, acting through their Governors, may give joint notice of such desire to the Governors of the other signatory States and to the President of the United States of America, and it shall be the duty of the Governors of the signatory States and of the President of the United States of America forthwith to appoint representatives, whose duty it shall be to divide and apportion equitably between the upper basin and lower basin the beneficial use of the unapportioned water of the Colorado River system as mentioned in paragraph (f), subject to the legislative ratification of the signatory States and the Congress of the United States of America.

ARTICLE IV

(a) Inasmuch as the Colorado River has ceased to be navigable for commerce and the reservation of its waters for navigation would seriously limit the development of its basin, the use of its waters for purposes of navigation shall be subservient to the uses of such waters for domestic, agricultural, and power purposes. If the Congress shall not consent to this paragraph, the other provisions of this compact shall nevertheless remain binding.

(b) Subject to the provisions of this compact, water of the Colorado River system may be impounded and used for the generation of electrical power, but such impounding and use shall be subservient to the use and consumption of such water for agricultural and domestic purposes, and shall not interfere with or prevent use for such dominant purposes.

(c) The provisions of this article shall not apply to or interfere with the regulation and control by any State within its boundaries of the appropriation, use, and distribution of water.

ARTICLE V

The chief official of each signatory State charged with the administration of water rights, together with the Director of the United States Reclamation Service and the Director of the United States Geological Survey, shall cooperate, ex officio—

(a) To promote the systematic determination and coordination of the facts as to flow, appropriation, consumption, and use of water in the Colorado River Basin, and the interchange of available information in such matters.

(b) To secure the ascertainment and publication of the annual flow of the Colorado River at Lee Ferry.

(c) To perform such other duties as may be assigned by mutual consent of the signatories from time to time.

ARTICLE VI

Should any claim or controversy arise between any two or more of the signatory States: (a) With respect to the waters of the Colorado River system not covered by the terms of this compact; (b) over the meaning or performance of any of the terms of this compact; (c) as to the allocation of the burdens incident to the performance of any article of this compact or the delivery of waters as herein provided; (d) as to the construction or operation of works within the Colorado River Basin to be situated in two or more States, or to be constructed in one State for the benefit of another State; or (e) as to the diversion of water in one State for the benefit of another State, the Governors of the States affected, upon the request of one of them, shall forthwith appoint commissioners with power to consider and adjust such claim or controversy, subject to ratification by the legislatures of the States so affected.

Nothing herein contained shall prevent the adjustment of any such claim or controversy by any present method or by direct future legislative action of the interested States.

ARTICLE VII

Nothing in this compact shall be construed as affecting the obligations of the United States of America to Indian tribes.

ARTICLE VIII

Present perfected rights to the beneficial use of waters of the Colorado River system are unimpaired by this contract. Whenever storage capacity of 5,000,000 acre-feet shall have been provided on the main Colorado River within or for the benefit of the lower basin, then claims of such rights, if any, by appropriators or users of water in the lower basin against appropriators or users of water in the upper basin shall attach to and be satisfied from water that may be stored not in conflict with article III.

All other rights to beneficial use of waters of the Colorado River system shall be satisfied solely from the water apportioned to that basin in which they are situate.

ARTICLE IX

Nothing in this compact shall be construed to limit or prevent any State from instituting or maintaining any action or proceeding, legal or equitable, for the protection of any right under this compact or the enforcement of any of the provisions.

ARTICLE X

This compact may be terminated at any time by the unanimous agreement of the signatory States. In the event of such termination, all rights established under it shall continue unimpaired.

ARTICLE XI

This compact shall become binding and obligatory when it shall have been approved by the legislatures of each of the signatory States and by the Congress of the United States. Notice of approval by the legislatures shall be given by the governor of each signatory State to the governors of the other signatory States and to the President of the United States, and the President of the United States is requested to give notice to the governors of the signatory States of approval by the Congress of the United States.

In witness whereof the commissioners have signed this compact in a single original, which shall be deposited in the archives of the Department of State of the United States of America and of which a duly certified copy shall be forwarded to the governor of each of the signatory States.

Done at the city of Santa Fe, N. Mex., this 24th day of November, A. D. 1922.

W. S. NORVIEL.
W. F. MCCLURE.
DELPH E. CARPENTER.
J. G. SCRUGHAM.
STEPHEN B. DAVIS, Jr.
R. E. CALDWELL.
FRANK C. EMERSON.

Approved.

HERBERT HOOVER.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Speaker, the gentleman from Colorado [Mr. LEWIS] does not understand about this Gila project, evidently. It is understood by all of you that the Gila project and the Colorado project are of no personal or political interest to me. All I want to do is deal fairly and justly with the Western States in connection with the expenditure of this reclamation fund in dividing it up among the several projects.

The Gila project was contemplated by section 15 of the Boulder Canyon Act. Its approval was intended at that time, and it was the intention to get water from it. How can this now interfere with the allotment of water from the upper States in any respect? The gentleman states that the place that starts using the water preempts it, and then they have a right to it forever. Is that right?

Mr. LEWIS of Colorado. That is correct.

Mr. BUCHANAN. The argument was made to me if the Gila project was not built the water would run down the river, go into Old Mexico, and they would use it forever, and no American State would get it. What do you say to that?

Mr. LEWIS of Colorado. Is the gentleman addressing me?

Mr. BUCHANAN. No. I am addressing this question to all Members.

Here is the situation in which I find myself. I investigated the Gila project. I find it is not a dam. It involves the digging of a canal or canals to the land from the Boulder Canyon and that other dam down below there. It is just digging canals, and when the water gets to the tableland which it is sought to irrigate they have to pump it up a few feet—I do not know how high.

Now, what do we find? We find a contract has been entered into obligating $1,097,599 for the actual work out of $1,250,000 to furnish material for this contract. That is a Government obligation. What are you going to do?

Mr. MARTIN of Colorado. Will the gentleman yield for a question?

Mr. BUCHANAN. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. What was the authority for entering into that contract which the gentleman has just referred to?

Mr. BUCHANAN. The authority conferred on the President through legislation which we passed. A survey of the project was authorized by the Boulder Canyon Act in 1928.

The money was allotted from emergency funds appropriated to the President.

Mr. MARTIN of Colorado. It is not in the status, then, of the Florida canal or the Passamaquoddy project?

Mr. BUCHANAN. No; it is clearly out of that status. It is a project for which a survey has been authorized by Congress.

Mr. RICH. Will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. It seems to me a great many of these projects that have been started under laws authorized by the Congress are proving to be boomerangs. We find that they are coming in here now and asserting their right to go ahead with them. It seems to me we should not give any individual permission to do things that should be retained in the Congress.

Mr. BUCHANAN. I am trying to exercise good, sound, business judgment on these projects. Where there has not been much money spent or a contract entered into involving a large amount of money we stop them. Where contracts have been entered into and a lot of money has been spent, we carry them on. We are trying to do the sensible, sane thing with respect to these projects and to get out of them as soon as we can.

Mr. RICH. I realize the gentleman is trying to do that and I congratulate him upon his position in the matter.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield one-half minute to the gentleman from Utah [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point, and to include therein certain tables and charts furnished me by the Bureau of Reclamation.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman how much of the RECORD it will take to put in these tables?

Mr. MURDOCK. There are about four very short tables, and the rest of it is my own remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

RECLAMATION AND THE NATION—RECLAMATION IN HISTORY

Mr. MURDOCK. Mr. Speaker, it is a striking fact that most of the great civilizations of antiquity were born in arid regions and were nurtured by irrigation. (A) The Nile has been called "the river that is Egypt", because the Nile's overflow, implemented by an extensive system of dikes, canals, and reservoirs, made possible the civilization which produced the first calendar, the science of astronomy, and, in brief, the foundations of western culture. Mesopotamia, the land between the rivers Tigris and Euphrates, has been the center of three world-dominating monarchies, which rose to power in a rainless land because they mastered the art of irrigation. Three thousand years ago the Chinese dug artesian wells to help avert the horrors of drought and famine. The grandeur that was Rome has in great measure passed from the earth, but throughout the dominions which once paid tribute to the Eternal City, the ruins of massive, seemingly interminable aqueducts still bear witness to the vital part that irrigation played in the days of Caesar and Cicero.

EARLY HISTORY OF RECLAMATION IN AMERICA

Irrigation in the New World antedated its discovery by the white man. Anthropologists have offered the theory that the Indians first learned the value of irrigation by observing that arid lands which had been flooded by spring torrents yielded an abundance of roots and herbs. At any rate, it is certain that the Mayans, the Aztecs, the Incas, the Hopi, and other Indian tribes practiced a crude form of irrigation hundreds of years before Columbus first sighted America.

The conquering Moors carried with them a knowledge of irrigation, and a thousand years ago they constructed irrigation works in Spain. (A) In turn, the Spanish explorers and missionaries, when they first penetrated the west coast of what is now the United States, made their first effort to establish a civilization by constructing a reclamation project. The padres of Mission San Diego de Acala, which was the first mission established in California in the seventeenth century, showed the Indians how to build a dam across the San Diego River in Mission Gorge and how to lead the water by canal to the dry but fertile lands surrounding the old mission. Eloquent testimony of the permanence of cultures built on irrigation is found in the fact that part of this dam, built of shaped stones with mud for mortar, still stands. Later the Spanish grandees followed the practice of irrigating the bottom lands along the streams coursing through their great ranches in California.

EARLY RECLAMATION PROJECTS IN THE UNITED STATES

Notwithstanding the important part irrigation has played in the development of civilization and its extensive employment by other races in other lands, the people of my faith, in my State, made and succeeded in the first attempt by the Anglo-Saxon race to reclaim arid lands. (A) When Brigham Young, the inimitable colonist, first beheld Salt Lake Valley he saw, in the words of a great Mormon poet, "a desolation of centuries, where earth seemed heaven-forsaken, where hermit Nature watching, waiting, weeped, and worshipped God amid eternal solitude." (Orson F. Whitney, History of Utah, I, 220.) Brigham Young and a majority of his followers had migrated from sections of the United States where rainfall was abundant and irrigation unnecessary. Young had, so far as history records, no previous knowledge or experience with methods of irrigation; but he and his people had journeyed to the valleys of the mountains for the purpose of planting a permanent colony and establishing homes. To do that, they realized, it was necessary to root their communities in the soil, and roots cannot grow in the desert without water. The first step therefore was to find a water supply, and next the pioneers must learn how to utilize it to the fullest extent and husband it against the inevitable seasons of drought. If you will visit Salt Lake City, the Mormons will show you a great painting which is treasured by every Utahan and which pictures the Mormon pioneers in the act of turning the waters of what is now called City Creek upon the parched and thirsty desert. Their reclamation system is best described in the words of Charles Hillman Brough:

> The methods of irrigation pursued by these conquerors of the desert, unaided by capital or previous experience, were almost identical with those in vogue at the present day. Canals were run from the canyons out upon the more level land of the valleys and there subdivided into branch canals, and these again divided into laterals leading to every farm so long as there was water to be distributed. Each farmer had canals leading from the main one to every field, and generally along the whole length of the upper side of each field. Each field had little furrows, a foot or more apart and parallel with each other, running either lengthwise or crosswise or diagonally across, as the slope of the land required. Into these furrows the water was turned, one or more at a time, as the quantity of water permitted, until it had flowed nearly to the other end, when it was turned in the next furrows, and so on until all were watered (A, pp. 9–10).

Thus was every drop of water made to do the work of 10. Thus were the economic foundations laid for the settlement and development of that great empire of the West whose riches, agricultural, mineral, and human, have flowed to every section of the country and helped America to fulfill her manifest destiny.

That was the beginning of American reclamation (D, p. 22), and if the West is to continue to supply America with wealth we must continue to carry on the reclamation system.

At first and for many decades, reclamation projects were initiated and financed by private capital with the result that the development of reclamation followed a helter skelter, and in many cases, uneconomical course. At last, however, it became apparent that reclamation was of vital national importance and that it constituted financial, engineering, and social problems of such magnitude that they could not be solved by private interests.

THE RECLAMATION ACT OF 1902

By 1894, Congress had recognized the advisability of encouraging reclamation, and to that end Congress enacted that year the Carey Act, under the provisions of which public lands were allocated to the States for reclamation by

private enterprise. However, no Federal funds were appropriated for the developmnt of irrigation systems (D, p. 22). Federal reclamation was inaugurated in 1902 by the passage of the reclamation act. The main features of the act were (D, pp. 23, 24):

First. Organization of the Reclamation Service.

Second. Authorization granted to the Secretary of the Interior to investigate and construct feasible irrigation projects.

Third. Authorization of the withdrawal of public lands for construction purposes and for irrigation.

Fourth. Provision that the cost of reclamation projects was to be repaid by the landowners and water users, without interest, in not more than 10 annual installments. As rapidly as the money was returned, it was to be used for continuing construction work. (See table II.)

I quote from page 23 of the Haw-Schmitt report:

A prominent feature of the financial provisions of the act was the establishment of the reclamation fund for carrying out reclamation enterprise. This fund was built up by impounding all moneys received from the sale of public lands, oil and mineral royalties, and certain related sources, and placing this fund at the disposal of the Secretary of the Interior for use in planning and building irrigation projects.

It should be kept in mind that the reclamation program was not intended as and has never been a program of Federal philanthropy. Under the act of 1902, the settlers were obliged to repay in full the Government's expenditures on irrigation projects. In the words of Haw and Schmitt, Congress—

Intended reclamation to be a nationally supported agency of irrigation development on an economically and socially desirable basis, for the purpose of building up the whole West in the national interest as fully as its natural resources would permit.

THE RECLAMATION LEDGER

During the 32-year period following the passage of the Reclamation Act, 31 projects distributed over 15 States have been completed (D, fig 2). The adjusted cost of these projects to June 30, 1934, was $193,620,400. (See table III.) Forty-one projects are now completed or under construction. (See table IV.)

The reclamation program has opened up an irrigable area of 2,025,508 acres, of which 1,589,770 acres were irrigated in 1933. More than 43,000 farms are comprised in this acreage (D, p. 28). An additional area of 1,239,017 acres, privately developed, is supplied, wholly or in part, with water from Federal reservoirs (E, p. 8).

Reclamation projects support a population of 181,929 living on the farms and 498,158 residing in the towns (D, p. 28). Thus the total population dependent upon Federal projects amounts to more than 600,000. According to the best information available, each farm unit on a reclamation project supports three families—one on the farm, one in the project town, and one in the commercial and industrial centers which supply the projects with manufactured goods (E, p. 13).

The reclamation program has added to the taxable wealth of the United States in excess of $1,000,000,000 (E, p. 6), or approximately five times its cost. It has created whole new communities of prosperous farm folk. The projects support 736 schools and 798 churches.

Records of the Bureau of Reclamation disclose that during one of the depression years 17 Federal reclamation projects received by rail 95,000 carloads of manufactured goods, including automobiles, farming implements, furniture, and similar commodities manufactured in the Midwest and the East, having a total value of $120,000,000. And it is worthy of note that the wage earners who produced these manufactured goods did not purchase their foods, and so forth, from the reclamation projects, but from nearby farms. Industry, therefore, made a clear profit on the transaction.

As an example of how the prosperity of industry is inextricably bound up with agriculture and reclamation, I call attention to the freight supplied by reclamation projects to the railroad systems of the country. Nine transcontinental railroads traverse the Federal projects and tap remoter sections of the projects with spur lines. According to the late Dr. Elwood Mead (E, p. 18):

During the depression, and especially during the drought of 1934, freight originated by Federal reclamation projects contributed a major and stabilizing item of commerce to our transportation systems. It is notable that freight to and from the Boise project in Idaho in recent years has exceeded in volume the traffic of the entire State prior to the development of this project. Whole trains are used to carry melons and vegetables from Arizona and Colorado projects to the eastern seaboard at seasons when carloadings in other agricultural areas are at lowest ebb.

In 1935 the Yakima project shipped 24,152 carloads of apples, pears, potatoes, and other crops by rail. (See ms. table attached.) The chief engineer of the Oregon Short Line is quoted as saying:

It is one of the mottoes of the Union Pacific system that our company will build a railroad to a haystack but not to a mine.

In an address appearing on pages 7625–7626 of the CONGRESSIONAL RECORD for May 20, 1936, I quoted facts and figures to show the economic importance of reclamation projects to the industry of the Nation. The record of the Minidoka project in Washington will further illustrate the relationship of interdependence which exists between irrigation projects and industrial enterprise. Prior to the construction of this project the region where it is now situated was a desolate sagebrush plain, uninhabited, and forbidding exploitation. Today the population of the project, which comprises 110,000 acres of irrigated land, is 15,361, almost equally divided between the farms and the town. The Bureau of Reclamation estimates that at least an additional 8,000 people, living and working in the industrial and commercial centers which supply the project with manufactures, are entirely supported by the project (E., p. 13).

The lesson to be learned from these statistics, and which is repeated by every careful survey of the economics of the modern world, is that industry and agriculture are mutually interdependent. Agriculture is indispensable to civilization and all other forms of economic endeavor are dependent upon this great basic industry. Viewed from the vantage point of economic philosophy, manufacturing, commerce, transportation, and so forth, are the tools by which the products of the farms are produced and distributed. Industry is the handmaid of agriculture.

Sectionalism produces civil wars. Sectionalism is anarchy and anarchy leads to chaos. I think that when the recent years of ruin come to be studied objectively it will be found that the major cause of the depression was industrial anarchy. Our political leaders and our captains of industry failed to coordinate the diverse factors entering into our economic life. Industrialists and agriculturalists, because they failed to recognize that prosperity is a condition of reciprocally stimulated well-being, found themselves at war with each other and both suffered as a result. Agricultural areas and industrial areas ignored the social benefits of cooperation and mutual support, with the result that economic sectionalism divided into a hodgepodge of panic-ridden, oppositional sections. This economic sectionalism, I believe, produced the depression and led us to the verge of civil strife. If we are to recover, we must mend our ways.

Enduring prosperity can only come to America when all sections of the country, agricultural and industrial, learn to move forward together. Our production, our transportation, and our distributive facilities must be coordinated, so that each will complement and supplement the other, so that all will function smoothly as the gears of social betterment. The West must know that there can be no prosperity for it unless the other sections of the land are also prosperous. The East and South must also learn this lesson.

Federal harbor projects are, by nature, restricted to the seashore. But the improvement of our harbors, through which the commerce of the Nation passes, benefits the Nation as a whole. Would it not be stupid, as well as unsocial, if we who represent the inland regions were to oppose, on the miry ground of sectional bigotry, all harbor projects? Likewise, is it not unwise and injudicious for those Members

of the House who so ably represent the industrial and commercial centers of the Nation to oppose, on no better ground than short-sighted sectionalism, the construction of irrigation projects which will, in time, feed and clothe their own constituents?

WHO PAYS FOR RECLAMATION?

The mistaken impression seems to be prevalent that reclamation projects cost the Government huge sums of money. Even a casual study of the reclamation fund reveals the inaccuracy of this view. It is true, of course, that during the depression, when every group, even the foreign debtor, has begged and obtained moratoria on obligations owing to the Government, the collection of installments on reclamation repayment contracts has been suspended. But let us look at the record of normal years. At the close of the fiscal year ending June 30, 1935, omitting installments suspended by law, the landowners and water users of 11 Federal reclamation projects had paid 100 percent of the amount due the Government on the repayment contracts. On six other projects the settlers had repaid more than 99 percent. On only two projects had less than 90 percent been repaid. (See table IV.) These figures show that even on the cold and calculating basis of contractual repayments the reclamation program has proved to be a sound investment of Government funds.

Striking an average for all projects, 98.9 percent of the money due under the repayment contracts has been paid by the project settlers. According to the late Dr. Mead, up to June 30, 1935—

Even considering write-offs and adjustments made by Congress in repayment contracts of water users, the collections have been approximately 85 percent. (E., p. 6.)

Thus, it is apparent that reclamation was the first—and perhaps the only—great Federal self-liquidating project. The Government, then, has not had to invest a penny of funds in reclamation without practically 100-percent collateral, and in addition the people of the Nation have profited beyond measure from the investment. I challenge any other Government agency—I challenge the Reconstruction Finance Corporation, which has loaned billions to banks and railroads; I challenge the Treasury itself, which has loaned bililons to foreign nations now in default—to show so clean a record.

A WORD OF PROPHECY

And now I venture to make a prediction based on history. The pioneers who first settled on the eastern shore of this continent were largely agriculturists. The civilization they planted in the East was based on farming. But as the settlements grew and the colonists prospered other industries sprang up. The new industries rapidly displaced the farms on the eastern seaboard. Manufacturing and commerce monopolized the settled land, and agriculture turned its face to the virgin West. Through the years this process has been repeated many times and steadily, and each time the agricultural center of the Nation has shifted westward. Today the pleasant lands, once bursting with potential abundance, have been settled and exploited. And still the regions conquered and retained by industry expand. It is my firm conviction that American agriculture will some day find its center in the bleak, forbidding deserts of the West. Reclamation projects which have previously been undertaken and these projects which the Congress is now considering may yet become the granaries of the world.

It is the duty of statesmen to look to the future.

RECLAMATION AND AGRICULTURE

Preachers of the false gospel of scarcity have said that the reclamation program is antithetical to the agricultural program. The facts explode this fallacy. The acreage embraced in the Federal reclamation program amounts to only 7.5 percent of the total irrigated area of the United States and less than one-half of 1 percent of the cropped area of the country. The total value of crops produced on Federal reclamation projects is less than 1 percent of the value of the Nation's crops (E, p. 8). Obviously, Federal reclamation has not yet appreciably affected agricultural production.

Farmers fortunate enough to operate lands not situated in the reclamation districts have cause for no concern from that quarter. Products from irrigated western farms do not enter into competition with the agricultural products of sections blessed with a plenteous rainfall. Long-staple cotton is grown on irrigated land in Arizona, but it does not compete with the short-staple variety produced in the South. In fact, the United States does not produce nearly enough long-staple cotton to supply the local demand, but, on the contrary, is obliged to import large quantities from foreign countries. Alfalfa which is grown on the irrigated farms of the intermountain region is not shipped to other regions, but is used to supplement the natural forage of the public ranges. Winter fruits and vegetables raised on reclamation projects fill a need in the Nation's diet which cannot be supplied by any other section of the country during the seasons they are harvested, and they could not compete with similar produce from other sections of the country because freight rates on such commodities are prohibitive (E, p. 10).

It is self-evident and undeniable that the function of reclamation is to supplement the Nation's agriculture. To discourage reclamation is to encourage scarcity. I quote from the Haw-Schmitt report, which report should be carefully studied by every Member of Congress and everyone interested in our country's progress:

Any adequate view of reclamation must include in its perspective not alone the quantitative facts of irrigation development previously indicated but also the far-reaching social and economic changes which have taken place in the West during the last third of a century. Just as irrigation gave human settlement its first foothold in the mountain valleys and on the fringes of the deserts that separated the Mississippi Valley from the narrow Pacific coast belt, so Federal reclamation initiated a further stage of development. In the days of the cowboy, the isolated prospector, and the covered wagon, communities existed only at wide intervals and the supply bases for existence were few and small. Roads were few and communication across the arid belt was slow, but the pioneering impulse and the continuous westward drift from the well-settled regions of the East were causing ever larger numbers to seek their opportunity in the mountain and intermountain country. It was under such circumstances that reclamation brought Federal aid to the support of irrigation development. The score of well-watered farming areas which it created helped to make possible the subsequent diffusion of population and growth of wealth. Reclamation provided a secure foundation for the development of the West and contributed toward integrating the Nation.

The effects and success of reclamation are measured by these achievements. All the present prosperity of the domain that extends westward more than a thousand miles from the middle of the Great Plains came about because of the extension of irrigation, largely during the past four decades; and since 1902 this growth has been led and dominated by Federal reclamation. Without the spread of population through the deserts and the production of wealth which resulted from it, balanced growth of the Nation as a whole could not have been achieved. In broadening the base of the country's food supply, in strengthening and supporting its industry, in enlarging and building up the Nation's transportation system, reclamation has been a fundamental agency of public welfare.

RECLAMATION AND THE WEST

Dr. Mead said:

Abandon reclamation development, abandon development of the western water resources, and the Nation has abandoned the future of the West (E, p. 11).

It should be remembered that when the Western States were admitted to the Union, title to the minerals within their borders and title to much of the land itself was retained by the Federal Government. Thus, even at this late period, 80 percent of the total land area of the State of Nevada belongs to the Federal Government; of Arizona, 66 percent; of Utah, 58 percent. Of the total land area of the 11 Western States, title to 46 percent is vested in the Federal Government. (See table VI.) This western land which belongs to the United States is not, of course, taxable by the States. To choose the extreme example, Nevada, with an area almost twice as great as that of New England, must maintain its schools and police its wide domain with taxes derived from an area comparable to that of New Hampshire and Vermont. (See manuscript table attached.) We westerners have reason to believe, and particularly in this

instance, that the Federal Government has not been overgenerous with our States.

Government statistics reveal that the average rainfall in the western third of the United States varies between 6 and 20 inches a year (D, p. 31). In the entire area which lies west of the one hundredth meridian, with the exception of a narrow strip along the Pacific coast, the annual rainfall is insufficient to produce crops without supplemental irrigation. Reclamation, therefore, is of vital importance to the western third of our country. To curtail reclamation is to stunt the growth of this region. To halt the reclamation program is to kill the West.

On the other hand, the meager water supply with which Providence has provided the West can, with the aid of the genius and perseverance of man, be so utilized as to transform the western desert into a land of plenty. The West beseeches Congress not to waste one-third of the Nation's inheritance. Do not, we say to you, permit farms and men to die in the desert from want of water which can be supplied without one cent of cost to you, and which will secure for you the richest reward that can come to any nation—a community of happy, loyal, and prosperous farmers.

RECLAMATION IS NONPARTISAN

Let me, needlessly perhaps, remind the gentlemen on the Republican side of the House that it was your great American President, Theodore Roosevelt, who fathered the reclamation program, because, as he said, it would build homes and thereby build up the Nation. It was Theodore Roosevelt who sponsored and recommended the enactment of the Reclamation Act of 1902 (E, p. 11).

And now, for the special attention of the majority, let me quote the greatest American of half a centry on this question. In his telegram to the National Reclamation Association, dated November 27, 1933, Franklin D. Roosevelt said:

> Reclamation as a Federal policy has proven its worth and has a very definite place in our economic existence. Spread over one-third of the territory of the United States and creating taxable values and purchasing power affecting municipal, State, and Federal Governments and private industry, it is only reasonable that we should all take pride in its achievements and success.

The West has been, is, and shall ever be the home of independent, self-reliant American citizens. We have never asked, we do not ask now, for Federal philanthropy. We say to you, cooperate with us—since we have always given you the fullest measure of cooperation—in our struggle against drought help us to store up for future use the tiny streams of water that trickle through our desert lands, which else would be absorbed and lost in that gigantic sponge which now is wasteland. Help us now, and we will again, as we have done so many times before, assault the lifeless mountains, subdue the desert, and conquer for America an empire more fruitful than the promised land.

NOTE.—Symbols in the text enclosed in parentheses refer to the list of references designated as table I. Thus D, p. 22, refers to pages 22 of the Report on Federal Reclamation to the Secretary of the Interior, by John W. Haw and F. E. Schmitt. My purpose in making the above address has been to assemble statistics and other information relating to reclamation in such a manner as to call attention to the function of reclamation in our national economy. I have therefore borrowed freely from the references cited.

TABLE I. REFERENCES

A. Irrigation in Utah, by Charles Hellman Brough (Baltimore, 1898).

B. Irrigation, Water Rights, and Appropriation of Waters, by C. S. Kinney.

C. Cooperation Among the Mormons, by Hamilton Gardner. (Quarterly Journal of Economics, vol. 31, p. 461.)

D. Report on Federal Reclamation to the Secretary of the Interior, by John W. Haw and F. E. Schmitt, December 1, 1934. (Government Printing Office, 1935.)

E. Federal Reclamation. An unpublished treatise by Dr. Elwood Mead, the late Commissioner of the Bureau of Reclamation, dated June 25, 1935.

TABLE II.—SUMMARY OF CHANGES IN RECLAMATION LAWS

(From Haw-Schmitt report, pp. 32–33)

1906—Relates to town-site and power development.

1910—Authorizing an advance of $20,000,000 to the reclamation fund and repealing the State allocation section (9) of the act of 1902.

1911—Curtis Act, authorizing the Secretary of the Interior, in his discretion, to withdraw public notice heretofore issued which prescribed the payment of construction charges.

1911—Warren Act, providing for the sale of surplus water.

1911—Development and lease of surplus power.

1914—Reclamation Extension Act, which permitted the period of repayments to be extended to 20 years.

1917—Development of the Yuma auxiliary reclamation project, Arizona.

1920—Receipts from oil leases to be paid into the reclamation fund.

1920—Receipts from Federal water-power licenses to be paid into the reclamation fund.

1921—Relief to water users on Federal projects.

1922—Relief to water users on Federal projects.

1923—Relief to water users on Federal projects.

1924—Relief to water users on Federal projects.

1925—Fact Finders Act, providing for selection of settlers; classification of land; construction payments based on productive power; profits from power plants, leases of land, sale of town lots, and sale or rental of water to be credited to water users when they take over the care and operation of projects.

1925—Appropriation act of March 3, providing for appraisal of private lands on the Vale project, Oregon, and the Kittitas division of the Yakima project, Washington.

1926—Appropriation act of May 10, providing for appraisal and sale of excess lands on Sun River project, Montana; Owyhee, Vale, and Baker projects, Oregon; also the Spanish Springs division of the Newlands project, Nevada.

1926—Application of power revenues, Minidoka project, Idaho.

1926—Omnibus adjustment act, providing for a charge-off on 17 projects, amounting to $13,708,016, and the appraisal and sale of excess land. Repealed provision of Fact Finders Act of 1925 permitting repayments based upon productive power of land.

1928—Boulder Canyon Act.

1928—Taxation of lands of homestead and desert-land entrymen authorized.

1929—Application of power revenues, Boise project, Idaho, and Shoshone project, Wyoming.

1930—Taxation of unpatented entries authorized.

1930—Sale of temporarily and permanently unproductive lands authorized.

1930—Rehabilitation of Bitter Root project, Montana.

1930—Construction of Prosser power plant and application of power revenues, Kennewick unit, Yakima project, Washington.

1931—Advance of $5,000,000 to reclamation fund.

1931—Relief extended to Uncompahgre project, Colorado.

1931—Sale of surplus power developed under Grand Valley project, Colorado.

1932—Moratorium on construction charges for 1931 and 1932.

1933—Moratorium on construction charges for 1932 and 1933.

1934—Moratorium on construction charges for 1934.

TABLE III.—*Projects constructed with allotments from reclamation fund*

[From Haw-Schmitt report, p. 27]

Project	Adjusted cost to June 30, 1934	Irrigable area [1]	Construction authorized	Water first available
Salt River	$12,350,576	245,648	Mar. 14, 1903	1907
Yuma	6,416,730	65,626	May 10, 1904	1907
Orland	2,365,571	20,634	Oct. 5, 1907	1910
Grand Valley	4,288,769	30,380	Sept. 23, 1912	1915
Uncompahgre	5,634,895	75,654	June 7, 1904	1908
Boise	17,198,518	167,776	Mar. 27, 1905	1906
King Hill	1,498,415	8,269	July 2, 1917	1918
Minidoka	7,194,919	116,054	Apr. 23, 1904	1907
Garden City	334,475	[2] 10,677	Oct. 5, 1905	1908
Bitter Root	717,641	18,083	July 3, 1930	1931
Huntley	1,868,875	27,947	Apr. 18, 1905	1908
Milk River	5,576,831	134,557	Mar. 25, 1905	1911
Sun River	7,572,046	56,721	Feb. 26, 1906	1909
Lower Yellowstone	4,161,209	46,279	May 10, 1904	1909
North Platte	21,259,556	234,609	Mar. 14, 1903	1908
Newlands	3,507,677	75,000	——do——	1906
Carlsbad	1,115,686	25,055	Feb. 24, 1906	1907
Hondo	371,788	[2] 10,000	Sept. 6, 1904	———
Rio Grande	14,506,913	155,000	Dec. 2, 1905	1908
North Dakota pumping	643,732	[2] 26,273	Jan. 23, 1906	1908
Baker	276,762	7,124	Mar. 18, 1931	1932
Owyhee	12,244,317	106,000	Oct. 12, 1926	———
Umatilla	2,316,678	13,444	Dec. 4, 1905	1908
Vale	3,692,007	15,854	Oct. 21, 1926	1929
Klamath	6,205,533	61,262	May 15, 1905	1907
Belle Fourche	4,795,716	61,030	May 10, 1904	1908
Echo Reservoir	2,873,487	77,000	Jan. 8, 1927	1931
Strawberry	3,591,063	42,055	Dec. 15, 1905	1915
Okanogan	424,199	5,800	Dec. 2, 1905	1908
Yakima	25,802,888	204,409	Dec. 12, 1905	1907
Riverton	3,964,060	32,000	Jan. 19, 1920	1925
Shoshone	8,848,868	66,738	Feb. 10, 1904	1908
Total	193,620,400	2,242,958	———	———

[1] Area to which water can be supplied in 1934. [2] Abandoned.

TABLE IV.—*Department of the Interior, Bureau of Reclamation, status of construction account repayments, June 30, 1935*

State	Project	Construction account repayable June 30, 1935	Value of repayment contracts	Amounts of repayment contract due on June 30, 1935	Balance of repayment contract deferred (not due)	Amounts paid on amounts due	Amounts uncollected of amounts due	Percent repaid of amounts due
Arizona	Salt River	$10,209,450.37	$10,209,450.37	$6,658,744.41	$3,550,705.96	$6,658,744.41		100.0
Arizona-California	Yuma	9,723,931.21	5,208,588.35	3,814,253.74	1,394,334.61	3,810,782.16	$3,471.58	99.9
California	Orland	2,369,392.45	2,475,403.48	819,243.96	1,656,159.52	773,815.10	45,428.86	94.5
Colorado	Grand Valley	4,082,334.78	4,082,334.78	159,183.29	3,923,151.49	159,183.29		100.0
Do	Uncompahgre	5,768,296.19	7,288,114.04	490,112.77	6,798,001.27	490,112.77		100.0
Idaho	Boise	16,740,192.75	14,405,457.24	4,016,041.72	10,389,415.52	4,016,041.72		100.0
Do	Minidoka	18,131,216.98	17,119,650.31	8,004,607.86	9,115,042.45	7,982,681.79	21,926.07	99.7
Do	Upper Snake River	177,561.53						
Montana	Bitterroot	747,641.05	750,000.00		750,000.00			
Do	Chain Lakes	33,754.26						
Do	Frenchtown	3,172.77						
Do	Huntley	1,871,604.83	1,825,834.64	559,136.18	1,266,698.46	559,136.18		100.0
Do	Milk River	5,631,306.45	5,501,104.25	76,762.76	5,424,341.49	3,002.76	73,760.00	3.9
Do	Sun River	7,740,889.18	10,042,834.35	218,910.46	9,823,923.89	218,814.45	96.01	99.9
Montana-North Dakota	Lower Yellowstone	4,169,608.05	4,096,817.21	292,157.95	3,804,659.26	292,157.95		100.0
Nebraska-Wyoming	North Platte	20,976,618.14	22,164,215.12	3,977,258.65	18,186,956.47	3,920,120.65	57,138.00	98.6
Nevada	Humboldt	595,794.46	1,500,000.00		1,500,000.00			
Do	Newlands	3,513,715.82	3,289,004.34	1,185,020.66	2,103,983.68	1,183,729.38	1,291.28	99.9
Do	Truckee storage	28,293.12						
New Mexico	Carlsbad	1,107,672.79	1,113,131.52	885,694.99	227,436.53	885,694.99		100.0
New Mexico-Texas	Rio Grande	13,227,370.50	13,721,208.87	3,092,524.45	10,628,684.42	3,092,524.45		100.0
Oregon	Baker	276,761.73	225,187.63		225,187.63			
Do	Stanfield	83,412.64	100,000.00		100,000.00			
Do	Umatilla	4,393,974.62	3,380,686.01	540,573.88	2,840,112.13	404,861.08	135,712.80	74.9
Do	Vale	4,235,695.83	5,000,000.00		5,000,000.00			
Oregon-California	Klamath	6,230,294.54	4,161,724.64	1,144,452.14	3,017,272.50	1,135,830.01	8,622.13	99.2
Oregon-Idaho	Owyhee	14,223,020.08	18,000,000.00		18,000,000.00			
South Dakota	Belle Fourche	$4,796,058.76	$5,324,253.80	$624,129.09	$4,700,124.71	$624,129.09		100.0
Utah	Hyrum	757,463.66	930,000.00		930,000.00			
Do	Moon Lake	95,989.95	1,500,000.00		1,500,000.00			
Do	Ogden	961,214.80	2,935,000.00		2,935,000.00			
Do	Salt Lake Basin	2,883,920.78	2,883,945.78	1,222.50	2,882,723.28	1,222.50		100.0
Do	Provo River	27,149.72						
Do	Sanpete	14,376.68	365,000.00		365,000.00			
Do	Strawberry Valley	3,348,835.32	3,348,835.32	1,373,745.50	1,975,089.82	1,348,049.84	$25,695.66	98.1
Washington	Grand Coulee	11,364,260.37						
Do	Okanogan	426,998.38	426,998.38	134,649.92	292,348.46	134,649.92		100.0
Do	Yakima	25,741,646.69	21,548,147.57	6,734,512.96	14,813,634.61	6,626,387.34	108,125.62	98.4
Wyoming	Casper-Alcova	1,772,349.08						
Do	Riverton	4,243,101.64	5,101,808.70		5,101,808.70			
Do	Shoshone	8,575,463.33	5,456,508.91	982,310.42	4,474,198.49	982,116.01	194.41	99.9
Total		221,301,806.29	205,481,245.61	45,785,250.26	159,695,995.35	45,303,787.84	481,462.42	98.9

TABLE V.—*Department of the Interior, Bureau of Reclamation, railway mileage on irrigation projects*

Project	Railroad	Mileage: Each road	Mileage: Total
Belle Fourche, S. Dak	Chicago & North Western R. R.	23	35
Do	Vale Beet spur	12	
Boise, Idaho	Oregon Short Line R. R.	177	255
Do	Intermountain Ry	18	
Do	Boise Valley Traction Co. (electric)	60	
Carlsbad, N. Mex	Atchison, Topeka & Santa Fe R. R.	23	23
Grand Valley, Colo	Uintah Ry	11	56
Do	Denver & Rio Grande Western R. R.	32	
Do	Grand Junction & Grand Valley Electric R. R.	13	
Huntley, Mont	Northern Pacific	25	44
Do	Chicago, Burlington & Quincy R. R.	19	
King Hill, Idaho	Oregon Short Line R. R. (14 miles within district, 28 miles along district, mile or 2 outside).	42	42
Klamath, Oreg.-Cal'f	Oregon, California & Eastern Ry	21	50.5
Do	Southern Pacific Ry	15	
Do	Proposed Modoc Northern Ry	14.5	
Lower Yellowstone, Mont.	Great Northern R. R.	66	66
Milk River, Mont	do	159	159
Minidoka, Idaho	Oregon Short Line R. R.	43	43
Newlands, Nev	Southern Pacific Ry	69	69
North Platte, Nebr	Chicago, Burlington & Quincy R. R.	145	256
Do	Union Pacific	95	
Do	North Platte Valley Ry	16	
Okanogan, Wash	Great Northern	12.5	12.5
Orland, Calif	Southern Pacific Ry	7	7
Owyhee, Oreg	Oregon Short Line Ry	56	80
Do	Construction railway to dam	24	
Rio Grande, Tex	Atchison, Topeka & Santa Fe R. R.	83	149
Do	Southern Pacific R. R.	58	
Do	National Railway of Mexico	8	

TABLE V.—*Department of the Interior, Bureau of Reclamation, railway mileage on irrigation projects*—Continued

Project	Railroad	Mileage: Each road	Mileage: Total
Salt River, Ariz	Atchison, Topeka & Santa Fe R. R.	17	62
Do	Southern Pacific	45	
Shoshone, Wyo	Chicago, Burlington & Quincy R. R.	64	64
Strawberry Valley, Utah	Denver & Rio Grande Western R. R.	30	78
Do	Union Pacific R. R.	17	
Do	Salt Lake & Utah R. R. (electric)	23	
Do	Utah-Idaho Sugar Co. R. R.	8	
Sun River, Mont	Chicago, Milwaukee, St. Paul & Pacific R. R.	45	132
Do	Great Northern R. R.	87	
Umatilla, Oreg	Oregon-Washington R. R. & Navigation Co.:		
	Within project area	60	90
	Partly in Coyote cut-off	12	
	To McKay Dam	18	
Uncompahgre, Colo	Denver & Rio Grande Western R. R.	51	51
Vale, Oreg	Oregon Short Line R. R.	66	66
Yakima, Wash	Chicago, Milwaukee, St. Paul & Pacific R. R.	57	423
Do	Northern Pacific	273	
Do	Oregon-Washington R. R. & Navigation Co.	86	
Do	Yakima Valley Transportation Co. (electric).	12	
Yuma, Ariz	Yuma Valley R. R.	25	42
Do	Southern Pacific	17	
Total			2,360

TABLE VI.—*Federal lands in the Western States*

[From Haw-Schmitt report, p. 27]

State	Total area	Vacant public land	Indian reservations	Forest reserves	Parks and monuments	Total public	Percent
Arizona	72,500,000	13,078,560	22,391,108	11,388,053	1,099,793	47,957,514	66
California	101,000,000	15,795,669	631,910	19,175,640	2,888,117	38,491,336	38
Colorado	66,600,000	7,552,197	435,221	13,543,050	366,219	21,896,687	33
Idaho	53,700,000	10,069,092	499,015	19,620,454	48,342	30,236,903	56
Montana	94,000,000	5,878,931	6,035,172	16,127,836	965,820	29,007,759	31
Nevada	70,800,000	50,975,749	847,098	4,985,104	593	56,808,544	80
New Mexico	78,500,000	11,783,265	5,189,469	8,544,053	179,127	25,695,914	33
Oregon	62,000,000	12,919,345	1,631,630	13,434,222	158,867	28,144,064	45
Utah	54,400,000	22,532,110	1,069,725	7,523,763	142,102	31,267,700	58
Washington	44,200,000	692,751	2,401,914	9,607,280	539,299	13,241,244	30
Wyoming	62,700,000	13,813,200	1,998,487	8,481,264	2,286,506	26,579,457	42
Total area	760,400,000	165,090,869	43,130,749	132,430,719	8,674,785	349,327,122	
Percent each type of land bears to the total area	100	22	6	17	1+	46	46

NOTE.—Public lands are exclusive of approximately 50,000,000 acres withdrawn, pending and unperfected entries.

Mr. TAYLOR of Colorado. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider the vote by which the several motions were agreed to was laid on the table.

THE LATE RICE A. PIERCE

Mr. COOPER of Tennessee. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make an announcement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER of Tennessee. Mr. Speaker, it is with very deep regret that I announce the death of a distinguished former Member of the House of Representatives who was one of my predecessors in representing the district which I now have the honor to serve, Hon. Rice A. Pierce, of Tennessee.

Mr. Pierce passed away at his home in Union City, Tenn., last Friday, and, of course, the House has not been in session since that time and this is the first opportunity I have had to make this announcement.

Mr. Pierce was born in Dresden, Weakley County, Tenn., July 3, 1848; attended the common schools of Tennessee; pursued an academic course; during the Civil War served in the Eighth Tennessee Cavalry; studied law, was admitted to the bar of the supreme court in Raleigh, N. C., in 1868, and commenced practice in Union City, Tenn., in 1869; elected district attorney general of the twelfth judicial circuit in 1874, and reelected in 1878 for 8 years.

Mr. Pierce was first elected to Congress in 1882, 54 years ago, to the Forty-eighth Congress. So far as my knowledge extends, he was the only surviving Member of that Congress. His last service was in the Fifty-eighth Congress, and there are no Members of this Congress now serving in the House and only Vice President Garner and Senator GLASS serving in the Senate were here at that time.

Mr. Pierce was one of the most distinguished and highly respected citizens of Tennessee and a bulwark of strength for the Democratic Party in our State. He served in recent years as commander in chief of the United Confederate Veterans, having followed the flag of Dixie during the Civil War until its folds were furled in fadeless glory.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. BLANTON. Mr. Speaker, I call up the conference report on the District of Columbia appropriation bill.

The clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

[To accompany H. R. 11581]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year 1937 and for other purposes having met, after full and free conference, have been unable to agree.

THOMAS L. BLANTON,
B. M. JACOBSEN,
GEO. W. JOHNSON,
Managers on the part of the House.

ELMER THOMAS,
CARTER GLASS,
GERALD P. NYE,
HENRY W. KEYES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference of the two Houses on the amendments of the Senate to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, submit the following statement in connection with the action of the conferees on such amendments:

The committee of conference report that they have been unable to agree.

THOMAS L. BLANTON,
B. M. JACOBSEN,
GEO. W. JOHNSON,
Managers on the part of the House.

Mr. BLANTON. Mr. Speaker, there are 87 amendments placed on this bill by the Senate that are in disagreement. The House conferees are so very anxious on behalf of the people of the District of Columbia to get an appropriation bill and avoid a continuing resolution that they have been willing to be more than generous in agreeing to many Senate amendments which heretofore the House has never been willing to agree to.

There are 49 Senate amendments on the bill which the conferees have gone over carefully, and they embrace a total of approximately $485,000; and in order to try to reach an agreement with the Senate so that a bill may be passed for the benefit of the District of Columbia, the conferees have instructed me to submit a motion to recede and concur on all of these 49 Senate amendments. We hope thereby that the Senate will then accept the bill and pass it tomorrow.

To save the time of taking these 49 amendments up separately, which would require all day, I am going to ask unanimous consent to consider these 49 Senate amendments en bloc; and if the request is granted, I am going to move to recede and concur in all of the 49 Senate amendments. Mr. Speaker, I ask unanimous consent to consider the 49 Senate amendments referred to en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I move that the House recede and concur in the Senate amendments as contained in the motion which is at the Clerk's desk.

The Clerk read as follows:

Mr. BLANTON moves that the House recede from its disagreement to the following amendments of the Senate and concur therein:

Senate amendment no. 2: Page 3, line 21, strike out "$113,360" and insert "$122,860".

Senate amendment no. 3: Page 3, line 23, strike out "$73,390" and insert "$43,690".

Senate amendment no. 4: Page 3, line 24, strike out "$37,690" and insert "$43,990".

Senate amendment no. 6: Page 4, line 23, strike out "$45,900" and insert "$47,900".

Senate amendment no. 8: Page 5, line 17, strike out "$500" and insert "$1,000".

Senate amendment no. 9: Page 5, line 20, strike out "$39,900" and insert "$40,400".

Senate amendment no. 10: Page 5, line 24, strike out "$10,180" and insert "$10,600".

Senate amendment no. 12: Page 8, line 8, strike out "$73,260" and insert "$80,000".

Senate amendment no. 13: Page 8, line 11, after the figures "$2,500" strike out the remainder of the line and all of lines 12 to 15, inclusive.

Senate amendment no. 14: Page 9, line 23, strike out "$69,600" and insert "$74,640".

Senate amendment no. 15: Page 10, line 22, strike out "$97,380" and insert "$104,580".

Senate amendment no. 18: Page 12, line 3, strike out "$40,000" and insert "$43,000".

Senate amendment no. 19: Page 12, line 20, strike out "$58,340" and insert "$60,467".

Senate amendment no. 20: Page 12, line 24, strike out "in all, $72,980" and insert "Executive office, three, $6,300; and one ambulance for the Board of Public Welfare, $1,660; for purchase of two passenger-carrying automobiles, $1,160, and two station wagons, $1,500; in all, "$85,727".

Senate amendment no. 21: Page 14, line 11, strike out "$9,500" and insert "$10,400".

Senate amendment no. 22: Page 16, line 6, strike out "$1,500" and insert "$2,500".

Senate amendment no. 23: Page 16, line 9, strike out the word "investigations" and insert "purposes".

Senate amendment no. 25: Page 17, line 23, strike out "$40,000" and insert "$60,000".

Senate amendment no. 29: Page 25, after line 21, insert "For construction of pier at fish wharf and market, including approaches, preparation of plans and specifications, and personal services, $20,000".

Senate amendment no. 31: Page 27, line 24, strike out "$157,211" and insert "$190,403".

Senate amendment no. 32: Page 28, line 23, strike out "$825,000" and insert "$850,000".

Senate amendment no. 36: Page 30, line 5, strike out "$135,300" and insert "$142,500".

Senate amendment no. 40: Page 33, line 16, strike out "$29,400" and insert "$32,400".

Senate amendment no. 41: Page 34, line 12, strike out "$91,360" and insert "$94,180".

Senate amendment no. 43: Page 36, line 15, strike out "$932,202" and insert "$937,730".

Senate amendment no. 45: Page 37, line 6, strike out "$300,000" and insert "$325,000".

Senate amendment no. 46: Page 37, line 15, strike out "$5,000" and insert "$6,800".

Senate amendment no. 47: Page 37, line 16, strike out "$121,500" and insert "$124,500".

Senate amendment no. 48: Page 37, lines 16 and 17, after the word "available" insert "of which not to exceed $1,200 may be expended for tabulating school census cards either by contract or by day labor as the Commissioners may determine".

Senate amendment no. 55: Page 44, line 12, strike out "$121,700" and insert "$129,260".

Senate amendment no. 59: Page 49, line 23, strike out "$41,960" and insert "$45,380".

Senate amendment no. 60: Page 50, line 22, strike out "$70,760" and insert "$84,000".

Senate amendment no. 61: Page 51, line 3, strike out "$1,800" and insert "$3,300".

Senate amendment no. 62: Page 52, line 18, strike out "$59,940" and insert "$65,380".

Senate amendment no. 63: Page 53, line 11, strike out "$96,830" and insert "$100,550".

Senate amendment no. 67: Page 61, line 3, strike out "$408,800" and insert "$416,300".

Senate amendment no. 68: Page 64, line 1, insert:

"For construction, repair, improvement, and extension of buildings at the National Training School for Girls in accordance with plans to be approved by the municipal architect and the Commissioners; and for additional personnel and maintenance at that institution, $100,000".

Senate amendment no. 69: Page 64, line 11, strike out "$50,000" and insert "$75,000".

Senate amendment no. 70: Page 64, line 12, strike out "$55,000" and insert "$65,000".

Senate amendment no. 71: Page 64, line 14, strike out "$25,000" and insert "$40,000".

Senate amendment no. 72: Page 64, line 22, strike out "$126,000" and insert "$141,500".

Senate amendment no. 73: Page 65, line 9, after the word "vehicles", strike out "$75,000; in all, $78,000" and insert "$80,000; in all, $83,000".

Senate amendment no. 74: Page 65, line 13, strike out "$106,330" and insert "$116,350".

Senate amendment no. 76: Page 66, line 7, strike out "$418,340" and insert "$423,380".

Senate amendment no. 77: Page 67, line 9, strike out "$84,000" and insert "$85,000".

Senate amendment no. 80: Page 72, line 24, strike out "$15,000" and insert "$25,000".

Senate amendment no. 81: Page 74, line 8, after the word "service"' strike out "$10,000; in all, $37,300" and insert "$15,480; in all, $42,780".

Senate amendment no. 82: Page 80, after line 14, insert:

"For purchase and erection of one 500,000-gallon capacity elevated water tank and appurtenances to replace the existing 138,000-gallon tank situated on District of Columbia property at Stanton School, $35,000, to be immediately available."

Senate amendment no. 87: Page 87, after line 20, insert:

"SEC. 9. Paragraph (7) of section 1 (b) of the District of Columbia Unemployment Compensation Act, as amended, is amended to read as follows:

"'(7) Service performed in the employ of a corporation, community chest, fund, or foundation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual.'"

Mr. BLANTON. Mr. Speaker, as I said, this motion embraces a total of $484,907, to be exact. Were it not for the fact that this bill has been in conference for about 2 months and the session is drawing to a close, and that unless an agreement is reached with the Senate it would necessitate the passing of a continuing resolution, which would prevent any new construction whatever for the District, and would otherwise leave the District in a sad plight on many matters, your conferees would never have thought of making this motion to recede and concur on all of these 49 amendments. We are proposing by our action to day to go far more than half way with the Senate on agreeing to the 87 Senate amendments, so that if the Senate really wants a bill it can have one by approving tomorrow the action the House is taking today.

Unless we can reach an agreement with the Senate and can pass a bill, there is much badly needed new construction, which the District is entitled to and which the House gave, that cannot be completed, and will be denied to the District. For instance, the House, not the Senate, passed an appropriation for the new Eastern High School, something that is badly needed there, where there is great congestion, where the health and safety of the students are involved. The Budget did not authorize it, but your House committee unanimously agreed and the House agreed and passed a provision to give that new Eastern High School building. That would not be allowed if there was a continuing resolution.

There is a lot of absolutely necessary fire apparatus, equipment,, trucks, and so forth that is badly needed in the District for the safety of the people. The Budget did not authorize that expenditure, but your House committee and the House itself passed these provisions unanimously and granted this new fire apparatus. That would be eliminated under a continuing resolution.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. CHRISTIANSON. Does the list include any that have been matters of controversy in the House?

Mr. BLANTON. Some of them.

Mr. CHRISTIANSON. Would the gentleman enumerate them so that the House might know what they are?

Mr. BLANTON. For instance, the National Training School for Girls. We have recognized for a long time that there is a fire trap out there; that it is not safe for those girls; that they need a new building; but the Budget had not recommended it, and the Commissioners had not made it a priority, and the House committee had given so many things over the Budget that we did not feel authorized to do it; but the Senate passed an amendment granting $100,000 for that new construction. We House conferees feel we are willing to agree to it because it is a matter of necessity, although it exceeds the Budget.

It is amendments like that which are among the 49 Senate amendments we are proposing to concur in, and which we are willing to go along with in order to try to get a bill.

Let me mention one or two other important matters that would be eliminated by a continuing resolution. There is the proposed new Chain Bridge here that has been needed for years, crossing the Potomac over into Virginia. If we did not pass this bill, and it were supplanted by a continuing resolution, that new, badly needed bridge would not be authorized. Even though the Budget did not authorize it, your House committee unanimously agreed to appropriate for that Chain Bridge, and the House passed it. That is one of the items where the Senate increased the amount above the demand made by the Commissioners. That will come up under disagreement in a moment. But I am mentioning some of the important items that would be disallowed, if a continuing resolution were passed. They would not be granted, although they are sadly needed here.

For 10 years they have needed a new police court building. I wish some of you could go down there and witness the congestion where men and women are huddled into little groups in a barred pen down there waiting for trial.

They have needed this new police court building badly for 10 years. The Budget did not authorize it. But your House committee felt so strongly that it was badly needed as an emergency, and we overrode the Budget and unanimously put in an appropriation provision for that new court building.

Mr. CHRISTIANSON. Did the gentleman state how much money was involved in these additions? I mean the total amount.

Mr. BLANTON. The amount involved in these 49 amendments that I am asking the House to recede and concur in embraces a total of $484,907, but it is our only chance to get the Senate to agree, and to pass a bill, else I know the House would never agree to it.

Mr. Speaker, I move that the House recede and concur in the 49 Senate amendments which the Clerk read.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Certainly.

Mrs. NORTON. Do any of these amendments have to do with the $5,700,000 appropriation?

Mr. BLANTON. No. These 49 amendments have nothing to do with the Senate amendment no. 1. That will come up later. When that amendment comes up I will be glad to yield the gentlewoman time, and I will yield her

time now if she wants to discuss any of these other 49 Senate amendments.

Mrs. NORTON. Well, I do not know what the other amendments are. I do not think the House knows what they are. I would like very much to know what they are.

Mr. BLANTON. We are moving to recede and concur in those amendments. If the gentlewoman has any objection to receding and concurring in the said 49 Senate amendments, I can take them up and read each of them separately, if she insists that should be done.

Mrs. NORTON. I will be very glad to hear the amendments.

Mr. BLANTON. That would take an hour's time at least. The bill, with all of the 87 Senate amendments, has been printed for about 2 months and has been accessible to all Members.

Mrs. NORTON. Mr. Speaker, it is very difficult to recede and concur in something that you do not understand. I do not understand what these 49 amendments are, and I think I speak the sentiment of the House when I say the House does not understand them.

Mr. BLANTON. I will state to the gentlewoman from New Jersey that every item that has been in particular controversy is going to be taken up separately for a separate vote.

Mrs. NORTON. Does the gentleman mean the $5,700,000 appropriation?

Mr. BLANTON. Certainly. In other words, amendment no. 1, which involves the $5,700,000, is going to be taken up after a while by itself. The three amendments involving character education will be taken up and considered en bloc if the House agrees to it. The amendment with regard to holding outside employment will be taken up by itself. The amendment with regard to establishing pay parking meters over Washington, which is legislation and ought to come through the gentlewoman's legislative committee, will be taken up separately. Upon all those amendments I will be glad to yield time to the gentlewoman from New Jersey if she wants it.

Mrs. NORTON. That will be perfectly satisfactory.

Mr. BLANTON. And I will yield time to any other Member who desires to discuss the matter.

Mr. LUNDEEN. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. LUNDEEN. I would like to inquire concerning the Chain Bridge. Will there be any information given as to what has happened there? There ought to be a new Chain Bridge. Why patch up this old decrepit structure? It is dangerous to the public. I lived out there some months and I know there is not even a sidewalk for pedestrians. The ice jam and flood of last spring put the bridge out of commission. Now is the time to build. Our building trades will benefit and the public will be rid of a nuisance—a dangerous out-of-date bridge.

Mr. BLANTON. That will come up under another amendment. There will be a new Chain Bridge, first class in every respect. When it is brought up I will be glad to grant the gentleman time. It is not involved in this motion.

The SPEAKER pro tempore. Without objection, the amendments will be printed in the RECORD just prior to the remarks of the gentleman from Texas.

There was no objection.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas to recede and concur in the Senate amendments.

The motion was agreed to.

Mr. BLANTON. There are several amendments not so very consequential in amounts, but very consequential and most important in principle, which the House has been considering for a long time. I shall move that the House further insist upon its disagreement to these amendments of the Senate.

To save time, Mr. Speaker, I ask unanimous consent that the following Senate amendments may be considered en bloc: Nos. 5, 11, 16, 17, 24, 26, 28, 30, 33, 34, 35, 42, 44, 49, 50, 58, 66, and 79.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent to consider en bloc Senate amendments nos. 5, 11, 16, 17, 24, 26, 28, 30, 33, 34, 35, 42, 44, 49, 50, 58, 66, and 79.

Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection, the amendments will be printed in the RECORD at this point.

The amendments referred to follow:

Senate amendment no. 5: Page 4, line 7, strike out "$11,000" and insert "$18,000".

Senate amendment no. 11: Page 7, line 12, strike out "$69,000" and insert "$75,000".

Senate amendment no. 16: Page 11, line 13, strike out "$1,000" and insert "$2,000".

Senate amendment no. 17: Page 11, line 22, strike out "$26,000" and insert "$27,000".

Senate amendment no. 24: Page 17, line 20, strike out "$352,020" and insert "$354,020".

Senate amendment no. 26: Page 20, after line 10, insert the following:

"Northwest: Runnymede Place, Broad Branch Road to Nevada Avenue, and Nevada Avenue, Runnymede Place to Western Avenue, $8,500".

Senate amendment no. 28: Page 23, line 22, strike out "$2,161,200" and insert "$2,169,600".

Senate amendment no. 30: Page 26, line 20, strike out "$226,820" and insert "$230,170".

Senate amendment no. 33: Page 29, line 8, strike out "$116,000" and insert "$122,500".

Senate amendment no. 34: Page 29, line 16, strike out "$39,000" and insert "$40,800".

Senate amendment no. 35: Page 29, line 24, strike out "$28,000" and insert "$29,700".

Senate amendment no. 42: Page 36, line 8, strike out "$50,000" and insert "$75,000".

Senate amendment no. 44: Page 36, line 21, strike out "$22,000" and insert "$26,000".

Senate amendment no. 49: Page 38, line 13, strike out "$90,000" and insert "$113,000".

Senate amendment no. 50: Page 38, line 17, strike out "$127,000" and insert "$150,000".

Senate amendment no. 58: Page 48, line 10, strike out "$18,150" and insert "$185,790".

Senate amendment no. 66: Page 58, line 11, strike out "$113,140" and insert "$115,300".

Senate amendment no. 79: Page 70, after line 21, insert the following:

"NATIONAL LIBRARY FOR THE BLIND

"For aid and support of the National Library for the Blind, located at 1800 D Street NW., to be expended under the direction of the Commissioners of the District of Columbia, $5,000."

Mr. BLANTON. Mr. Speaker, these are the controversial items I have spoken of. Mr. Speaker, I move that the House further insist upon its disagreement to amendments of the Senate numbered 5, 11, 16, 17, 24, 26, 28, 30, 33, 34, 35, 42, 44, 49, 50, 58, 66, and 79.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

CALL OF THE HOUSE

Mrs. NORTON. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. BLANTON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 119]

Adair	Collins	Ekwall	Lee, Okla.
Amlie	Connery	Ellenbogen	Lemke
Andresen	Cooley	Ferguson	McClellan
Andrews	Creal	Fernandez	McFarlane
Ayers	Crowe	Fiesinger	McLeod
Berlin	Crowther	Flannagan	Maloney
Boehne	Culkin	Gasque	Marcantonio
Bolton	Daly	Gassaway	Marshall
Brennan	Darden	Gillette	Maverick
Brooks	Dear	Hamlin	Montague
Buckley, N. Y.	Deen	Hancock, N. C.	Montet
Bulwinkle	DeRouen	Harter	Nelson
Burch	Dies	Higgins, Conn.	Nichols
Burnham	Dingell	Higgins, Mass.	Rankin
Cannon, Wis.	Ditter	Hill, Knute	Reed, N. Y.
Cary	Driver	Hoeppel	Robertson
Casey	Duffey, Ohio	Hollister	Robsion, Ky.
Chandler	Dunn, Miss.	Kee	Rogers, N. H.
Claiborne	Eagle	Lanham	Rogers, Okla.

Ryan	Scrugham	Thom	Weaver
Sadowski	Sirovich	Tobey	Werner
Sanders, La.	Smith, Va.	Tolan	White
Sandlin	Stewart	Treadway	Woodruff
Schaefer	Sumners, Tex.	Wadsworth	Zioncheck
Schuetz	Sutphin	Wearin	

The SPEAKER. Three hundred and twenty-four Members have answered to their names, a quorum.

On motion of Mr. BLANTON, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to include in connection with my remarks of a few minutes ago on the Interior Department appropriation bill conference report a copy of the Colorado River compact, which is a short document.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1937

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 1: Page 2, line 4, strike out "$2,700,000" and insert in lieu thereof "$5,700,000".

Mr. BLANTON. Mr. Speaker, when this bill was before the Committee of the Whole House for amendment, prior to the passage of the bill, this identical contention was made by our colleague the gentlewoman from New Jersey, who proposed to make the Federal contribution $5,700,000 on District expenses. A vote was taken in the Committee of the Whole and only 11 Members voted for the amendment.

When the bill got back into the House, objection was raised by the gentlewoman from New Jersey to the passage of the bill because it did not carry a Federal contribution of $5,700,000, and she asked Members to vote against the bill and she forced a roll call. A roll call was had on the final passage of the bill, at the instance of the gentlewoman from New Jersey, and 26 Members voted against the bill. Thus the bill, embracing 84 pages, passed the House after 3 days of debate without any amendments.

The House allowed $2,700,000. The Senate raised the amount to $5,700,000. There has been this difference in conference between the House and the Senate. The House conferees came back to the House recently and had the House instruct them on it. The House instructed the conferees to insist on the House provision of $2,700,000 by quite a substantial vote. But we find there is not a chance to reach an agreement with the Senate and to get a bill unless we raise this amount. The House conferees do not want the people of the District of Columbia to suffer because of an arbitrary stand made by the Senate conferees.

We have tried every way on earth to get together with them on this issue, but we have not had any success. We believe, however, that with the proposition I am going to make to the House there will be a chance of the Senate, if it really wants a bill, of agreeing to our action and passing the bill; so our conferees have agreed that concerning the two amounts, the one provided by the House and one proposed by the Senate, that the House conferees would move to split the difference in half and thus meet the Senate halfway on the disagreement. I, therefore, offer the following motion, which my subcommittee has given me to offer, which I ask the Clerk to read.

The Clerk read as follows:

Mr. BLANTON moves that the House recede from its agreement to amendment of the Senate no. 1, and agree to the same with an amendment as follows: In lieu of the sum inserted by Senate amendment, insert the following: "$4,200,000".

Mr. BLANTON. Mr. Speaker, from 1878 until a comparatively few years ago the United States paid one-half of all the expenses of the District. The United States already owned the original water system of the District and now owns the original water conduit, and since then has spent $24,000,000 perfecting the water system.

The United States paid one-half of all the paving of the streets in the years gone by, one-half of the building of the fine bridges here, including the million-dollar bridge on Connecticut Avenue. The United States paid one-half of the improvements of the sidewalks that have been repaired and replaced during those years gone by.

It paid one-half of the sewer system, and paid one-half of the cost of all District buildings, and one-half of about 150 school buildings, there being now 175 in the District. Half of the Municipal Building was paid for by the United States, as well as half of the District courthouse, the jail, and penitentiary. Half of all of these city improvements was paid by the United States.

If the people of the District of Columbia were overtaxed, I would be in favor of continuing this contribution; but in 1927 the tax rate was $1.80 on the $100, and with that tax rate of $1.80 on the $100, there was a surplus here of about $3,500,000 a year left unexpended. Then in 1928, the tax rate was cut down from $1.80 to $1.70, which rate was in effect until 1934. In 1934, the District Commissioners, who can raise or lower the tax at will under the law, reduced the rate from $1.70 to $1.50 on the $100.

In that same year they also arbitrarily reduced the assessed value of real estate $80,000,000, giving the property owners of the District the benefit of that reduction. In 1935 they again made an arbitrary reduction of the assessed value of real estate another $50,000,000. So that in the last 2 years the District Commissioners have arbitrarily reduced the assessed valuation of real estate here $130,000,000, and yet there is a surplus when the tax is only $1.50 per $100 on real estate and personal property.

In the District of Columbia, but in no other city in the United States, all private libraries, law and otherwise, whether worth $5 or $50,000, are exempt from taxes.

In the District of Columbia, but in no other cities, all wearing apparel, whether worth $5 or $50, is exempt from taxes.

In the District of Columbia there is allowed to every family an exemption of $1,000 of household furniture which is absolutely exempt from taxes. In my State only $250 is allowed, so there exists in Washington four times the exemption that exists in my own State.

In the District of Columbia the tax on gasoline is only 2 cents a gallon. Go 3 miles from this Capitol into Virginia and you will find the tax on gasoline is 5 cents a gallon. Go just 3 or 4 miles from this Capitol, back the other way, into Maryland, and the tax on gasoline is double that in the District, or 4 cents a gallon, plus a general sales tax, which exists in so many States in the West, and also in West Virginia and other States.

Let us take the sewer system in the District. Let us assume you owned a residence 40 years ago and you then paid for a connection with the sewer system. You have not been charged during that 40 years with $1 for sewer service. In my home city, for instance, whether I am there or not, I pay $3.75 every month for sewer service to my residence, whether I occupy it or not. In the District after you once pay for the connection you never have to pay another annual charge for this service. That is another special benefit they get because it is embraced in the $1.50 per $100 tax levied on real estate.

That $1.50 per $100 tax which is levied on real estate covers a lot of special privileges, and it is the only tax the people pay with respect to all these privileges. It is all included in the $1.50 per $100 on real estate and $1.50 per $100 on tangible personal property. On intangible personal property they pay one-half of 1 percent, the cheapest tax known anywhere in the United States.

Here in the District of Columbia the annual registration for automobiles, the license-tag fee is $1, no matter whether it is a Ford, a Chevrolet, or a $10,000 Rolls-Royce. It does not make any difference what make car it is, the license-tag fee is only $1 per car per year.

No wonder these great newspapers are fighting me and our committee on this question. Just look at that great big string of cars the Star owns and then note the personal-property

tax which they pay and see what they get registered for $1 a year, and they run these automobiles on gasoline with a tax of 2 cents a gallon. You can readily see why they are making this fight on our committee, but the committee is able to stand it. They do not hurt you by playing you up wrongfully in the press. When you are right they cannot hurt you. That is the proposition I go on. It is only when you are wrong that they can hurt you.

Let us consider sidewalks. In my own city and in every other city, when they pave the sidewalk in front of your residence, or it is repaired, you pay for it. Here the people do not have to pay for such repairs or repairing. It is paid for out of that $1.50 per $100 property tax.

In some cities besides a city tax there is paid a county tax, a State tax, and in addition some pay a special school tax, special water taxes, special jail taxes and special courthouse bond taxes. Here the people have none of that. In other places they have to pay a road tax, as my colleague suggests. Here they have none of that. They have just the one property tax of $1.50 per $100, yet the Commissioners arbitrarily reduced the assessed valuation $130,000,000 in 2 years.

In every State, practically, in addition to the regular Federal taxes which citizens in all cities pay, they have other taxes to pay. For instance here in the District outside of the Federal tax, which people in all cities pay, District citizens pay no estate tax here. They pay no inheritance tax here. They pay no gift tax here. They pay no income tax here. They pay no general sales tax, such as there is in Maryland and in many of the other States. Why, go over here to West Virginia and get in a taxicab, and in addition to the taxi fee they will charge you a sales tax. Go into a restaurant or hotel in West Virginia, and in addition to the regular bill they charge you a general sales tax.

I traveled through some of the Western States last year, and every bill I paid, every time I bought a gallon of gasoline or an automobile tire or had any work done on my car or got anything to eat or put up at a hotel, I had to pay a general sales tax; but you do not have to pay such a tax in Washington, D. C. The people here are exempt from it.

Now, Mr. Speaker, I do not think I ought to take any more time of the House on this question. If you will look at the hearings, you will see that Commissioner Hazen, who has been on the District pay roll here in one position or another for thirty-odd years and knows conditions better than any other man in Washington, testified officially before our subcommittee that—

> The people of Washington are the best treated, have more privileges, and pay the least taxes of any people anywhere in the United States.

That came from the chairman of the Board of Commissioners here.

Now, with such low taxation and with the many privileges they have here, why do you want to continue taking out of the Public Treasury, from the taxes of the already overburdened taxpayers of the United States, who have to pay their own big taxes back home, $5,700,000 a year as a payment on the taxes of the people of Washington? It is not right to the people of Maryland, it is not right to the people of Virginia, it is not right to the people of Oklahoma, or New Jersey, or any of the 48 States of the Union.

One other word and I am done. We have chambers of commerce in every city of the United States. I belong to my chamber of commerce at home, and pay them regularly by the year. I also belong to the West Texas Chamber of Commerce, one of the largest organizations in the State, and I pay them every year. What are these institutions for? They are to attract people down there, to get people to come down there and locate, to get people to visit the cities and towns and States. They do not have to do this in Washington. In the last 20 years this Government has spent here, for permanent improvements that attract people from all over the globe, over $200,000,000 in spot cash.

This splendid memorial bridge down here that cost $14,750,000, this splendid memorial highway down to Mount Vernon, the Washington Monument, the Lincoln Memorial, all of these fine department buildings here that you get lost in when you try to find an office somewhere, the splendid $10,000,000 Supreme Court Building, the fine Congressional Library, the wonderful Capitol Building, all attract the people here. And during the last 5 years tourists from the States visiting here spent the enormous sum of $221,547,992 in Washington.

Mr. SCOTT. Mr. Speaker, I make the point of order the House is not in order. This is something new, and I want to hear it.

Mr. DUNN of Pennsyvania. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In a minute I will yield to the gentleman from Pennsylvania. I want to answer first the point of order of the gentleman from California.

I am wondering if the rich multimillionaire plutocrats out in the district of my friend from California [Mr. SCOTT] who have so much money to pay all their taxes that they are perfectly willing to be taxed extra to pay $5,700,000 on the taxes of Washington, would approve of the gentleman's interruption and his facetious remarks. With all their ideas of "epic this" and "epic that" out there, I wonder if they would approve of it.

Why, Mr. Speaker, the editor of the Washington Post, Eugene Meyer, who made his millions off of this Government, a few years ago offered $5,000,000 for the Post. When he could not get it he formed a combine with a paper company that had an indebtedness against it and had a receiver appointed and had it sold under receivership and through a dummy bought it in at $825,000, and immediately had it incorporated at $1,250,000, and he has the real property of the Post rendered at $117,860, the personal property at $320,260, its intangibles assessed at $218,456, making its total rendition only $656,576, upon which it pays $1.50 per $100 on real and personal property and only one-half of 1 percent on intangibles. This is the way they have managed the thing and this is the reason they have been trying to raise campaign funds to defeat me in my district and try to get me out of Congress.

Mr. MILLARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Texas yield for the parliamentary inquiry?

Mr. BLANTON. No; I do not yield, Mr. Speaker. Oh, the gentleman will have his picture in the paper tomorrow for this interruption. Anyone who will interrupt me they will play him up in the paper.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. RICH. I understood the gentleman from Texas to make the statement that the assessed valuation of the property in Washington has been reduced in the past 2 years by $130,000,000?

Mr. BLANTON. Yes. That is what the chairman of the board, Commissioner Hazen, and the tax assessor, Mr. Richards, both testified to in our hearings. Eighty million dollars in 1934 and $50,000,000 more in 1935, making a total of $130,000,000 reduction in assessed valuation of real estate in 2 years, Commissioner Hazen testified.

Mr. RICH. I understood the gentleman to say that the tax rate on the assessed valuation was $1.80 several years ago, and they reduced it twice, until it is now $1.50?

Mr. BLANTON. I spoke of 1927 when it was $1.80.

Mr. RICH. In other words, they reduced it 30 cents per hundred?

Mr. BLANTON. They first reduced it to $1.70 in 1928, and then to $1.50 on the $100 in 1934.

Mr. RICH. That would be 30 cents a hundred on the assessed valuation?

Mr. BLANTON. Yes.

Mr. RICH. If the Commissioners would now raise the tax rate back to $1.80 they would have enough money?

Mr. BLANTON. They would have so much money they would not know how to spend it. And they ought to raise it to $1.80 on the $100. That is not a high tax rate—$1.80 per hundred.

Mr. RICH. Will the gentleman yield further?

Mr. BLANTON. In just a moment.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. That would give $4,900,000 increased taxes if they had not disturbed the former tax rate?

Mr. BLANTON. It now would give much more than that.

Mr. RICH. So the proposal is now made by the committee to give them $1,500,000 as a compromise. That, even, is quite high, is it not?

Mr. BLANTON. Certainly. Entirely too much. We have gone more than halfway with them on our difference. But it is necessary to pass this bill.

Mr. RICH. Are you weakening or trying to get an agreement?

Mr. BLANTON. We are trying to pass the bill and avoid having a continuing resolution. Did the gentleman ever see me weaken?

Mr. RICH. No.

Mr. BLANTON. We are trying to get a bill. We do not want this bill to fail. We are doing everything on earth that a committee can do to get a proper bill. We are making every kind of concession to the Senate to get a bill.

Mr. RICH. Now you recommend that we give them a million and a half. Why do you not propose that to the House and let them settle it right now?

Mr. BLANTON. I am doing that. Last year when they went to the President on this matter—this has been up every year—the President had the Treasury Department make a careful investigation of 15 comparable cities embracing populations from 300,000 to 825,000. The President sent our committee a report which stated that of these comparable cities Washington paid the lowest tax rate of them all. That came from the President of the United States.

Mr. Speaker, I now yield to the gentlewoman from New Jersey.

Mrs. NORTON. Is it not a fact that there is a law on the statute books which compels or should compel the Federal Government to pay 40 percent of the expenses of the District of Columbia, and the District to pay 60 percent? And has this law ever been repealed? Is it not a fact that under this reduction from $5,700,000 to $2,700,000, which the gentleman seems to think is sufficient, that instead of the Federal Government contributing 40 percent the District would get but 6½ percent from the Federal Government? Why has this law not been repealed if the gentleman feels that $2,700,000 is sufficient for the District?

Another observation I would like to make is that the gentleman himself, I understand, was one of those most anxious to reduce the taxes of the District a few years ago.

Is it not a fact that if the people of the District paid $1.80 a hundred tax, or $18 on $1,000, they would not be permitted to spend one penny more than the Budget Bureau recommends?

Is it not a fact that the Bureau of the Budget recommended $5,700,000? I think we all will admit that the Bureau of the Budget never recommends one penny more than they think is necessary.

Let me state also that again and again the President of the United States has come out in favor of a $5,700,000 contribution by the Federal Government to the District of Columbia.

Why is it the gentleman from Texas constitutes himself a committee of one to tell the District what it needs and absolutely disagrees with everybody else in the District?

Mr. BLANTON. I will answer the numerous questions. When the gentlewoman from New Jersey made a motion in the Committee of the Whole House to give $5,700,000 to the District she got only 11 votes.

Mrs. NORTON. Mr. Speaker, will the gentleman yield right there?

Mr. BLANTON. One minute.

Mr. Speaker, I do not yield. I am going to answer all of the questions.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Texas yield for a parliamentary inquiry?

Mr. BLANTON. I do not, Mr. Speaker.

Mr. HOFFMAN. I am addressing the Chair.

The SPEAKER pro tempore. The gentleman from Texas declines to yield.

Mr. BLANTON. Mr. Speaker, in the first place, the President has not recommended that we give a $5,700,000 contribution. He was misquoted just like they misquoted Speaker Byrns, and I called attention in this House to the fact when Speaker Byrns was alive that he had been misquoted by the newspapers.

The Constitution of the United States does not say that the President shall control the District. The Constitution of the United States says that the District of Columbia shall be controlled by the Congress of the United States.

Mrs. NORTON. Mr. Speaker, will the gentleman yield right there?

Mr. BLANTON. No; I cannot yield. I am going to answer the gentlewoman's many questions.

The Constitution states it is the Congress, not the President, who shall control the District of Columbia. It does not mention the President.

Mrs. NORTON. Mr. Speaker, will the gentleman yield right there?

Mr. BLANTON. No; I am sorry. I will not yield until I answer the many questions she asked me.

Mr. Watson in his work on the Constitution says that clause of the Constitution gives absolute control over this District to the Congress, including the matter of taxation.

Hon. William Howard Taft while Chief Justice of the United States made a speech here in which he reiterated this principle. He said the Constitution gave control of the seat of government to Congress because it had been bothered to death in its other places of meeting and had had to move from place to place.

The Supreme Court of the United States in seven different cases has announced its decision that the absolute control of the District of Columbia is in the Congress of the United States. Until the Congress delegated the power to the President to appoint the Commissioners he did not have that power. The only reason the President has power now to appoint the Commissioners is because we have delegated it to him.

The President does not expect Congress to appropriate the full amount of the Budget. How much did your chairman [Mr. BUCHANAN] tell you that the last conference report in connection with the Interior bill was under the Budget? It was some $33,000,000. Why, in connection with the last action this House took on the Interior bill today you reduced it below the Budget to the extent of $33,000,000. In this bill we do not stick to the Budget. If the distinguished gentlewoman from New Jersey would stick to the Budget we would not have the Eastern High School, because the President's Budget did not authorize it. You would not have any Chain Bridge, because the Budget did not authorize it. You would not have all of the fire apparatus we have given the District, because the Budget did not authorize it. You would not have this police court built, because the Budget did not authorize it.

Why, the Congress goes over the Budget or under the Budget at will. The Budget is a mere outline. The President, in connection with general appropriations, expects us to keep under the Budget and not go over it.

Mr. Speaker, I want to say something about this 60-40 law. Did you know this Congress can pass a law today providing that we pay all of the expenses of the District, if it wanted to? The next Congress might say we should not contribute one penny.

Mrs. NORTON. Will the gentleman yield?

Mr. BLANTON. No; I am not going to yield until I answer the questions first. There were a lot of questions put to me at a running gait, and I am going to answer them.

One Congress is not controlled by a preceding Congress. The Congress used to believe that half should be paid and that was appropriated for years. Then a Congress said

60–40 should be the division and it was held at that for several years. Then a Congress came along and stated that was too much. They said, "We are going to give them a lump sum." Then $11,000,000 was appropriated. Then it was $9,000,000. Every year since that each Congress has exercised its prerogative to say exactly what it thinks it ought to pay.

Mr. Speaker, that is the answer to the gentlewoman from New Jersey. This Congress has the right to say exactly what shall be paid. This Congress has the right to say that not a cent shall be paid or that $2,700,000 shall be paid or $4,200,000 or $20,000,000 shall be paid. It is for this Congress to decide. That becomes the law until it is changed by another Congress.

Mr. Speaker, I do not care to take up any more time.

I yield the gentlewoman from New Jersey 5 minutes.

Mrs. NORTON. Mr. Speaker, I would not attempt to answer all of the arguments made by the gentleman from Texas because to do so would take up the time of the Members of the House foolishly. First of all, the gentleman knows, and the Members of the House know, that the people of the District of Columbia have nothing whatever to say about what taxes they shall pay. In fact, the people of the District do not have a vote, nor do they have a voice in anything concerning their government. They are the only people in the whole country, I presume, who pay taxes without representation. Because they have no representation is the reason the gentleman from Texas can talk to the House and get away with anything, if there are not enough Members present to oppose him.

As a rule, when bills affecting the District come up on the floor of the House for consideration, we seldom have a quorum, because it is not the particular business of anybody. Therefore the Members of the House know very little about what is going on in the District. As a matter of fact, numerous people in the District say to me, "We do not mind paying more taxes, but we want to be able to say what shall be done with our own money when we pay the taxes. We are not able to tell the Appropriations Committee of the House anything about our own necessities. It is true we come before the committee, but if we attempt to really go into the question we are told we must answer categorically 'yes' or 'no', while certain individuals on that committee make speeches."

By the time the speech is finished the question is lost sight of. The whole question is so muddled that it is difficult to say exactly what is involved.

Now, this amendment is most unfair. We are not complying with the law, because the Congress has never repealed the 60–40 law, no matter what the gentleman from Texas may say to the contrary. This law has never been repealed. It provides that the Federal Government shall contribute 40 percent and the District government 60 percent to the expenses of the District government. If we do not enforce it, then I say that we ought to repeal it. When I first came to Congress the Federal contribution to the District was $9,000,000. Since that time the contribution has been whittled down every year until now the committee insist on a contribution of only $2,700,000, in spite of the fact that since that time the Federal Government has taken over a great deal more of the taxable property in the District. I do not think anyone can say it is fair to reduce the Federal contribution from $9,000,000 to $2,700,000.

Another point that I think should be stressed particularly is the fact—and it is a fact—the President has recommended the $5,700,000 contribution by the Federal Government. The Budget Bureau has also endorsed this amount and the Senate conferees are insisting upon it. I think the House by all means should vote down the proposed contribution and agree to the Senate proposal that a complete survey be made by an impartial committee to determine what the Government shall pay before we meet again and consider another appropriation bill. I think that is a fair proposition. If this impartial committee decides that $2,000,000 or $3,000,000, or whatever amount is agreed upon, is sufficient, that is something else. But until there is an honest survey made, not by one or two members of the Appropriations Committee, of the necessities of the District of Columbia, I believe we should follow the recommendations of the President and the Budget Bureau and vote for the $5,700,000 contribution.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I yield to the gentlewoman from New Jersey 2 additional minutes.

Mrs. NORTON. If you were to know the condition of some of the institutions in this District, you would say there is something definitely wrong. I have visited the hospitals here in the District, and I know that no Member of this House would be proud of hospitals of the same type in his district. The people of the District must take what they get. This has been going on for a great number of years, and it is the reason the District has the second highest mortality rating from tuberculosis in the entire country. Just think of it. This beautiful Federal city harboring the greatest menace that the country knows, with thousands of people stricken with tuberculosis and only one hospital, and a very inadequate one, to take care of all of them up to very recently, when finally, the whole country being aroused, we were compelled to build a decent hospital.

Mr. RICH. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I have only a few minutes and I am sorry I cannot yield.

Then there is overcrowded Gallinger Hospital. I could go on and enumerate other deplorable conditions due to lack of adequate funds. The schools of the District, for example. The Training School for Girls is a disgrace. Yet nothing has been done about all of these institutions in the city that each and every one of us is supposed to represent, and which should be the best governed and the finest city in the entire country. All this is due to lack of necessary appropriations.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. JACOBSEN].

Mr. JACOBSEN. Mr. Speaker, I want to take only a few minutes to make myself clear on this subject. For fear the impression may be created that this is TOM BLANTON'S personal matter, I want to impress upon your minds that the entire committee of five was unanimous on this proposal of cutting the appropriations down from $5,700,000 to $2,700,000. It was not a personal matter, but it was a conclusion reached after extensive hearings and after having various local committees before us.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. JACOBSEN. I yield.

Mr. BLANTON. Was our subcommittee at any time discourteous to any witness who came before us?

Mr. JACOBSEN. No, indeed; it was not.

Mr. BLANTON. Did our committee at any time try to cut witnesses off, or refuse to let them testify at length, or did the committee let them give their testimony freely?

Mr. JACOBSEN. They were allowed to testify freely, and you will find that the various witnesses who came before us are well satisfied, and none of them ever complained about their taxes, but all of them wanted more appropriations. You know and we all know it is impossible to make the appropriations that we would like to make. They need more appropriations here for playgrounds and different things, and I suggested that they be given the privilege of just paying the taxes they were paying up until 2 years ago—not increasing the taxes, but simply paying the taxes that they paid all the time up until 2 years ago—but that does not seem to suit the Senate.

We have had a tax expert before us. No doubt he knows all about taxes, but, after all, the meat of the whole thing is the amount of taxes you pay on a piece of property. You can go out here in the city of Washington and pick out a house that compares favorably with your home in your home town, or some other home there, and call up the assessor's office and find out what amount of taxes is paid on that home in Washington and then, knowing what taxes are paid at home, you will realize at once that the taxes here in Washington

are lower than in your own town, I do not care where it may be, if it is a fair-sized town. I have studied the matter and I found that the taxes here are low.

In addition to this, in your home town you have special assessments off and on whenever there is a new street being built on the outskirts of the town, which is zoned off, and you pay toward the improvements. You also pay for paving at intersections. These are special assessments that come up every 2 or 3 years, but here they pay the same taxes throughout all the year.

The committee has gone a long way with respect to the amount of this contribution. We had it firmly in mind to cut the appropriation $3,000,000. I understand now the amount has been increased $1,500,000, and I hope the House will stand by the committee. It seems too bad that we are involved in this controversy, but if we do not get together on a bill they will not have a police building here, they will not have a high school, and they will not have the bridge referred to in the bill next year, and they should have these things, and next year this commission can investigate the matter and find out what should be done; but this year the amount should be reduced. [Applause.]

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I yield to the gentleman from Michigan for a question.

Mr. CRAWFORD. Mr. Speaker, I should like to ask the gentleman from Texas if this statement appearing in the morning Post of June 15, at page 13, is correct?

Mr. BLANTON. Is that today's Post?

Mr. CRAWFORD. Yes. [Reading:]

TUBERCULOSIS DEATHS REACH LOWEST LEVEL—TOTAL OF 51 IN LAST 11 MONTHS SMALLEST IN HOSPITAL'S HISTORY—HIGHEST DAILY AVERAGE OF PATIENTS CARED FOR IN SAME PERIOD

The highest daily average number of patients in the history of the District Tuberculosis Hospital were cared for during the last 11 months, Dr. J. Winthrop Peabody, superintendent, reported to the Board of Public Welfare yesterday.

Mr. BLANTON. I thank the gentleman. That shows that deaths from tuberculosis in the last 11 months have reached its lowest level in the District.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. BLANTON. I yield.

Mr. SNELL. What is the proposition which the gentleman has made to the House?

Mr. BLANTON. The House proposed $2,700,000 contribution out of the Treasury. The Senate proposed $5,700,000. In the hopes of getting a bill, the Senate will accept and to avoid a continuing resolution, your House conferees have made a motion to split that difference of $3,000,000 between the House and Senate and allow an extra $1,500,000, which would make the amount $4,200,000. Then if the Senate does not accept it and forces a continuing resolution, the responsibility of not passing a bill will be upon the Senate, for the House will have done everything within reason to compromise those differences.

Mr. Speaker, I yield to the gentleman from Missouri [Mr. CANNON] such time as he may desire.

Mr. CANNON of Missouri. Mr. Speaker, this is the final effort on the part of the House to get a District bill. The members of the House committee are making every possible effort to reach an agreement with the Senate conferees. It would be most unfortunate, Mr. Speaker, if we were forced to pass a continuing resolution. It would result in loss to the schools, to the police department, to the fire department, to the public health service, and much needed capital expenditures in the District, including:

Purchase of land for repair shop	$15,000
Purchase and installation of traffic lights	25,000
Reimbursement of loan to Federal Emergency Relief, Public Works, for sewage-treatment plant and adult tuberculosis sanatorium	1,000,000
Petworth Branch Library	75,000
Street paving and other works under gasoline-tax fund	1,110,000
Paving alleys and laying cement sidewalks	150,000
Reconstruction of pier, municipal fish wharf, and market	20,000
Construction of sewers	425,000
Purchase of furniture and equipment for new school buildings, etc	183,000
New school-building construction	1,650,500
Purchase of fire-fighting apparatus	92,000
Construction of new police-court building	1,000,000
Construction of additional buildings, workhouse and reformatory, Occoquan and Lorton, Va	135,000
Construction of additional cottages, etc., National Training School for Girls	100,000
Furniture and equipment, Adults' Tuberculosis Sanatorium, Glenn Dale, Md	83,000
Continuing development of Anacostia River Flats	50,000
Reimbursement of park debt under the Capper-Cramton Act	300,000
Construction of water mains	561,300
Grand total	6,974,800

All these items would be lost to the District of Columbia by the failure of the conference committees of the House and Senate to agree on the passage of an appropriation bill.

I sincerely hope the House will support the members of the committee in their effort to avoid a continuing resolution and secure a bill for the next fiscal year.

Mr. MOTT. Mr. Speaker, will the gentleman yield for a question?

Mr. BLANTON. I yield.

Mr. MOTT. Can the gentleman tell us what prospect there is of the Senate conferees agreeing to this proposition if the House accepts it?

Mr. BLANTON. I think the Senate will be glad to accept this compromise rather than to have a continuing resolution. After we have been so very generous in concurring in most of the Senate amendments, and in meeting the Senate more than half way on the principal amendments in controversy, if the Senate refused to approve the action of the House we are taking today, and prevents the District from having a bill, the responsibility will be on the shoulders of the Senate. I know that the people of the District of Columbia would much prefer to have this bill, after it has been changed by the House today, than to have a continuing resolution. This bill, when we get through with it today, will be the best bill, and will give the District of Columbia more money than it has ever had before in its entire history.

In any event the House will have done its full part. It will have been absolutely fair to the District, and at the same time it will have made a conscientious effort to be fair to the people of the United States.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas that the House recede and concur in the Senate amendment with an amendment.

The question was taken; and on a division (demanded by Mrs. NORTON) there were ayes 101 and noes 34.

Mrs. NORTON. Mr. Speaker, I make the point of order that a quorum is not present, and I object to the vote on that ground.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and eighty-two 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 217, nays 86, not voting 120, as follows:

[Roll No. 120]

YEAS—217

Allen	Caldwell	Costello	Eckert
Amlie	Cannon, Mo.	Cox	Eicher
Arends	Carlson	Cravens	Ekwall
Ashbrook	Carmichael	Crawford	Engel
Bacharach	Carpenter	Crosby	Englebright
Barden	Cartwright	Crosser, Ohio	Faddis
Beam	Castellow	Crowe	Farley
Bell	Chandler	Crowther	Fish
Biermann	Chapman	Darrow	Fitzpatrick
Binderup	Christianson	Dempsey	Fletcher
Blackney	Church	DeRouen	Ford, Miss.
Bland	Citron	Dietrich	Frey
Blanton	Clark, N. C.	Disney	Fuller
Boileau	Cochran	Dobbins	Fulmer
Boland	Coffee	Dockweiler	Gambrill
Boykin	Colden	Dondero	Gasque
Brooks	Cole, Md.	Doughton	Gearhart
Brown, Ga.	Cole, N. Y.	Doxey	Gehrmann
Buck	Colmer	Driver	Gilchrist
Buckler, Minn.	Cooper, Tenn.	Duncan	Gingery

Goldsborough	Kerr	Moran	Spence
Goodwin	Kinzer	Mott	Starnes
Gray, Ind.	Kloeb	Murdock	Steagall
Green	Kniffin	O'Malley	Stefan
Greenwood	Kocialkowski	O'Neal	Tarver
Greever	Kramer	Owen	Taylor, S. C.
Gregory	Lambertson	Parsons	Taylor, Tenn.
Griswold	Lambeth	Patman	Terry
Guyer	Larrabee	Patterson	Thomason
Gwynne	Lea, Calif.	Pearson	Thompson
Haines	Lehlbach	Peterson, Fla.	Thurston
Halleck	Lewis, Colo.	Peterson, Ga.	Turner
Hancock, N. Y.	Lord	Pierce	Turpin
Harter	Luckey	Plumley	Umstead
Hartley	Ludlow	Polk	Utterback
Healey	Lundeen	Powers	Vinson, Ga.
Hess	McGehee	Ramspeck	Vinson, Ky.
Hill, Ala.	McGroarty	Rankin	Warren
Hill, Samuel B.	McMillan	Ransley	Wearin
Hoffman	McReynolds	Reece	Welch
Holmes	McSwain	Rich	Werner
Hope	Mahon	Richards	West
Houston	Main	Richardson	Whelchel
Huddleston	Mapes	Rogers, Mass.	Whittington
Hull	Marcantonio	Romjue	Wilcox
Imhoff	Martin, Colo.	Russell	Williams
Jacobsen	Martin, Mass.	Sabath	Wilson, La.
Jenckes, Ind.	Mason	Sanders, Tex.	Wilson, Pa.
Jenkins, Ohio	Massingale	Sears	Withrow
Johnson, Okla.	May	Short	Wolcott
Johnson, Tex.	Meeks	Smith, Conn.	Wood
Johnson, W. Va.	Michener	Smith, Wash.	Young
Jones	Millard	Snell	
Keller	Mitchell, Ill.	Snyder, Pa.	
Kelly	Mitchell, Tenn.	South	

NAYS—86

Barry	Ford, Calif.	Maas	Robinson, Utah
Beiter	Gavagan	Mead	Schneider, Wis.
Bloom	Gifford	Merritt, Conn.	Schulte
Boylan	Gildea	Merritt, N. Y.	Scott
Brewster	Granfield	Monaghan	Secrest
Brown, Mich.	Gray, Pa.	Moritz	Seger
Cavicchia	Hart	Norton	Shanley
Celler	Hennings	O'Brien	Sirovich
Clark, Idaho	Hildebrandt	O'Connell	Sisson
Cullen	Hobbs	O'Connor	Smith, W. Va.
Curley	Hook	O'Day	Stack
Daly	Kahn	O'Leary	Sweeney
Delaney	Kennedy, Md.	Palmisano	Tinkham
Dirksen	Kennedy, N. Y.	Patton	Tonry
Dorsey	Kenney	Pfeifer	Wallgren
Driscoll	Knutson	Pittenger	White
Duffy, N. Y.	Kvale	Rabaut	Wigglesworth
Dunn, Pa.	McCormack	Ramsay	Wolfenden
Edmiston	McGrath	Randolph	Wolverton
Evans	McKeough	Reed, Ill.	Zimmerman
Fenerty	McLaughlin	Reilly	
Focht	McLean	Risk	

NOT VOTING—120

Adair	Dear	Kopplemann	Rogers, N. H.
Andresen	Deen	Lamneck	Rogers, Okla.
Andrews	Dickstein	Lanham	Ryan
Ayers	Dies	Lee, Okla.	Sadowski
Bacon	Dingell	Lemke	Sanders, La.
Berlin	Ditter	Lesinski	Sandlin
Boehne	Doutrich	Lewis, Md.	Sauthoff
Bolton	Drewry	Lucas	Schaefer
Brennan	Duffey, Ohio	McAndrews	Schuetz
Buchanan	Dunn, Miss.	McClellan	Scrugham
Buckley, N. Y.	Eagle	McFarlane	Shannon
Bulwinkle	Eaton	McLeod	Smith, Va.
Burch	Ellenbogen	Maloney	Somers, N. Y.
Burdick	Ferguson	Mansfield	Stewart
Burnham	Fernandez	Marshall	Stubbs
Cannon, Wis.	Fiesinger	Maverick	Sullivan
Carter	Flannagan	Miller	Sumners, Tex.
Cary	Gassaway	Montague	Sutphin
Casey	Gillette	Montet	Taber
Claiborne	Greenway	Nelson	Taylor, Colo.
Collins	Hamlin	Nichols	Thom
Connery	Hancock, N. C.	Oliver	Tobey
Cooley	Harlan	Parks	Tolan
Cooper, Ohio	Higgins, Conn.	Pettengill	Treadway
Corning	Higgins, Mass.	Peyser	Wadsworth
Creal	Hill, Knute	Quinn	Walter
Cross, Tex.	Hoeppel	Rayburn	Weaver
Culkin	Hollister	Reed, N. Y.	Woodruff
Cummings	Kee	Robertson	Woodrum
Darden	Kleberg	Robsion, Ky.	Zioncheck

So the motion was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Rayburn with Mr. Treadway.
Mr. McFarlane with Mr. Robsion of Kentucky.
Mr. Corning with Mr. Wadsworth.
Mr. Robertson with Mr. Eaton.
Mr. Drewry with Mr. Reed of New York.
Mr. Fernandez with Mr. Bacon.
Mr. Woodrum with Mr. Cooper of Ohio.
Mr. Taylor of Colorado with Mr. Ditter.
Mr. Montague with Mr. Higgins of Connecticut.
Mr. Connery with Mr. Andresen.
Mr. Sumners of Texas with Mr. Burnham.
Mr. Burch with Mr. Doutrich.
Mr. Steagall with Mr. Hollister.
Mr. Flannagan with Mr. Stewart.
Mr. Boehne with Mr. Carter.
Mr. Buchanan with Mr. Taber.
Mr. Cary with Mr. Bolton.
Mr. Dies with Mr. Culkin.
Mr. Bulwinkle with Mr. Andrews.
Mr. Maloney with Mr. Collins.
Mr. Lanham with Mr. McLeod.
Mr. Mansfield with Mr. Tobey.
Mr. Kleberg with Mr. Woodruff.
Mr. Cooley with Mr. Sauthoff.
Mr. McAndrews with Mr. Marshall.
Mr. Miller with Mr. Lemke.
Mr. Dingell with Mr. Burdick.
Mr. Pettengill with Mr. Cannon of Wisconsin.
Mr. Schuetz with Mr. Creal.
Mr. Lewis of Maryland with Mr. Somers of New York.
Mr. Dickstein with Mr. Sutphin.
Mr. Gassaway with Mr. Peyser.
Mr. Buckley of New York with Mr. Higgins of Massachusetts.
Mr. Casey with Mr. Claiborne.
Mr. Sadowski with Mr. Cummings.
Mr. Lamneck with Mr. Sullivan.
Mr. Ferguson with Mr. Montet.
Mr. Weaver with Mr. Quinn.
Mr. Gillette with Mr. Rogers of New Hampshire.
Mr. Darden with Mr. Lee of Oklahoma.
Mr. Fiesinger with Mr. McClellan.
Mr. Nelson with Mr. Scrugham.
Mr. Walter with Mr. Smith of Virginia.
Mr. Kee with Mr. Ellenbogen.
Mr. Hamlin with Mr. Schaefer.
Mr. Knute Hill with Mr. Shannon.
Mr. Thom with Mr. Maverick.
Mr. Nichols with Mr. Tolan.
Mr. Lesinski with Mr. Rogers of Oklahoma.
Mr. Hancock of North Carolina with Mr. Dear.
Mr. Ryan with Mr. Adair.
Mr. Oliver with Mr. Duffey of Ohio.
Mr. Sanders of Louisiana with Mr. Parks.
Mr. Deen with Mr. Ayers.
Mr. Sandlin with Mrs. Greenway.
Mr. Harlan with Mr. Eagle.
Mr. Cross of Texas with Mr. Dunn of Mississippi.
Mr. Berlin with Mr. Brennan.

Mr. MAAS changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the motion was agreed to was laid on the table.

The doors were opened.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 7: On page 5, strike out "$99,520" and insert "$104,120".

Mr. BLANTON. Mr. Speaker, this amendment merely involves the adding of two new employees to the already greatly overmanned office of corporation counsel in the District of Columbia.

I want you to pay close attention to the number of high-salaried lawyers already in that corporation counsel's office and to the big salaries that are paid them, and you will agree with me that they have a bigger set-up than any attorney general's department in any State in the United States outside of New York.

Let me read them to you. The corporation counsel himself, when he is appointed to take the place of Mr. Prettyman, who has resigned, will get $8,000 to start with. Then, under the law, it will be increased to $9,000 a year. That is what Mr. Bride got when he went out.

The principal assistant corporation counsel, Mr. West, gets $7,000 now. He is lecturing in a law school part of his time, showing that he has plenty of time.

The next one is Hinman D. Folsom, who gets $6,500 a year. Walter L. Fowler gets $5,800. Mr. Elwood H. Seal gets $4,600. Mr. Chester H. Gray gets $4,600. Mr. Edward W. Thomas $4,000. Mr. Rice Hooe gets $3,800. Mr. William H. Wahly gets $3,800. Then there is a vacant place, to be appointed in a few days, that gets $3,600, already authorized by law.

T. Gillespie Walsh, a special assistant corporation counsel, gets $3,600. Stanley DeNeale, special assistant corporation counsel, gets $3,300. Raymond Sparks gets $3,200. George Darrell Neilson gets $3,200, Edward M. Welliver gets $3,200, James W. Lauderdale gets $2,600, and John O'Dea gets

$2,600; making in all 17 high-salaried lawyers on the staff of the corporation counsel of this city.

This information was given us by Assistant Corporation Counsel West and is to be found on page 1 of the supplemental hearings of our subcommittee. This makes, besides the corporation counsel himself, who starts in at $8,000 a year, 16 assistants already. In that office they have 17 lawyers—in one corporation counsel's office in one city. It is outrageous. If they quit lecturing in these law schools, and if all of them gave their full time to this office and went to work in dead earnest, the force could be cut in half and the half do the work of this District.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. FLETCHER. Do they get paid salaries for lecturing in the law schools?

Mr. BLANTON. Certainly. To cite one instance, take the case of Mr. Cayton, who was appointed to the municipal court, which is similar to a justice of the peace court in Ohio, where they get about $1,200 a year; he was transferred to the municipal court where he now gets $8,000 a year, yet he is conducting moot court at night in four different law schools here, getting $1,800 a year extra pay besides the $8,000 he draws as his salary from the District. Yet they want to add 2 more lawyers to the force, to make it 19 instead of 17. Our committee, after exhaustive hearings, going into the matter carefully, decided they had too many lawyers there now, and that they ought to go to work and give all their time to the District.

Mr. BREWSTER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Maine, who, when he was Governor, certainly did not stand for that kind of business in Maine.

Mr. BREWSTER. I refer to the transfer of the gentleman from the corporation counsel's office to the municipal court bench, as he happens to be a constituent of mine. I should like to inquire whether or not the chairman is criticizing the transfer or the incumbent's competency to perform the duty of the office.

Mr. BLANTON. Oh, I think he is competent to fill a moot court lecture chair. I think he is competent to fill a place on the municipal court bench; but he cannot serve two masters and serve them both well; he cannot serve in the municipal court at $8,000 and then conduct moot court at night in four different law schools for extra compensation and do both classes of work justice.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Kentucky.

Mr. MAY. I should like to know the size of the attorney general's office in the State of Texas, a somewhat larger place than the District of Columbia.

Mr. BLANTON. They have not as many lawyers as there are in this corporation counsel's office now, and they do not receive comparable salaries at all.

Mr. MAY. I may say to the gentleman from Texas that the State of Kentucky has but one attorney general and four assistants, and their combined salaries are less than $20,000 a year.

Mr. BLANTON. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate, no. 7.

Unless someone desires to be heard, I shall move the previous question.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Mr. Speaker, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Speaker, the legislative District Committee has much to do with the corporation counsel's office, and we have had many investigations of the personnel of that office. We have found that the office is by no means overmanned. As a matter of fact, there is an absolute need for the addition of two assistants. I do not believe any Member of this House would forbid an assistant corporation counsel receiving $2,400 or $2,600 a year from making additional money when the extra work in no way interferes or conflicts with his duties in the corporation counsel's office. I should like the Members to think of this matter as I often think of it. We receive $10,000 a year salary as Members of Congress. Suppose somebody said to a Member who conducted a law office in his home city or some business in his own district that he could not conduct that law office or that business because the Government was paying him $10,000 a year to serve in Congress. That would be just as inconsistent as is the gentleman from Texas when he demands that any member of the corporation counsel's office shall be prohibited from teaching in the schools of Washington or from doing any other work they can legally and lawfully do without in any way interfering with their duties in the corporation counsel's office.

And I may say further, Mr. Speaker, that many of these young men are doing splendid service in our schools at very small salaries. It is a patriotic service they are rendering to the District of Columbia, and it would seem outrageous to prohibit them from doing so.

Mr. LEHLBACH. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. LEHLBACH. Does not the proposition go further than the corporation counsel's office, and would it not prohibit anybody in the employ of the District at a salary in excess of $2,400 from engaging in any lucrative employment from the outside?

Mrs. NORTON. Absolutely.

Mr. LEHLBACH. Teachers or anybody else?

Mrs. NORTON. Teaching in any of the colleges, schools, or anywhere else.

Mr. LEHLBACH. Would a school teacher be able to write articles for pay if he or she were making more than $2,400 a year?

Mrs. NORTON. Absolutely not.

Mr. O'CONNOR. Will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from New York.

Mr. O'CONNOR. Is it not a fact that these law schools and other schools which do very satisfactory work in training young men and women who work in the daytime, just could not afford to obtain full-time professors and pay real high salaries unless these officials did serve them at night?

Mrs. NORTON. That is true.

Mr. O'CONNOR. Members of Congress go out and make speeches at night and get paid for it.

Mrs. NORTON. Yes. And many of our Members—and I do not mean to criticize—are engaged in the practice of law and other business.

Mr. O'CONNOR. The same as members of legislatures teach at night?

Mrs. NORTON. Exactly. I sincerely hope the House will not agree to this motion and thereby give the young men in the corporation counsel's office, judges, and other valuable employees of the District a chance to render the patriotic service that they render to the District of Columbia at the present time.

Mr. BLANTON. Mr. Speaker, this motion now before the House in no way involves the question of District employees doing outside work. The motion is offered to prevent two extra lawyers from being added to the already greatly overmanned corporation counsel's office, which already has 17 high-salaried lawyers on its staff. As I stated, it already has 17, nearly four times the number employed in the office of the attorney general of the State of Kentucky, according to the statement of the gentleman from Kentucky [Mr. MAY]. This is merely to keep the number limited to 17 and not let the number be raised to 19 by adding 2 additional ones not needed.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas [Mr. BLANTON], that the House insist upon its disagreement to the Senate amendment.

The question was taken; and on a division (demanded by Mrs. NORTON) there were—ayes 97, noes 38.

So the motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

Amendment no. 27: Page 23, strike out "$150,000" and insert "$450,000".

Mr. BLANTON. Mr. Speaker, over the recommendation of the Budget the committee, by unanimous vote, allowed $350,000 for the building of this new Chain Bridge. The Commissioners stated that even with the unusually big flood which occurred recently the present piers and abutments were in first-class condition. They stated the masonry was the finest in the world and did not have to be touched, except raised a few feet, and that they could build a splendid bridge and have everything they wanted for $350,000. The House appropriated the $350,000.

This went over to the Senate and the Senate added $100,000, making it $450,000. Colonel Sultan and Commissioner Hazen have told me since then that they do not want but $350,000. They do not want the extra $100,000 because it is not at all needed.

For this reason, and in order to keep the amount where they say they want it, I move that the House further insist on its disagreement to Senate amendment no. 27.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BLANTON] moves that the House insist on its disagreement to Senate amendment no. 27.

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. BLANTON. Mr. Speaker, with respect to the next three Senate amendments, nos. 37, 38, and 39, they all involve the same item of controversy and I therefore ask unanimous consent that they may be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Senate amendments in disagreement.

The Clerk read as follows:

Amendment no. 37: Page 32, line 5, strike out "$679,995" and insert "$691,795".

Amendment no. 38: Page 32, line 8, strike out "$169,100" and insert "$193,400".

Amendment no. 39: Page 32, line 19, strike out "$6,962,240" and insert: "and including $10,000 for health and physical-education teachers to supervise play in schools of the central area, bounded by North Capitol Street on the east, Florida Avenue on the north, the Mall on the south, and Twelfth Street on the west, $7,113,640, of which not exceeding $5,000 may be expended for compensation to be fixed by the Board of Education and traveling expenses of educational consultants, employed on special educational projects".

Mr. BLANTON. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendments nos. 37, 38, and 39.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BLANTON] moves that the House further insist on its disagreement to Senate amendments nos. 37, 38, and 39.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Amendment no. 51: Page 41, after line 13 insert: "For construction of an addition to the Alice Deal Junior High School, including 10 classrooms and 1 gymnasium, $165,000."

Mr. BLANTON. Mr. Speaker, this motion involves a Senate amendment which appropriates $165,000 for a school that was not authorized by the Budget and it was not on the priority list of the Commissioners of the District of Columbia. We added the Eastern High School over the Budget, but that was on the priority list.

Mr. Speaker, I move that the House insist on its disagreement to Senate amendment no. 51.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BLANTON] moves that the House insist on its disagreement to Senate amendment no. 51.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 52: Page 41, line 17, insert:
"For a stadium and athletic field at the Woodrow Wilson Senior High School, $83,000."

Mr. BLANTON. Mr. Speaker, this involves the construction of certain improvements on a stadium field that we have already bought and now own. These improvements were not authorized by the Budget and were not on the priority list of the District Commissioners and would require $83,000. There were so many other things that were urgent that we thought it best to give priority to the urgent projects that the Commissioners preferred and we did this over the Budget. I therefore move that the House insist on its disagreement to the said Senate amendment.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

Mr. BLANTON. Mr. Speaker, the next amendment, no. 53, is simply the total of the items which we had to report.

The Clerk read as follows:

Amendment no. 53: Page 42, line 3, strike out "$1,402,500" and insert "$1,650,500".

Mr. BLANTON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. BLANTON. Mr. Speaker, the next three amendments, nos. 54, 56, and 57, involve matters that are closely related, and I ask unanimous consent that they may be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Senate amendment no. 54: Page 44, line 11, strike out "$3,286,100" and insert "$3,390,200".

Senate amendment no. 56: Page 45, line 7, strike out "$67,750" and insert "$69,000".

Senate amendment no. 57: Page 46, line 6, strike out "$46,000" and insert "$49,750".

Mr. BLANTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Amendment no. 54: Mr. BLANTON moves that the House recede from its disagreement to the amendment of the Senate no. 54, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,330,450".

Amendment no. 56: Mr. BLANTON moves that the House recede from its disagreement to the amendment of the Senate no. 56, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$68,250".

Amendment no. 57: Mr. BLANTON moves that the House recede from its disagreement to the Senate amendment, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$47,500".

Mr. BLANTON. Mr. Speaker, on the Metropolitan Police force in Washington now we have 1,340 men. This is more, comparably, than the police force of any other city of comparable size in the United States. The Senate has added 50 men additional. Our colleague the gentleman from Missouri [Mr. CANNON] has made a very close study of this question for years, and, taking his advice in the matter, and after going into the question thoroughly, our committee became convinced that the force is sufficient, but in order to try to get a bill, and in order to keep from having a continuing resolution, our committee of conference, by way of compromise with the Senate, has agreed to grant an additional

number of 20 men, which is embraced in these amendments, and unless someone wants time I move the previous question.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

Mr. BLANTON. Mr. Speaker, amendments nos. 64 and 65 are closely related, and I ask unanimous consent that they may be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendment no. 64: Page 56, line 5, insert "marshal, $3,600, whose appointment is hereby authorized."

Mr. BLANTON. Mr. Speaker, this amendment is purely legislation. It is a matter that ought to go to the legislative committee of our colleague the gentlewoman from New Jersey and be passed upon by that legislative committee, and I therefore move that the House insist on its disagreement to the said Senate amendment.

The motion was agreed to.

On motion by Mr. BLANTON, a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 65: Page 56, line 10, strike out "$105,500" and insert "$115,400".

Mr. BLANTON. Mr. Speaker, I move to insist on the disagreement to the Senate amendment.

The motion was agreed to.

On motion by Mr. BLANTON, a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 75: On page 65 of the bill insert in line 21: ": *Provided*, That pay patients may hereafter be admitted to the Children's Tuberculosis Sanatorium for care and treatment at such rates and under such regulations as may be established by the Commissioners of the District of Columbia, insofar as such admissions will not interfere with admission of indigent patients."

Mr. BLANTON. Mr. Speaker, the House has built a new children's hospital for tuberculosis patients and has a wonderful fine new building at Glenn Dale for adult patients with tuberculosis, which is to be opened immediately. It has also provided a number of additional beds in Gallinger Hospital for tuberculosis patients. When all of these new improvements are perfected within the next few weeks we will have more than a sufficient number of beds for all tubercular patients in the District.

But this is a legislative item put into this bill by the Senate to allow in these public institutions, built for the benefit of indigent patients who cannot go to pay hospitals, the right to people who are able to pay, to come into these hospitals and get treatment by paying a certain amount. Whenever we start that we will find them taking up the rooms that ought to be used by the poor patients. That is a legislative matter. It is a matter of law. It ought to be carefully considered by the District legislative committee, of which the gentlewoman from New Jersey is chairman, and she should pass on that question after careful investigation.

Mr. Speaker, I move that the House insist on the disagreement to the said Senate amendment.

The motion was agreed to.

On motion of Mr. BLANTON, a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 78: Page 69, line 10, strike out "$1,506,020, of which not to exceed $177,800 shall be available for personal services", and insert "$1,656,200".

Mr. BLANTON. Mr. Speaker, this motion involves the high salaries that are paid to relief officials, officials who are administering relief in the District of Columbia, that are paid for by the District government and mostly by the United States Government. I wish the membership would get copies of our hearings and the committee report and look on page 16 of the committee report at this long list of officials administering relief drawing salaries up to $5,000 a year, some of whom never received one-third of that before, and you would feel it was an outrage on the Treasury. Our committee went into that question carefully and, after extended hearings, made some cuts in those outrageous salaries, and the Senate is trying to put all of those cuts back.

Mr. Speaker, I move to insist on the disagreement to the said Senate amendments.

The motion was agreed to.

On motion by Mr. BLANTON, a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 83: On page 85, after line 8, strike out the following matter:

"SEC. 6. No part of the funds appropriated in this act shall be available for the payment of the salary of any officer or employee of the District of Columbia whose salary as such officer or employee is $2,400 or more per annum who is engaged in any outside business or profession in addition to his official duties."

Mr. BLANTON. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Mr. BLANTON moves that the House recede from its disagreement to the amendment of the Senate no. 83 and agree to the same with an amendment as follows:

"Restore the matter stricken out by said amendment, amend it to read as follows: In lieu of the sum named in said amendment insert '$3,500'."

Mr. BLANTON. Mr. Speaker, when the subcommittee had this matter before them they went into it with a great deal of detail and with an open mind. Beginning at the top, they found that some judges on the circuit court of appeals bench here, receiving $12,500 a year, were lecturing on the outside for pay.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In a moment. When I make my statement I will be glad to yield. If the gentleman insists, I yield now.

Mr. SISSON. In the first place, the judges of the Circuit Court of Appeals of the District of Columbia are not employees of the District of Columbia. I contend, and I have the very best opinion from not only those judges but other judges, that we have no power to place any such inhibition or restriction upon them. In the second place, I want to make this observation: It is much better for law-school classes to listen to a judge, who presumably knows the law, than some neophyte in the practice of law. You are not conferring any benefit upon the District of Columbia by this amendment.

Mr. BLANTON. Mr. Speaker, most of our trouble comes when Members do not understand the proposition. This motion in no way relates to circuit judges or their salaries. I merely started at the top to state the conditions we found in the District. It does not apply to circuit judges, but it applies to all District employees paid partly out of the District treasury and partly out of the Treasury of the United States. I mentioned them because they are at the top, getting $12,500 a year, but lecturing on the outside, interfering with their court work to some extent, at least.

Then we come down to the District Supreme Court, or trial judges, nine of them on the bench of the Supreme Court of the District of Columbia. They are the trial judges who compare with the circuit judges in the States. They do not get $4,500 a year, as the judges do over in Virginia; they do not get $5,000 a year, as the circuit judges do in some of the States; they all get $10,000 a year. Seven of the nine were lecturing on the outside for pay. If they kept up with their

work, it would not be so bad. The question was thoroughly gone into by our committee. Look at the evidence in our hearings. Some years ago one of those judges held up a case 7 years after it was submitted to him before he rendered a decision. It became such a scandal that Senator NORRIS had a bill passed in the Senate to stop it; but the bill did not become law. It was shown in the Senate hearings that another one of the judges, after an important case was submitted to him, held it up a year and 3 months before rendering a decision, and a member of the bar had to make complaint against him to the Senate before that was done.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SISSON. I would like to ask the gentleman if, in line with the campaign which he is now carrying on, it is not a fact that sometime ago when he was running in a primary contest down in the State of Texas he told the voters in his district that he was going to have Congress go to work at 9 o'clock in the morning; that he was going to have Congress meet at 9 o'clock in the morning? That was communistic.

Mr. BLANTON. How is that apropos to this motion? Mr. Speaker, I am afraid my friend from New York has communism on the brain, for communism is not in this motion at all. It merely seeks to prevent high-salaried employees from accepting outside employment. I am reminded of the gentleman's testimony in the hearing the Kennedy subcommittee conducted, where he said he sat at the feet of Dr. Charles A. Beard—sat at his feet like Mary sat at the feet of the Savior. He is a disciple of Dr. Charles A. Beard.

Mrs. NORTON. Mr. Speaker, I make the point of order the gentleman is not speaking to the amendment.

The SPEAKER. The gentleman from Texas will proceed in order.

Mr. BLANTON. Certainly I am in order, Mr. Speaker. I was just answering the gentleman from New York. I do not mind yielding for a fair question; but when he asks wholly unrelated questions like he asked me awhile ago, Mr. Speaker, it was so much like the question he asked of General Fries it amused me. For instance, he asked Gen. Amos A. Fries if he were not opposed to the abolition of child labor, when the sole question before said committee was his Sisson bill, proposing to repeal the law that prevents communism from being indoctrinated in the public schools. I do not yield, Mr. Speaker, as I have not the time. The gentleman must get permission before he interrupts another Member who is talking. Some Members stay here a long time without learning the rules.

Mr. Speaker, we found out that several of the 17 members of the corporation counsel's office were lecturing on the outside for pay; still all the time they are asking for more attorneys.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In just a minute, after I state the facts. We found out that the judges of the municipal court, a position that corresponds with that of justice of the peace in some States—why, their jurisdiction is civil and only from $1 up to $1,000—getting $8,000 a year, were lecturing on the outside. One of them had the audacity to come before us and say it was none of the business of Congress what they did on the outside. When the gentleman from Pennsylvania [Mr. DITTER] pinned him down, however, he finally admited that he was wrong; that Congress did have a right to go into that question. He was conducting moot court in four different law schools here on the outside, getting $1,800 a year extra and in addition to his $8,000 salary as judge.

Mrs. NORTON rose.

The SPEAKER. Does the gentleman from Texas yield to the gentlewoman from New Jersey?

Mr. BLANTON. I yield for a fair question, yes; but not for these stinging questions.

Mrs. NORTON. My questions are always fair. Does not the gentleman know there are many Members of Congress drawing a salary of $10,000 as Members of Congress who do not consider it either unfair or unethical to receive compensation from sources outside of the Government?

Is it not a fact that a great many Members of Congress are conducting their own business at home? So if Members of Congress can do this, is it not inconsistent to insist that the members of the corporation counsel's office, many of whom are very much unpaid, should not be permitted to go out and offer their services to the schools of the District, which is a real patriotic service? This provision also carries the ridiculous stipulation that even judges cannot contribute their services for compensation, no matter how small this compensation may be.

Mr. BLANTON. I shall be glad to answer the several questions. A Member of Congress is different from a salaried judge and a salaried prosecution officer. When I was on the circuit bench 8 years, if I had taken business on the outside I would have been impeached under the laws of Texas. A judge on the bench in Texas could not take business on the outside.

During the first 12 years I was in Congress I took no business of any kind on the outside. I devoted all of my time to the office. I spent all of my vacations here in Washington checking up Government business and Government departments. Every moment of my time for 12 years I devoted to the Government business.

Then I ran for the Senate. I was not elected, and I was out for a year. When I ran for Congress again I stated on the stump that if I were reelected I would do so with the understanding that in vacation I could practice law. I was reelected and for awhile I did take some law cases in vacation which paid me some big fees. I tried some cases in the Federal court before Federal judges. But in the last few years demands on my office increased and I found I could not do it and properly attend to the business of the people, and for the last 2 years I have not taken a case, although I have been offered some big cases with some big fees. That answers the question. If I had plenty of time in vacation there would be no reason why I should not do it.

Now, with regard to lectures, outside speeches, and honorariums, I have been offered my expenses and $200 to make a speech on several occasions. I have turned every one of such proposals down during this session of Congress. Why? I have not had time to leave Washington. I have been busy all the time. The gentlewoman from New Jersey might have pulled something off in my absence, had I left Washington.

Mrs. NORTON. I can assure the gentleman she would have tried to do so.

Mr. BLANTON. She might have put over the Sisson bill. I had to stay here, and I refused to accept pay for several speeches. There is nothing dishonest in it. There is nothing dishonest in these employees here doing this. But it is bad practice when they are on annual salaries.

There are some doctors on the pay roll taking on outside practice when they receive good salaries by the year from the District government. We are proposing that any employee who receives as much as $3,500 per year cannot accept outside employment. Anyone getting below $3,500 may take employment on the outside. It is only those getting $3,500 and above who are restricted from taking outside employment. Is not that a proper provision? Why, I know of a Governor in one State of the Union who gets but $3,500 a year. I know several Governors of States who get only $4,000 a year. The Governor of my State, the State of Texas, a great Commonwealth, only gets a salary of $4,000 a year.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Minnesota.

Mr. CHRISTIANSON. May I ask the gentleman this question: Does he not feel that it probably is a mistaken policy to prohibit judges from lecturing in law schools? I can see where it would be very difficult for some of these law schools to get competent lecturers if they are barred from engaging judges who are sitting on the bench.

Mr. BLANTON. I will answer that. There are 1,200 lawyers here in the District, some of them are the finest lawyers in the United States. They would like to have these lecture positions.

Mr. CHRISTIANSON. But the gentleman knows that he would not put most of them on any law faculty.

Mr. BLANTON. I can name a hundred distinguished lawyers here who would grace the law department of any university in the United States with honor and dignity.

Mr. CHRISTIANSON. The gentleman knows it is the practice in all law schools of the country to engage men who have attained distinction on the bench to lecture in their law schools.

Mr. BLANTON. I can name a hundred lawyers here at the District of Columbia bar who are some of the finest lawyers in the United States. They would make splendid law-school professors. It is not fair to them to let these men drawing big salaries here in the local courts spend part of their time, at the neglect of their business—and the evidence shows they neglected their business—performing this outside work.

Mr. CHRISTIANSON. Does the gentleman have any evidence to show that those engaged in lecture work are neglecting their business?

Mr. BLANTON. I just mentioned a moment ago the fact one lawyer sent us evidence that a judge held up a case 7 years after it was submitted to him before rendering a decision. You will find it in our hearings. There was another judge who held up a case for a year and 3 months after it was finally submitted to him before he rendered a decision, and that very judge was lecturing over here in one of the universities. The lawyers in the case said, "Mr. Judge, please stop lecturing until you render a decision in our case."

Mr. CHRISTIANSON. I would venture the suggestion to the gentleman that same type of judge would have delayed the decision just as much if he had not been lecturing at a law school.

Mr. BLANTON. There are plenty of lawyers here to do the lecturing who want the positions. It is not fair to them to let these judges hold two positions. There are a great many lawyers here who could do this work and receive the pay. That is the reason you find so many people off the pay roll and on relief. It is because we are letting a few men gobble up all the good positions in the country and then permit them to do outside work at the same time.

Mr. CHRISTIANSON. I may say to the gentleman that in the University of Minnesota we have always had judges, many of them justices of the supreme court of the State, lecture at the law school, and there has never been any criticism.

Mr. BLANTON. I want to say to the gentleman that the law department of the University of Michigan is one of the greatest law universities in the United States. Every time you see a graduate who comes from the University of Michigan Law School sitting across the table from you in the courthouse you had better have your case well prepared. Do they let public officials who are getting good annual salaries lecture there for additional pay? Why, they have splendid university law professors who give their full time and attention to the work, just like they do at the Harvard Law School, just like they do at the Yale Law School, just like they do mostly at George Washington University, which has a good law department, and like they do at the University of Texas, my own State. They have professors on an annual salary who prepare their lectures, and when the splendid young manhood of this country go into the classroom they have something to listen to that is worth while.

Mr. Speaker, I move the previous question, unless the gentlewoman from New Jersey wants some time.

Mrs. NORTON. I just want to ask the gentleman if it is not a fact that at the present time in Abilene, Tex., there is a law firm by the name of Blanton, Blanton & Blanton?

Mr. BLANTON. That is another stinging question. I wonder if there is a father here who would not do something for his sons. I allowed my two sons to use my name in their firm, but I get no part of the fees from their business.

Mrs. NORTON. Will the gentleman please answer the question?

Mr. BLANTON. I am answering my colleague from New Jersey.

The SPEAKER. Will the gentleman from Texas yield to the Chair for a moment? What is the motion of the gentleman from Texas?

Mr. BLANTON. The motion is to recede and concur with an amendment making the amount $3,500.

Mr. Speaker, just this one word and I am done when I have answered my colleague from New Jersey. She has mentioned the law firm of Blanton, Blanton & Blanton at Abilene, Tex. I have my two oldest sons, both lawyers, one of them having been practicing 9 years and the other 6 years, associated together as partners in a firm; and because I am known all over west Texas, they asked me to allow my name to go into their firm, and they style their firm as "Blanton, Blanton & Blanton." I do not get one single penny of their fees—not a single dollar. I have allowed my sons to use my name because I have confidence in them and because it means something to them. Is there a father here who would not do the same thing for his sons? If there is, let him stand up and let me see who he is, if there is such a father. If the gentlewoman from New Jersey were a father, she would do the same thing. [Laughter.]

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas to recede and concur in the Senate amendment with an amendment.

The question was taken; and the Chair being in doubt, the House divided; and there were—ayes 41, noes 63.

Mr. BLANTON. Mr. Speaker, I object to the vote on the ground there is not a quorum present, and make the point of order there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-nine Members 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 85, nays 209, not voting 129, as follows:

[Roll No. 121]

YEAS—85

Ashbrook	Doxey	Kloeb	Polk
Barden	Edmiston	Kocialkowski	Rich
Biermann	Eicher	Kramer	Rogers, Okla.
Bland	Faddis	Larrabee	Sanders, Tex.
Blanton	Farley	Lewis, Colo.	Smith, W. Va.
Boykin	Fletcher	Lord	Snyder, Pa.
Brown, Ga.	Ford, Miss.	Ludlow	South
Buckler, Minn.	Gasque	McGehee	Starnes
Carmichael	Gray, Ind.	McSwain	Stefan
Cartwright	Green	Mahon	Tarver
Castellow	Griswold	Mapes	Taylor, S. C.
Cochran	Hill, Samuel B.	May	Thomason
Colden	Hoffman	Mitchell, Ill.	Thompson
Colmer	Houston	Mitchell, Tenn.	Turner
Cooper, Tenn.	Huddleston	Monaghan	Wallgren
Costello	Jacobsen	Moran	Warren
Cox	Jenckes, Ind.	O'Malley	West
Crawford	Johnson, Okla.	Patman	Whelchel
Crowe	Johnson, Tex.	Patterson	Williams
DeRouen	Johnson, W. Va.	Pearson	
Dobbins	Jones	Peterson, Ga.	
Doughton	Keller	Pierce	

NAYS—209

Allen	Boylan	Chapman	Daly
Amlie	Brewster	Christianson	Darrow
Arends	Brooks	Church	Delaney
Bacharach	Brown, Mich.	Citron	Dietrich
Barry	Buck	Cole, Md.	Dirksen
Beam	Buckley, N. Y.	Cole, N. Y.	Dockweiler
Beiter	Burdick	Cooper, Ohio	Dondero
Bell	Caldwell	Cravens	Dorsey
Binderup	Carlson	Crosby	Doutrich
Blackney	Carter	Crosser, Ohio	Driscoll
Bloom	Cavicchia	Crowther	Driver
Boileau	Celler	Cullen	Duffy, N. Y.
Boland	Chandler	Curley	Duncan

Dunn, Pa.	Holmes	Mott	Secrest
Eckert	Hook	Murdock	Seger
Ekwall	Hope	Norton	Shanley
Ellenbogen	Hull	O'Brien	Short
Engel	Imhoff	O'Connell	Sirovich
Englebright	Jenkins, Ohio	O'Connor	Sisson
Evans	Kahn	O'Day	Smith, Conn.
Fenerty	Kelly	O'Leary	Smith, Wash.
Fish	Kennedy, Md.	O'Neal	Snell
Fitzpatrick	Kennedy, N. Y.	Palmisano	Spence
Focht	Kenney	Parsons	Stack
Ford, Calif.	Kinzer	Patton	Steagall
Frey	Kniffin	Peterson, Fla.	Stubbs
Fuller	Knutson	Pettengill	Sweeney
Gavagan	Kvale	Peyser	Taylor, Tenn.
Gearhart	Lambertson	Pfeifer	Terry
Gehrmann	Lambeth	Pittenger	Tinkham
Gifford	Lamneck	Plumley	Tonry
Gilchrist	Lea, Calif.	Powers	Turpin
Gildea	Lehlbach	Quinn	Umstead
Gingery	Luckey	Rabaut	Utterback
Goldsborough	Lundeen	Ramsay	Vinson, Ga.
Goodwin	McCormack	Ramspeck	Vinson, Ky.
Granfield	McGrath	Randolph	Walter
Gray, Pa.	McKeough	Rankin	Wearin
Greenwood	McLaughlin	Ransley	Welch
Greever	McReynolds	Rayburn	White
Guyer	Maas	Reece	Whittington
Gwynne	Main	Reed, Ill.	Wigglesworth
Halleck	Marcantonio	Reilly	Wilson, Pa.
Hancock, N. Y.	Martin, Colo.	Richards	Withrow
Hart	Martin, Mass.	Risk	Wolcott
Harter	Mason	Robinson, Utah	Wolfenden
Hartley	Massingale	Rogers, Mass.	Wolverton
Hennings	Mead	Romjue	Wood
Hess	Merritt, Conn.	Russell	Young
Hildebrandt	Merritt, N. Y.	Schneider, Wis.	Zimmerman
Hill, Ala.	Michener	Schulte	
Hill, Knute	Millard	Scott	
Hobbs	Moritz	Sears	

NOT VOTING—129

Adair	Dempsey	Kopplemann	Sabath
Andresen	Dickstein	Lanham	Sadowski
Andrews	Dies	Lee, Okla.	Sanders, La.
Ayers	Dingell	Lemke	Sandlin
Bacon	Disney	Lesinski	Sauthoff
Berlin	Ditter	Lewis, Md.	Schaefer
Boehne	Drewry	Lucas	Schuetz
Bolton	Duffey, Ohio	McAndrews	Scrugham
Brennan	Dunn, Miss.	McClellan	Shannon
Buchanan	Eagle	McFarlane	Smith, Va.
Bulwinkle	Eaton	McGroarty	Somers, N. Y.
Burch	Ferguson	McLean	Stewart
Burnham	Fernandez	McLeod	Sullivan
Cannon, Mo.	Fiesinger	McMillan	Sumners, Tex.
Cannon, Wis.	Flannagan	Maloney	Sutphin
Carpenter	Fulmer	Mansfield	Taber
Cary	Gambrill	Marshall	Taylor, Colo.
Casey	Gassaway	Maverick	Thom
Claiborne	Gillette	Meeks	Thurston
Clark, Idaho	Greenway	Miller	Tobey
Clark, N. C.	Gregory	Montague	Tolan
Coffee	Haines	Montet	Treadway
Collins	Hamlin	Nelson	Wadsworth
Connery	Hancock, N. C.	Nichols	Weaver
Cooley	Harlan	Oliver	Werner
Corning	Healey	Owen	Wilcox
Creal	Higgins, Conn.	Parks	Wilson, La.
Cross, Tex.	Higgins, Mass.	Reed, N. Y.	Woodruff
Culkin	Hoeppel	Richardson	Woodrum
Cummings	Hollister	Robertson	Zioncheck
Darden	Kee	Robsion, Ky.	
Dear	Kerr	Rogers, N. H.	
Deen	Kleberg	Ryan	

So the motion was rejected.

The Clerk announced the following additional pairs:

Mr. Woodrum with Mr. Treadway.
Mr. Boehne with Mr. Hollister.
Mr. Smith of Virginia with Mr. McLean.
Mr. Dingell with Mr. Thurston.
Mr. Fiesinger with Mr. McClellan.
Mr. Miller with Mr. Lemke.
Mr. Werner with Mr. Cannon of Missouri.
Mr. Sullivan with Mr. Coffee.
Mr. Sabath with Mr. Wilcox.
Mr. Fulmer with Mr. Kee.
Mr. Burch with Mr. Lesinski.
Mr. Shannon with Mr. Dempsey.
Mr. Richardson with Mr. Cannon of Wisconsin.
Mr. Weaver with Mr. Disney.
Mr. Haines with Mr. McMillan.
Mr. Gambrill with Mr. Clark of Idaho.
Mr. Gassaway with Mr. Owen.
Mr. Kerr with Mr. Healey.
Mr. Clark of North Carolina with Mr. Gregory.
Mr. Meeks with Mr. Higgins of Massachusetts.
Mr. McGroarty with Mr. Wilson of Louisiana.

The result of the vote was announced as above recorded.

Mr. BLANTON. Mr. Speaker, I move that the House insist on its disagreement to Senate amendment no. 83.

Mr. BOILEAU. Mr. Speaker, I offer a preferential motion. I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the next three Senate amendments may be considered en bloc as they embrace legislation that ought to go to the District of Columbia Committee.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendment no. 84: On page 85, after line 14, insert:

"SEC. 6. The Commissioners of the District of Columbia are hereby authorized and empowered, in their discretion, to secure and to install, at no expense to the said District, mechanical parking meters or devices on the streets, avenues, roads, highways, and other public spaces in the District of Columbia under the jurisdiction and control of said Commissioners; and said Commissioners are authorized and empowered to make and enforce rules and regulations for the control of the parking of vehicles on such streets, avenues, roads, highways, and other public spaces, and as an aid to such regulation and control of the parking of vehicles the Commissioners may prescribe fees for the privilege of parking vehicles where said meters or devices are installed.

"The Commissioners are further authorized and empowered to pay the purchase price and cost of installation of the said meters or devices from the fees collected, and thereafter such meters or devices shall become the property of said District and all fees collected shall be paid to the collector of taxes for deposit in the Treasury of the United States to the credit of the revenues of said District."

Amendment no. 85: Page 85, after line 9, insert:

"SEC. 7. The Commissioners of the District of Columbia are hereby authorized and empowered to make and enforce regulations to require any person in charge or control of any lot of land, improved or unimproved, within the District of Columbia, fronting or abutting on a paved sidewalk, whether as owner, tenant, occupant, agent, lessee, receiver, trustee, executor, administrator, or otherwise, to remove and clear away, or cause to be removed and cleared away, any snow, ice, and sleet from any said sidewalk in front of or abutting on said lot of land; and, in case the snow, ice, and sleet on such sidewalk shall be frozen so hard that it cannot be removed without injury to the pavement, to require such person in charge or control of any such lot of land to cause said sidewalk to be made safe by strewing the same with such suitable material as the Commissioners may prescribe and to require such person in charge or control of any such lot of land to thoroughly clean said sidewalks of snow, ice, sleet, and such material as soon thereafter as the weather shall permit, and to provide penalties for the violation of such regulations not to exceed $25 for each such violation.

"The act entitled "An act providing for the removal of snow and ice from the paved sidewalks of the District of Columbia", approved September 16, 1922, is hereby repealed."

Senate amendment no. 86: Page 87, line 9, after "Sec.", strike out "7" and insert "8."

Mr. BLANTON. Mr. Speaker, I move that the House insist on its disagreement to Senate amendments 84, 85, and 86.

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. BLANTON. Mr. Speaker, I move that the House ask for a further conference with the Senate and that conferees be appointed.

The motion was agreed to; and the Speaker appointed the following conferees: Messrs. BLANTON, CANNON of Missouri, JACOBSEN, JOHNSON of West Virginia, and TABER.

LIQUOR TAX ADMINISTRATION BILL

Mr. SAMUEL B. HILL. Mr. Speaker, I call up the conference report on the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes.

The SPEAKER. The Chair will state to the gentleman from Washington that the Chair had agreed to recognize the gentleman from Iowa [Mr. UTTERBACK] to call up a conference report on another bill. If the gentleman can give the Chair assurance that the matter he is now calling up will only consume a few moments, the Chair will recognize the gentleman.

Mr. SAMUEL B. HILL. I could not guarantee the time it would take, of course, but as far as I can see it ought to take but a little while.

The SPEAKER. The Chair had made an agreement to recognize the gentleman from Iowa [Mr. UTTERBACK]. The Chair trusts the gentleman from Washington will withdraw his request. Perhaps we can take it up later this afternoon.

PRICE DISCRIMINATION

Mr. UTTERBACK. Mr. Speaker, I call up the conference report on the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8442) to amend section 2 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That section 2 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), is amended to read as follows:

"'SEC. 2. (a) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality, where either or any of the purchases involved in such discrimination are in commerce, where such commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, and where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them: *Provided,* That nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered: *Provided, however,* That the Federal Trade Commission may, after due investigation and hearing to all interested parties, fix and establish quantity limits, and revise the same as it finds necessary, as to particular commodities or classes of commodities, where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce; and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established: *And provided further,* That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade: *And provided further,* That nothing herein contained shall prevent price changes from time to time where in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

"'(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima-facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however,* That nothing herein contained shall prevent a seller rebutting the prima-facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor.

"'(c) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, except for services rendered in connection with the sale or purchase of goods, wares, or merchandise, either to the other party to such transaction or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

"'(d) That it shall be unlawful for any person engaged in commerce to pay or contract for the payment of anything of value to or for the benefit of a customer of such person in the course of such commerce as compensation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such person, unless such payment or consideration is available on proportionally equal terms to all other customers competing in the distribution of such products or commodities.

"'(e) That it shall be unlawful for any person to discriminate in favor of one purchaser against another purchaser or purchasers of a commodity bought for resale, with or without processing, by contracting to furnish or furnishing, or by contributing to the furnishing of, any services or facilities connected with the processing, handling, sale, or offering for sale of such commodity so purchased upon terms not accorded to all purchasers on proportionally equal terms.

"'(f) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, knowingly to induce or receive a discrimination in price which is prohibited by this section.'"

SEC. 2. That nothing herein contained shall affect rights of action arising, or litigation pending, or orders of the Federal Trade Commission issued and in effect or pending on review, based on section 2 of said Act of October 15, 1914, prior to the effective date of this amendatory Act: *Provided,* That where, prior to the effective date of this amendatory Act, the Federal Trade Commission has issued an order requiring any person to cease and desist from a violation of section 2 of said Act of October 15, 1914, and such order is pending on review or is in effect, either as issued or as affirmed or modified by a court of competent jurisdiction, and the Commission shall have reason to believe that such person has committed, used or carried on, since the effective date of this amendatory Act, or is committing, using or carrying on, any act, practice or method in violation of any of the provisions of said section 2 as amended by this Act, it may reopen such original proceeding and may issue and serve upon such person its complaint, supplementary to the original complaint, stating its charges in that respect. Thereupon the same proceedings shall be had upon such supplementary complaint as provided in section 11 of said Act of October 15, 1914. If upon such hearing the Commission shall be of the opinion that any act, practice, or method charged in said supplementary complaint has been committed, used, or carried on since the effective date of this amendatory Act, or is being committed, used or carried on, in violation of said section 2 as amended by this Act, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and serve upon such person its order modifying or amending its original order to include any additional violations of law so found. Thereafter the provisions of section 11 of said Act of October 15, 1914, as to review and enforcement of orders of the Commission shall in all things apply to such modified or amended order. If upon review as provided in said section 11 the court shall set aside such modified or amended order, the original order shall not be affected thereby, but it shall be and remain in force and effect as fully and to the same extent as if such supplementary proceedings had not been taken.

"SEC. 3. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to be a party to, or assist in, any transaction of sale, or contract to sell, which discriminates to his knowledge against competitors of the purchaser, in that, any discount, rebate, allowance, or advertising service charge is granted to the purchaser over and above any discount, rebate, allowance, or advertising service charge available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity; to sell, or contract to sell, goods in any part of the United States at prices lower than those exacted by said person elsewhere in the United States for the purpose of destroying competition, or eliminating a competitor in such part of the United States; or, to sell, or contract to sell, goods at unreasonably low prices for the purpose of destroying competition or eliminating a competitor. Any person violating any of the provisions of this section shall, upon conviction thereof, be fined not more than $5,000 or imprisoned not more than one year, or both.

"SEC. 4. Nothing in this act shall prevent a cooperative association from returning to its members, producers, or consumers the whole, or any part of, the net earnings or surplus resulting from its trading operations, in proportion to their purchases or sales from, to, or through the association."

And the Senate agree to the same.

HUBERT UTTERBACK,
JNO. E. MILLER,
CHARLES F. MCLAUGHLIN,
U. S. GUYER,
JOHN M. ROBSION,
Managers on the part of the House.

FREDERICK VAN NUYS,
GEO. MCGILL,
WM. E. BORAH,
WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause, and substituted for the matter struck out the provisions of the Senate bill. The House disagreed to the Senate amendment. The House conferees recommend that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment which inserts in lieu of the matter proposed to be inserted by the Senate, a substitute which has been agreed upon by the conferees.

The differences between the House bill, the Senate amendment, and the substitute agreed upon by the conferees are noted in the following discussion, except for clerical amendments and incidental changes made necessary to harmonize various provisions affected by the agreement reached.

SECTION 1

The first section both of the House bill and the Senate amendment amend section 2 of the Clayton Act and divide said section 2 into a number of subsections. The subsections hereinafter mentioned, therefore, refer to the subsections into which it is proposed to divide section 2 of the Clayton Act.

SUBSECTION (A)

The Senate amendment made it unlawful to discriminate between purchasers "in price or terms of sale." The House bill did not contain the words "or terms of sale." The Senate receded, and the words "or terms of sale" were stricken. The managers were of the opinion that the bill should be inapplicable to terms of sale except as they amount in effect to indirect discriminations in price within the meaning of the remainder of subsection (a).

The Senate amendment made the law applicable only to commodities "manufactured or produced and sold for use, consumption, or resale." The House bill did not contain the words "manufactured or produced and." The Senate receded, and the words quoted are omitted. This leaves the clause the same as in present section 2 of the Clayton Act.

The word "knowingly" appears in the Senate amendment immediately before the words "receives the benefit of such discrimination." The House conferees accepted this amendment. Its purpose is to exempt from the meaning of the surrounding clause those who incidentally receive discriminatory prices in the routine course of business without special solicitation, negotiation, or other arrangement for them on the part of the buyer or seller and who are therefore not justly chargeable with knowledge that they are receiving the benefit of such discrimination.

The following provision in the House bill was not contained in the Senate amendment:

"And that it shall also be unlawful for any person, whether in commerce or not, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality where in any section or community and in any line of commerce such discrimination may substantially lessen competition in commerce among either sellers or buyers or their competitors or may restrain trade or tend to create a monopoly in commerce or any line thereof;"

This was omitted, as the preceding language already covers all discriminations, both interstate and intrastate, that lie within the limits of Federal authority.

The next difference between the House bill and the Senate amendment consisted of the addition of a proviso in the Senate amendment under which commodities which "are sold for use in further manufacture and in the production of a new product to be sold to the public" were exempted from the provisions of the act. The Senate receded, and the proviso was stricken from the bill.

The Senate amendment also contained a provision for classification of buyers, on which they receded.

A minor change is the elimination as unnecessary of the words "or require" in the House bill after the word "prevent" in the sentence reading: "That nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered."

In the sentence quoted in the foregoing paragraph the words "other than brokerage", which appeared in the Senate amendment immediately after the word "cost", are eliminated, for the reason that the matter of brokerage is dealt with in a subsequent subsection of the bill.

A clause dealing with market changes was contained in the Senate amendment reading as follows: "Nor differentials which are based exclusively upon recognized changes in the market price of the product or products sold." This was also omitted, as its subject matter is fully covered in the last proviso of subsection (a) in the conference text.

Both the House bill and the Senate amendment contained a provision permitting the Federal Trade Commission, after investigation and hearing, to fix and establish quantity limits, above which differentials based on differences in quantities are not permitted. The Senate provision contained a rule for the Commission's guidance, as follows:

"Where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce;"

The House accepted the Senate provision as preferable.

The Senate bill contained a further proviso: "That nothing herein contained shall prevent discrimination in price in the same or different communities made in good faith to meet competition." This language is found in existing law, and in the opinion of the conferees is one of the obstacles to enforcement of the present Clayton Act. The Senate receded, and the language is stricken. A provision relating to the question of meeting competition, intended to operate only as a rule of evidence in a proceeding before the Federal Trade Commission is included in subsection (b) in the conference text as follows:

"*Provided, however,* That nothing herein contained shall prevent a seller rebutting the prima-facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

SUBSECTION (B)

Subsection (b) of the Senate amendment, relating to certain questions of procedure before the Federal Trade Commission, was identical with subsection (e) of the House bill. In the conference report the subsection keeps the designation as subsection (b) which it had in the Senate amendment.

SUBSECTION (C)

Subsection (c) deals with brokerage. It is the same as subsection (b) in the House bill, which in turn is the same as subsection (c) in the Senate amendment, except that the words "except for services rendered", as contained in the House bill, do not appear in the Senate amendment. In the conference report these words are retained, so that, with adjacent language, it reads, "* * * any allowance or discount in lieu thereof, except for services rendered, in connection with the sale or purchase of goods, wares, or merchandise * * *." With the words of the House bill thus retained, this subsection permits the payment of compensation by a seller to his broker or agent for services actually rendered in his behalf; likewise by a buyer to his broker or agent for services in connection with the purchase of goods actually rendered in his behalf; but it prohibits the direct or indirect payment of brokerage except for such services rendered. It prohibits its allowance by the buyer direct to the seller or by the seller direct to the buyer; and it prohibits its payment by either to an agent or intermediary acting in fact for or in behalf or subject to the direct or indirect control of the other.

SUBSECTIONS (D) AND (E)

The House bill dealt in two subsections with both of the major types of abuses in furnishing and paying for advertising, services, and facilities.

Subsection (d) of the House bill prohibited payments by the seller to the buyer for such services or facilities when undertaken by the buyer unless available to all buyers on proportionally equal terms. This becomes subsection (d) in the conference text.

Subsection (c) of the House bill prohibited the furnishing of any services or facilities by a seller to a buyer upon terms not accorded to all buyers on proportionally equal terms. This becomes subsection (e) of the conference text.

Subsection (e) of the Senate bill set up a new measure of damages for violations of the law, whereas the House bill left the damages to be determined in accordance with the provisions of the existing Clayton Act. The Senate receded.

SUBSECTION (F)

Subsection (f) makes it unlawful for any person engaged in commerce knowingly to induce or receive a discrimination in price which is prohibited by this section. This subsection was not contained in the House bill, but is the same as subsection (f) in the Senate amendment, except that the words "or terms of sale" are eliminated to harmonize with subsection (a).

The Senate amendment contained a subsection (g), which in effect exempted from the operation of the act sales or purchases of "crude mineral products or metals in the form in which they are loaded for shipment." The Senate receded, and this subsection was omitted.

SECTION 2

The provisions of section 2 of the House bill were agreed to without amendment by the Senate. Relating only to pending rights of action and proceedings, and being therefore temporary in purpose, it appears in the conference report as section 2 of the bill itself, rather than as part of the amendment to section 2 of the Clayton Act, which is provided for in section 1 of the present bill.

SECTION 3

Subsection (h) of the Senate amendment, which was not contained in the House bill, was accepted by the House conferees, and, except for the paragraph relating to cooperatives, separately treated in section 4 below, appears in the conference report as section 3 of the bill itself. It contains the operative and penal provisions of what was originally the Borah-Van Nuys bill (S. 4171). While they overlap in some respects, they are in no way inconsistent with the provisions of the Clayton Act amendment provided for in section 1. Section 3 authorizes nothing which that amendment prohibits, and takes nothing from it. On the contrary,

where only civil remedies and liabilities attach to violations of the amendment provided in section 1, section 3 sets up special prohibitions as to the particular offenses therein described and attaches to them also the criminal penalties therein provided.

Section 3 also makes it possible for the person subjected to a discrimination prohibited therein to cause the offender to be prosecuted in the Federal court of the district in which such violation is committed.

SECTION 4

Section 4 provides:

"Nothing in this act shall prevent a cooperative association from returning to its members, producers, or consumers the whole or any part of the net earnings or surplus resulting from its trading operations, in proportion to their purchase or sales from, to, or through the association."

Substantially this same provision is found in the House bill as subsection (g), and in the Senate amendment as a part of subsection (h). However, the words "or a cooperative wholesale association from returning to its constituent retail members", which appeared following the word "consumers" in the Senate amendment, have been eliminated. As so modified, this section serves to safeguard producer and consumer cooperatives against any charge of violation of the act based on their distribution of earnings or surplus among their members on a patronage basis. While the bill contains elsewhere no provisions express or implied to the contrary, this section is included as a precautionary reservation to protect and encourage the cooperative movement. Whether functioning as buyers or sellers, cooperatives also share under the bill the guaranties of equal treatment and equal opportunity which it seeks to accord to trade and commerce generally.

HUBERT UTTERBACK,
JOHN E. MILLER.
CHARLES F. MCLAUGHLIN.
U. S. GUYER.
JOHN M. ROBSION.
Managers on the part of the House.

Mr. UTTERBACK. Mr. Speaker, the bill under consideration has heretofore had the attention of the House in debate covering a period of 2 days. It has been given careful consideration by the Committee on the Judiciary and by the House and Senate conferees. As chairman of the House managers, on June 8, 1936, I submitted to the House the conference report now under consideration, together with the statement of managers on the part of the House. I do not feel it necessary to take further time in debate; therefore I ask unanimous consent to extend my own remarks respecting this matter in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. UTTERBACK. Mr. Speaker, I want to state for the convenience of the Members and, so far as I can, in terms that can be understood and applied by the man in the street some of the outstanding features of the practical operation of the bill. In so doing I want to address myself first to the three principal objections which opponents have urged against the bill. I refer to the claims, first, that it will injure the cooperative movement; second, that it will raise prices to consumers; and, third, that it will ruin small manufacturers.

BENEFIT TO COOPERATIVES

I need not pause to describe the cooperative movement. You are all familiar with it, whether it be a cooperative of farmers to buy what they need or to sell what they produce; a cooperative of consumers to purchase the necessities of life; or a cooperative of independent merchants to buy what they propose to sell across the counter to their consumer customers. I need only remind you that in its essential character the cooperative movement is a device whereby individual smaller units in production, distribution, or consumption associate themselves together in a collective activity for the purpose of achieving the economies and price advantages of larger scale operations. This bill reserves those advantages and expressly authorizes their translation into differences in price wherever those differences represent real economies.

This bill will afford positive protection to cooperatives in two ways: First, it will reduce the menace of oppressive discrimination in favor of larger corporate competitors against which cooperative activity is now defensively necessary; second, it will insure to cooperative enterprise the fuller fruits of its activity. It will guarantee to it the achievement of the full economies and price advantages to which the size and scale of its operations actually entitle it as compared with its larger corporate competitors.

So far as concerns freedom to organize cooperative enterprises, freedom of those enterprises to deal with others, either in the purchase of needs for their members, or in the sale of their members' products; and so far as concerns full freedom to distribute among their members any earnings or surplus resulting from their trading operations, there is nothing whatever in the bill to impede or limit those activities. There is, on the contrary, an express reservation, denying any intent or effect to limit cooperatives in the distribution of their earnings or surplus to their members on a patronage basis.

It is evident, upon a full examination of the bill, that not only is there nothing in it to hurt cooperatives, but that there is much in it to protect and assist them.

BENEFIT TO THE CONSUMER

Equally unfounded is their claim that the bill will increase consumer price levels. Upon what do consumer prices depend? Fundamentally upon the physical economies and efficiencies of production and distribution. There is nothing in this bill to affect them. Its opponents insist that it shackles efficiency. On the contrary, it expressly reserves the rewards of efficiency and economy, whether in manufacture, sale, or distribution, and authorizes their transmission into price differences in favor of the buyer whose methods or quantities make them possible. But they say it will compel the chain to pay more for its goods and they will therefore have to charge more to their customers. It will compel them to pay more only where they are now getting lower prices at the expense of their competitors only where through those lower prices they are now not paying their proper share of the seller's burden of cost, which he must therefore recover in higher prices from his other buyers, to wit: the competitors of the chains. If the bill will compel the chains to pay more for their goods, it will enable their competitors to buy for less and therefore to sell to their consumer customers for less. Remember, that not all chains receive these forbidden allowances. It is only the largest who do so. Out of the several hundreds of corporate chains in the food field, probably not more than 25 receive allowances and discriminations of the kind this bill would forbid; and out of those the larger receive them disproportionately to the smaller. If this bill will raise prices to the consumer who purchases from the few big chains, it will lower prices to the consumers who purchase from all other merchants.

But in any case this claim assumes that the discriminations in price granted to large mass buyers are actually passed on in lower prices to the consumer. There is no evidence that this is true. There is, on the contrary, evidence that it is not true. In the first place, it is still an open question whether the consumer prices offered by large chains and mass distributors are on an average lower than those of their efficient independent competitors, or whether they are due to the elimination of services such as delivery and credit, which throw a corresponding burden upon the consumer, and to unfair merchandising such as the skillful use of the loss-leader, a bargain held out as bait to lure the customer into the store where she buys before she leaves a variety of other and higher-priced articles upon which the real profit is made. But assuming for the moment that big chain prices are lower on the whole than independent competitor prices, and assuming what they also claim, namely that chain methods of distribution are more efficient and economical than those of their independent competitors, then those lower prices may well be accounted for on the basis of that very efficiency; and that efficiency this bill does not in the least disturb.

But there is nothing to indicate that the discriminations and allowances, such as this bill will forbid, ever find their way to any great extent into price reductions to the consumer. There is, on the other hand, a great deal to indicate that those discriminations and allowances go instead to make up the excessive salaries paid to mass buyer executives, and the excessive profits paid to their owners.

Hearings before the House Judiciary Committee and the Patman Special Investigating Committee showed that one large chain received in one year discriminations and allowances aggregating over $8,000,000. Where did it go? Evidently $2,000,000 of it went to pay a list of its chain executives, each of whom received more than $100,000 a year. The other $6,000,000 went to inflate its net profits to a total of $16,000,000 on that year's operations, and of that $16,000,000, 90 to 95 percent evidently went into the pockets of two men, who are its principal stockholders. The remainder went to a few of its employees who share the remainder of its technical ownership.

BENEFIT TO THE SMALL MANUFACTURER

Now as to the small manufacturer. Discriminatory prices and allowances are a millstone around the neck of the manufacturer, large or small; because in granting favors to a selected few of their customers, they give those few a competitive advantage over the rest, and enable them gradually to drive the rest out of business and thereby to destroy them as customers. In granting such discriminations the manufacturer is therefore committing a form of slow suicide, and many a manufacturer has discovered that to his sorrow after it is too late. But so far as they constitute a weapon of competition, they are by nature most effective in the hands of the larger manufacturer against his smaller competitor. Discriminations of the kind forbidden by this bill involve a loss to the seller of his necessary profit and cost on the favored customer's business; and that loss the seller is compelled to make up in higher prices to his other customers, or his business will land in the red. The more far-flung his operations, the larger his business, and the greater his list of customers, the more reserve has he at his disposal on which to absorb those losses, and the deeper the price cut he can afford rather than lose a large customer's business to a competitor. Likewise the deeper the price cut he can afford to offer the larger customers of his various competitors, to induce them to switch their business to him.

Scan the list of manufacturers who were revealed in the hearings of the Patman committee as granting these excessive allowances, and you will note that they are in nearly every case the leading and largest manufacturers in their respective commodity fields. Where smaller ones also give these allowances, they are compelled to do so in self-defense. But it is frequently physically impossible for them to do so.

But it is further claimed that the provisions of the bill with regard to advertising allowances work a hardship on the small manufacturer, in that they require such allowances to be granted to all competing customers on proportionally equal terms. But proportional to what? Proportional naturally to those customers' purchases and to their ability and equipment to render or furnish the services or facilities to be paid for. But the small manufacturer is small either because he has fewer customers or because their purchases are small, and in either case his responsibilities under this bill are correspondingly small. Here again the freedom to favor large customers with discriminatory advertising allowances is a peculiar advantage to the large manufacturer, just as it is to the large customer; for whatever he sacrifices of necessary cost or profit in granting such an allowance, he can the more easily make up in the profits from his other business—on the business of smaller customers to whom such allowances are denied.

Thus, the menaces to the cooperative, to the farmer, the consumer, and the small manufacturer, which some claim to see in this bill, lose their substance and turn out to be advantages instead. It is, indeed, not without significance to those who have followed the hearings on this subject before the committees of this House, and listen to its debate upon this floor, that fears of its injury to the farmers came not from the farmers themselves or from their representatives in Congress, but from the metropolitan centers; that fears of injuries to cooperatives came not from the rank and file of cooperatives themselves, but from corporate interests who buy and sell in competition with cooperatives; and that fears of its injury to the consumer came not from the consumer as such, but from a few who pocket millions in salaries and profits reaped from selling to the consumer his necessities of life.

But the real value of this bill is not to be measured in dollars and cents, nor determined by the price levels offered by particular manufacturers or merchants. Seventy-five millions of our people live in urban and rural communities under 25,000 population. These communities depend primarily upon local enterprise for the support of their social, educational, and spiritual institutions, their schools, their churches, their hospitals, their civic enterprises of all kinds. The backbone of that local enterprise is the local independent businessman, whether manufacturer, merchant, or producer of raw materials. It is a mistake to assume that he is less efficient just because he is small. For that very reason, on the contrary, he is often the more efficient. He has less overhead, less of a top-heavy, unwieldy organization, less of his activities devoted to the crushing of competition rather than to services really productive. Yet his nonresident competitor, armed with the privilege of price discriminations and allowances now permitted by law, with the financial resources furnished by metropolitan banks, and with the ability to absorb losses with excessive profits in noncompetitive territory, is able to come into that local community, plant a competing enterprise next door to the local manufacturer or merchant, cut prices below cost, and crush his superior efficiency with no other weapons than those of greater size and the power of outside resources. In the assurance of equal opportunity and fair play which this bill gives to local independent business, it guarantees the integrity and wholesomeness of local community life against corruption and impoverishment by these sinister influences.

OPERATION OF PARTICULAR PROVISIONS

Let us turn now to the bill itself and examine the operation of its particular provisions.

DISCRIMINATION

In its meaning as simple English, a discrimination is more than a mere difference. Underlying the meaning of the word is the idea that some relationship exists between the parties to the discrimination which entitles them to equal treatment, whereby the difference granted to one casts some burden or disadvantage upon the other. If the two are competing in the resale of the goods concerned, that relationship exists. Where, also, the price to one is so low as to involve a sacrifice of some part of the seller's necessary costs and profit as applied to that business, it leaves that deficit inevitably to be made up in higher prices to his other customers; and there, too, a relationship may exist upon which to base the charge of discrimination. But where no such relationship exists, where the goods are sold in different markets and the conditions affecting those markets set different price levels for them, the sale to different customers at those different prices would not constitute a discrimination within the meaning of this bill.

BETWEEN PURCHASERS

The bill prohibits such discriminations where either or any of the purchasers involved in such discrimination are in interstate commerce. Where a manufacturer sells only to customers within the State, his business is beyond the reach of Federal authority and is not included within the provisions of this bill. This exemption, however, is not important for practical purposes. He may not sell to a mass buyer at discriminatory prices for delivery within the State and shipment then to other States, since such sales are, by long-settled law, interstate commerce. Moreover, the important discriminations here forbidden are of a kind that can only be granted to some at the expense of the rest. The small manufacturer, operating purely within the State, ordinarily lacks the diversified list of customers which he must have in order to absorb from them his losses in price cuts to a favored few. Since his smaller customers can always go to the interstate seller, even within the same State, and demand the same prices granted to his larger interstate buyers, the

small intrastate seller is precluded from raising his prices to his smaller customers sufficiently to absorb such losses.

Where, however, a manufacturer sells to customers both within the State and beyond the State, he may not favor either to the disadvantage of the other; he may not use the privilege of interstate commerce to the injury of his local trade, nor may he favor his local trade to the injury of his interstate trade. The Federal power to regulate interstate commerce is the power both to limit its employment to the injury of business within the State, and to protect interstate commerce itself from injury by influences within the State.

I shall deal later with the question of discrimination to meet competition.

EFFECT ON COMPETITION

The discriminations prohibited by this bill are those whose effect may be:

1. Substantially to lessen competition in any line of commerce; or,

2. To tend to create a monopoly in any line of commerce; or,

3. To injure, destroy, or prevent competition:

(a) With any person who either grants or knowingly receives the benefit of such discrimination; or,

(b) With customers of either of them (i. e., the grantor or grantee).

Effects nos. 1 and 2 above correspond to those required to be shown under the old section 2 of the Clayton Act. Generally speaking, they require a showing of effect upon competitive conditions generally in the line of commerce and market territory concerned, as distinguished from the effect of the discrimination upon immediate competition with the grantor or grantee. The difference may be illustrated where a nonresident concern opens a new branch beside a local concern, and with the use of discriminatory prices destroys and replaces the local concern as the competitor in the local field. Competition in the local field generally has not been lessened, since one competitor has been replaced by another; but competition with the grantor of the discrimination has been destroyed. The present bill is, therefore, less rigorous in its provisions as to the effect required to be shown in order to bring a given discrimination within its prohibitions.

DIFFERENCES IN COST

The bill expressly exempts from its prohibitions, however, price differentials.

> Which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered. (That is, in which the commodities concerned are sold or delivered to the purchasers between whom the price differential is made.)

It is through this clause that the bill assures to the mass distributor, as to everyone else, full protection in the use and rewards of efficient methods in production and distribution in return for depriving him of the right to crush his efficient smaller competitors with the power and resources of mere size. There is no limit to the phases of production, sale, and distribution in which such improvements may be devised and the economies of superior efficiency achieved, nor from which those economies, when demonstrated, may be expressed in price differentials in favor of the particular customers whose distinctive methods of purchase and delivery make them possible. They apply as between purchasers of materials for use in manufacture, as well as between those who purchase purely as retail or wholesale distributors. As between purchasers in equal quantities, for example, where one takes multiple store-door delivery, and the other single warehouse delivery, with consequent savings in trucking or other delivery costs to the seller, that saving may be expressed in a price differential. Or where one places a single order calling for periodic deliveries over an extended period of time, whereas the other places smaller successive orders requiring more frequent and therefore more costly salesman solicitation, such a difference in cost may be expressed in a price differential. Or where one customer, devoid of storage facilities, requires spot deliveries during the rush of the season, for which the manufacturer must produce in advance and store himself in order to make the fullest utilization of his plant capacity; while another customer orders for delivery in off seasons, handling the storage himself and saving the manufacturer that cost, such a saving may be expressed in a price differential.

Or where one customer orders from hand to mouth during the rush of the season, compelling the employment of more expensive overtime labor in order to fill his orders; while another orders far in advance, permitting the manufacturer to use cheaper off-season labor, with the elimination of overtime, or perhaps to buy his raw materials at cheaper off-season prices, such savings as between the two customers may likewise be expressed in price differentials. So also where a manufacturer or merchant sells to some customer through traveling-salesman solicitation, to others across the counter, and to others by mail order from catalog, price differentials may be made to reflect the differing costs of such varying methods of sale. These examples are illustrative of the way in which the bill permits the translation of differences in cost into price differentials as between the customers concerned, no matter where those differences arise.

But the bill does not permit price differentials merely because the quantities purchased are different, or merely because the methods of selling or delivery are different, or merely because the seasons of the year in which they enable production are different. There must be a difference in cost shown as between the customers involved in the discrimination, and that difference must be one "resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered." A customer granted the benefit of a discrimination may receive it only on the basis of the difference between his methods or quantities of purchase and delivery and those of other customers not receiving the differential.

Such a difference cannot be claimed on the basis of a difference in cost in the seller's entire business with and without the purchases of the customer in question. If his purchases so increase the seller's volume as to make possible a reduction in unit cost upon his entire business, other customers are entitled to share also in the benefit of that reduction. The differential granted a particular customer must be traceable to some difference between him and other particular customers, either in the quantities purchased by them or in the methods by which they are purchased or their delivery taken.

Where the methods of delivery are the same, but the distance is different, price differences in such cases may, of course, be made to reflect those differences. In such case the price is really paid both for the commodity itself and for its delivery, and the differing freight rates or commercial trucking rates applicable to the different delivery distances involved are, of course, differences in cost which may be reflected in differences in such delivered prices.

QUANTITY LIMITS

One proviso of the act authorizes the Federal Trade Commission to fix quantity limits as to various commodities, and when so fixed further price differentials are not permitted on account of quantities purchased in excess of those limits. The rule laid down for the Commission's guidance in this respect is that it find—

> That available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce.

This limitation, however, does not become effective as to any commodity until the Federal Trade Commission has acted under this authority with respect to the commodity in question. Until then the granting of price differentials between purchasers of such commodities remains subject only to the other limitations under the bill, the chief of which is the requirement that they be supported by a showing of differences in cost as between the methods of

sale or delivery or the quantities purchased by the buyers concerned.

SELECTION OF CUSTOMERS

The bill contains the proviso already contained in the present Clayton Act permitting sellers to select their own customers in bona-fide transactions and not in restraint of trade. This permits, however, the selection of customers and not the selection of what shall be sold to them. It is intended to protect the buyer against customers who are troublesome in their methods or insecure in their credit. It does not permit the buyer, once he has accepted a customer, to refuse discriminatorily to sell to him particular distinctions of quality, grade, or brand which the seller has set aside for exclusive sale at more favorable prices to selected customers in evasion of the purposes of this bill. Nor does it permit absolute refusal to sell to particular customers where the facts are such as to show that it is done for the purpose of injuring or destroying them and that the elimination of their competition effects a restraint of trade.

MARKET CHANGES, PERISHABLES, ETC.

Although the present Clayton Act has never been differently construed, Congress has in the fullness of caution inserted in the present bill a proviso exempting from its prohibitions—

> Price changes from time to time where in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

This, however, is intended for protection of purely legitimate trade movements. The merchant or manufacturer who resorts to it as a cloak for price discriminations contrary to the spirit and purpose of this bill is likely to pay dearly for the lessons of experience. Wherever there are suspicious circumstances to indicate that such was the intent, the burden of proof, as in the case of other provisos granting exemptions from the bill, is upon the seller or other offender claiming the benefit of the proviso. The liberty of "price changes from time to time", as herein conferred, may not be held to extend, for example, to a price drop placed in effect one-half hour before the expected arrival of a large buyer representative whom it is desired to favor, with its restoration upward a half hour after his departure. Whether price changes are of a character justified by the causes here described is a question of fact, and where that question comes to issue the burden of proof is upon the offending party claiming its protection.

BURDEN OF PROOF

Owing to a body of court decisions to the effect that the legal rules of evidence do not in certain respects apply to hearings before administrative commissions, and to the uncertainty thus suggested, the bill contains a subsection stating the rule as to burden of proof, substantially as suggested above, as applicable to hearings before the Federal Trade Commission.

MEETING COMPETITION

In connection with the above rule as to burden of proof, it is also provided that a seller may show that his lower price was made in good faith to meet an equally low price of a competitor, or that his furnishing of services or facilities was made in good faith to meet those furnished by a competitor. It is to be noted, however, that this does not set up the meeting of competition as an absolute bar to a charge of discrimination under the bill. It merely permits it to be shown in evidence. This provision is entirely procedural. It does not determine substantive rights, liabilities, and duties. They are fixed in the other provisions of the bill. It leaves it a question of fact to be determined in each case, whether the competition to be met was such as to justify the discrimination given, as one lying within the limitations laid down by the bill, and whether the way in which the competition was met lies within the latitude allowed by those limitations.

This procedural provision cannot be construed as a carte blanche exemption to violate the bill so long as a competitor can be shown to have violated it first, nor so long as that competition cannot be met without the use of oppressive discriminations in violation of the obvious intent of the bill.

To illustrate: The House committee hearings showed a discrimination of 15 cents a box granted by Colgate-Palmolive-Peet Co. on sales of soap to the A. & P. chain. Upon a complaint and hearing before the Federal Trade Commission, this proviso would permit the Colgate Co. to show in rebuttal evidence, if such were the fact, an equally low price made by a local soap manufacturer in Des Moines, Iowa, to A. & P.'s retail outlets in that city; but this would not exonerate it from a discrimination granted to A. & P. everywhere, if otherwise in violation of the bill.

But the committee hearings show a similar discount of 15 cents a case granted by Procter & Gamble to the same chain. If this proviso were construed to permit the showing of a competing offer as an absolute bar to liability for discrimination, then it would nullify the act entirely at the very inception of its enforcement, for in nearly every case mass buyers receive similar discriminations from competing sellers of the same product. One violation of law cannot be permitted to justify another. As in any case of self-defense, while the attack against which the defense is claimed may be shown in evidence, its competency as a bar depends also upon whether it was a legal or illegal attack. A discrimination in violation of this bill is in practical effect a commercial bribe to lure the business of the favored customer away from the competitor, and if one bribe were permitted to justify another the bill would be futile to achieve its plainly intended purposes.

BROKERAGE

The bill prohibits payment or allowance of brokerage or commission except for services rendered. As explained more fully in the report of the House Committee on the Judiciary, this refers to true brokerage services rendered in fact for the party who pays for them, whether he be an agent employed and paid by the seller to find market outlets or one employed and paid by the buyer to find sources of supply. As the bill further enumerates, it prohibits the payment or allowance of commissions or brokerage on the purchase or sale of goods either to the other party to the transaction or to an intermediary who is acting in fact for or under the control of the other party to the transaction; that is, the party other than the one who pays the commission or brokerage in question. There is nothing in the bill that requires the employment of a broker; there is nothing to prevent sales direct from seller to buyer. But if an intermediary is employed, and is in fact acting for or under the control of the buyer, then the seller cannot pay him. Or if he is acting for or under the control of the seller, then the buyer cannot pay him. And where sales are made from buyer to seller, in the nature of the case no brokerage services are rendered by either, and no payment or allowance on account thereof can be made by either party to the other.

SERVICES OR FACILITIES PAID FOR

The bill prohibits the seller from paying the customer for services or facilities furnished by the latter in connection with the seller's goods unless such payment is available on proportionally equal terms to all other competing customers. The existing evil at which this part of the bill is aimed is, of course, the grant of discriminations under the guise of payments for advertising and promotional services which, whether or not the services are actually rendered as agreed, results in an advantage to the customer so favored as compared with others who have to bear the cost of such services themselves. The prohibitions of the bill, however, are made intentionally broader than this one sphere in order to prevent evasion in resort to others by which the same purpose might be accomplished, and it prohibits payment for such services or facilities whether furnished "in connection with the processing, handling, sale, or offering for sale" of the products concerned.

SERVICES AND FACILITIES FURNISHED

The bill also prohibits the seller from furnishing services or facilities to the purchaser in connection with the processing, handling, or sale of the commodities concerned unless

they are accorded to all purchasers on proportionally equal terms. Again, the last phrase has reference to the several purchasers' equipment and ability to satisfy the terms upon which the offer is made, or the services or facilities furnished to any other purchaser.

There are many ways in which advertising, sales, and other services and facilities may be either furnished or paid for by the seller upon terms that will at once satisfy the requirements of the bill concerning equitable treatment of all customers and at the same time satisfy the legitimate business needs of both the seller and the purchaser.

THE BUYER'S LIABILITY

The closing paragraph of the Clayton Act amendment, for which section 1 of this bill provides, makes equally liable the person who knowingly induces or receives a discrimination in price prohibited by the amendment. This affords a valuable support to the manufacturer in his efforts to abide by the intent and purpose of the bill. It makes it easier for him to resist the demand for sacrificial price cuts coming from mass-buyer customers, since it enables him to charge them with knowledge of the illegality of the discount, and equal liability for it, by informing them that it is in excess of any differential which his difference in cost would justify as compared with his other customers.

This paragraph makes the buyer liable for knowingly inducing or receiving any discrimination in price which is unlawful under the first paragraph of the amendment. That applies both to direct and indirect discrimination; and where, for example, there is discrimination in terms of sale, or in allowances connected or related to the contract of sale, of such a character as to constitute or effect an indirect discrimination in price, the liability for knowingly inducing or receiving such discrimination or allowance is clearly provided for under the later paragraph above referred to.

SECTION 2. PENDING CASES

Section 2 of the bill—not section 2 of the Clayton Act, which section 1 of this bill proposes to amend—imposes temporary procedural requirements applicable to pending rights of action, complaints, or litigation, and is designed to enable the revision of existing or future orders of the Federal Trade Commission arising out of such claims harmoniously with the provisions of this amendment without the necessity of instituting a new proceeding.

SECTION 3. PENAL PROVISIONS

Section 3 of the bill sets aside certain practices therein described and attaches to their commission the criminal penalties of fine and imprisonment therein provided. It does not affect the scope or operation of the prohibitions or limitations laid down by the Clayton Act amendment provided for in section 1. It authorizes nothing therein prohibited. It detracts nothing from them. Most of the acts which it does prohibit lie also within the prohibitions of that amendment. In that sphere this section merely attaches to them its criminal penalties in addition to the civil liabilities and remedies already provided by the Clayton Act.

SECTION 4. COOPERATIVES

Section 4 represents another provision added to the bill in the fullness of caution to protect the distribution of cooperative earnings or surplus among their members on a patronage basis. In the dealings of cooperatives with others they share, of course, the protections and guaranties of the bill as to equal treatment and equal opportunity which it extends to producers, manufacturers, and merchants in trade and commerce generally. It leaves the members of cooperatives free to seek through cooperative endeavor the economies and savings of mass operations, and assures to them, as compared with their larger corporate competitors, any real economies and savings to which those mass operations entitle them and which they often now do not receive. There is nothing in the last section of the bill that distinguishes cooperatives, either favorably or unfavorably, from other agencies in the streams of production and trade, so far as concerns their dealings with others.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I shall not consume the 5 minutes. I simply want to get the record clear, because, of course, in endeavoring to interpret properly the language of statutes, the courts must, perforce, look to the statements that appear in the record on debate.

Bills ofttimes are vague and ambiguous. To clear up much of uncertainty, or rather to point it out, it is my purpose in arising. You might as well know that the bill finally agreed upon by the conferees—and I did not sign the conference report because I objected to it—contains many inconsistencies, and the courts will have the devil's own job to unravel the tangle. In an endeavor to get some sort of an agreement, the so-called Borah-Van Nuys provisions of the Senate bill were grafted onto the House bill, and we have what might be termed in common parlance somewhat of a "hodgepodge." You have the so-called Borah-Van Nuys bill grafted on the so-called Patman bill, and when you try to read them both together you have the greatest difficulty. You have the herculean task to make it yield sense.

For example, under the general House bill there is a ceiling set upon the amount of discount that may be given. There is a limitation, under certain conditions, to be fixed by the Federal Trade Commission. Under the so-called Borah-Van Nuys provision any quantity discount can be given, any amount, provided it is given or is available to everyone who obtains or buys the same quantity. There is no limitation as to the amount of discount obtainable or to be given under the Borah-Van Nuys provision, provided that discount is available to everybody. How under the sun you are going to reconcile that provision with the other sections of the House bill is beyond me.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. CHRISTIANSON. Which provision was finally incorporated in the bill that is now presented to us by the conference report?

Mr. CELLER. Both provisions are in the bill, as I see it. The Borah-Van Nuys bill says you can do anything as far as discounts are concerned, provided that discount is available to everybody at the same time buying the same quantity; but in the House bill there are provisions relative to limitation of discounts to be set by the Federal Trade Commission. In one breath you can give any discount or allowance. In the next breath you say, "No; you cannot give any discount. The Federal Trade Commission can prevent it."

Mr. CHRISTIANSON. Then, if I understand the gentleman, that limitation or that ceiling, as he calls it, has been removed in the bill that is embodied in this conference report?

Mr. CELLER. No. That is not my understanding, and that is not the case. The limitation has not been removed. The limitation is in the bill, but in addition you have something extraneous in the Borah-Van Nuys bill, where there is no limitation. Under the Borah-Van Nuys section you simply can give any discount you wish, provided that amount of discount is available to everyone else. In other words, you must treat everybody equally.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MICHENER. If the matter is as stated by the gentleman, it is entirely inconsistent, because the real milk in the coconut, as far as quantity discounts were concerned, was embodied in the Patman bill in that very provision. If that is eliminated, as far as the efficacy of the bill is concerned there is not much left to it.

Mr. CELLER. I will ask the gentleman to read the sections of the bill in its entirety and see whether or not you can get any consistency out of it. I cannot, and I have read this bill backward and forward in an endeavor to get the inconsistencies removed therefrom, but I cannot do it. I am sure if the conferees will see eye to eye with me on the subject—and I am afraid they do not—they would vote against this conference report.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. BOILEAU. I understand the Borah-Van Nuys is a separate and distinct section from the House provision, and some of the conferees on the part of the House have stated to me that there is no inconsistency and that the House provisions prevail, but that the Borah-Van Nuys amendment is simply an additional remedy.

Mr. CELLER. I ask the gentleman to read section 3, the Borah-Van Nuys provision, and then read section 2 and section 1 and see whether that is so.

Also, let me point out, this bill is an amendment to the Clayton Act, which provides that anyone aggrieved by any discrimination in price or discount or allowance can sue and recover triple damages from the person guilty of the discrimination. In addition, for the same act of discrimination, to the triple damages the businessman accused can, by section 3 of this bill, be hailed to court and fined $5,000 or imprisoned for 1 year. I ask you to think carefully before you accept such a bill with such penalties.

Mr. BOILEAU. I cannot read the section in the gentleman's time, of course.

Mr. MICHENER. The original provision in the Patman bill is very stringent and is the real controversy between the two Houses. If the Borah-Van Nuys amendment is added on, then it becomes surplusage and does not amount to anything.

Mr. CELLER. The bill is now far more stringent. Besides the penalties mentioned, the bill places business in a strait jacket.

[Here the gavel fell.]

Mr. CELLER. Mr. Speaker, will the gentleman yield me 5 additional minutes?

Mr. UTTERBACK. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. CELLER. Does the gentleman refuse to yield me sufficient time on a bill of this character?

Mr. UTTERBACK. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. To say the least, I do not like such consideration after my service on the committee. I am ranking member on the committee. I think the gentleman is entirely in bad order in being so niggardly of time. His opposition should not interfere with his usual sense of justice.

The SPEAKER. The gentleman from New York is recognized for 3 minutes.

Mr. CELLER. I read this provision of section 3, the Borah-Van Nuys section:

SEC. 3. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to be a party to, or assist in, any transaction of sale, or contract to sell, which discriminates to his knowledge against competitors of the purchaser, in that, any discount, rebate, allowance, or advertising service charge is granted to the purchaser over and above any discount, rebate, allowance, or advertising service charge available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity.

This is the particular language to which I direct your attention especially: "available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity."

If it is available to everyone there is no limitation, and you can, therefore, give any discount you wish without let or hindrance, provided it is available to everyone at the same time. This is what I claim is a glaring inconsistency in the bill.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. SNELL. From a reading of the report it appears to me that the entire House bill was stricken out and practically a new bill written by the Senate. Am I correct?

Mr. CELLER. The gentleman is correct.

Mr. SNELL. It seems to me some proponent of the House bill should tell us what is in the Senate bill.

Mr. CELLER. I am endeavoring to tell the House that, so far as I know and according to my lights. While it is true we struck out this entire provision, we practically substituted the House bill with certain changes and then took on in addition the Borah-Van Nuys provision.

Mr. SNELL. That is the practical effect of what was done.

Mr. CELLER. Yes.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. HEALEY. Is it the gentleman's opinion that the Borah-Van Nuys bill is inconsistent with the provisions of the other sections of this bill?

Mr. CELLER. I am of the conviction that there is an absolute inconsistency.

Mr. HEALEY. One further question, if the gentleman will permit. In the gentleman's judgment, the Borah-Van Nuys amendment in and of itself would amply take care of the situation?

Mr. CELLER. There is no question but what the Borah-Van Nuys provision in and of itself would be sufficient. I would have gladly supported this bill in its entirety if this provision had been controlling.

Mr. HANCOCK of New York. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. HANCOCK of New York. If a vendor is found guilty of discrimination as provided in this bill, is he subject to the aggrieved party for damages or has he committed a crime and subjected himself to penalty?

Mr. CELLER. If he violates the Borah-Van Nuys provision or the other provision of the bill he is subject to penalties of a criminal nature and has committed an offense.

Mr. HANCOCK of New York. Would he also be liable for triple damages?

Mr. CELLER. And he would also have to respond in triple damages under the provisions of the Clayton Act. Anyone aggrieved can sue.

Furthermore I want to tell the Members from the dairy and farm sections that the provisions in the Senate bill known as the McNary amendment and the Schwellenbach amendment, which was very much like the amendment of the gentleman from Texas [Mr. JONES], have not been embraced in the bill. The Schwellenbach amendment and the McNary amendment were thrown out in conference. These amendments sought to help the farmers and dairymen of the country.

This bill thus bears most heavily against farmers and the cooperatives; and I repeat what I said 10 days ago, that all farm organizations are opposed to this bill—the American Farm Bureau Federation, the National Grange, the National Cooperative Association, and all the other organizations with which you are familiar have voiced objection. Many of the consumer cooperative organizations have voiced objections because these dairy and farm provisions were stricken from the bill. The exception relating to minerals was also stricken from the bill. The Secretary of Agriculture has voiced emphatic opposition to the bill.

The conference report, in its reference to brokerage allowances, fails to take due notice of the fact that we put into the final bill the words "except for services rendered." That means if actual brokerage service is rendered it must be allowed or paid for; either must be reflected in price or discount and allowance. Many respectable and honorable business houses have brokerage departments or have organized separate entities which they may own in whole or in part and which perform legitimate brokerage functions; which departments or entities expend money in research, investigation, experimentation, advertising. They actually render valuable brokerage service. Yet if they be directly or indirectly connected with the seller or buyer, no brokerage allowance may be made, although in the language of the words we inserted "services" were actually rendered. I know that everybody watching the bill and interested in making it sound has assumed that the insertion of the words "for services rendered" meant that payment could be made whenever services were actually rendered. We have certainly come to a pretty pass in this country if a person cannot be paid for rendering legitimate services simply because he does not happen to be in a certain line of business. Under the same reasoning it would be quite logical to prohibit a store from altering garments for a customer, because it is not a tailoring business—and if we continue down this road we will surely

end up with legislation requiring the consumer to deal with tailors for certain things, independent automobile repairmen for other things, and so on, and with companies unable to truck their own goods because there are separate trucking companies, and so forth.

This conference report contains the interesting statement at the top of page 7 that the meet-competition clause of the Clayton Act is, in the opinion of the conferees, "one of the obstacles to enforcement of the Clayton Act." This remarkable statement, plus the fact that the trick wording in the bill—"differing methods", in the first section—which is specifically intended to control prices by practically outlawing legitimate quantity discounts, is carefully repeated on page 6 of the conference report, shows that the bill is clearly intended to eliminate competition and control prices and restrict quantity discounts, all of which Senators LOGAN and ROBINSON have repeatedly told the Senate is not its intent. Certainly it should be at least made of record from the floor of this House that this legislation is just that, so that consumers will not eventually blame all Senators and all Congressmen for having enacted legislation without at least knowing what it means. I certainly cannot believe that it was the understanding of several conferees that the meet-competition clause in the present Clayton Act is an obstacle to the enforcement of that act. They do not intend that legislation shall make it only possible for a broker to discharge the brokerage function. Certainly Senator LOGAN agreed with me in a debate in New York publicly that he did not approve of any such legislation, and Senator BORAH during the hearings on his bill so agreed and also stated that legitimate quantity discounts were constructive.

For your information the consumer organizations are about to report to their members on this legislation, and it would seem to me in the interest of those who understand this situation to make it plain for the record that, while the proponents of the bill have stated one thing in connection with quantity discounts, the conference report states another, and deliberately makes note of the meet-competition clause, and specifically places a construction on the brokerage provision which amounts to the rankest sort of class legislation of a sort which may well mark the beginning of much similar legislation extremely harmful to the consumer by making it necessary for him to support, willy-nilly, those who elect to set themselves up as this or that in business.

Mr. UTTERBACK. Mr. Speaker, I yield 5 minutes to the gentlemen from Arkansas [Mr. MILLER].

Mr. MILLER. Mr. Speaker, I shall take but a few minutes. When the House bill reached the Senate, the Senate struck out all after the enacting clause and substituted its own bill. The bill then went to conference, and you will see from a reading of the conference report that the bill that is reported back by the committee of conference is substantially the House bill, rearranged, including the Borah-Van Nuys amendment which is section 3 of the bill.

We took both bills and compared them, and I do not recall a single, solitary amendment to the House bill in which the Senate did not recede. We omitted from this bill one particular provision of the House bill which dealt with intrastate commerce and not interstate commerce. But insofar as the other amendments that made up the difference between the Senate bill and the House bill as passed are concerned, the Senate receded on all of them, if I remember correctly.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. Section 3 is the one that is changed? There is no section 3 in this bill.

Mr. MILLER. Yes; there is. Page 3 of the report.

Mr. JENKINS of Ohio. I thought the gentleman mentioned section 3 of the bill.

Mr. MILLER. Section 3 is the Borah-Van Nuys amendment. We accepted that amendment for this reason and this reason only. The first section of the bill as reported back here amends section 2 of the Clayton Act. That is the House bill substantially, and when I say to you it is substantially the House bill, every amendment that was offered in the Senate to the Patman bill was receded from by the Senate.

Mr. MASSINGALE. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. Does the bill as agreed to by the conferees carry the penalty of triple damages and also a penalty under the criminal law?

Mr. MILLER. The penalty of triple damages is the old law. In other words, we made no change in that particular provision of the Clayton Act. Section 3, which the gentleman from New York talks about, is the Borah-Van Nuys amendment, and that is the criminal section of this bill. The first part of the bill has nothing to do with criminal offenses. It deals primarily, in my opinion, with the authority of the Federal Trade Commission to regulate and enforce the provisions of section 2 of the Clayton Act, as amended. Section 3 in the bill is placed in an effort to make the criminal offense apply only to that particular section, and I believe that is a reasonable construction, if you will look at the bill.

Mr. MASSINGALE. There is no criminal offense involved for anything outside of what is contained in that section?

Mr. MILLER. In section 3.

Mr. HANCOCK of New York. Is it not perfectly clear that any vendor who discriminates in price between purchasers is guilty of a crime and is also subject to triple damages to anyone who claims to be aggrieved?

Mr. MILLER. That is true, but the criminal part is included in section 3 and section 3 only.

Mr. HANCOCK of New York. But it is a part of the same act?

Mr. MILLER. Of course it is, but it is not a part of the Clayton Act as amended by section 2. It ought to be, as far as that is concerned, if a seller willfully discriminates.

Mr. BOILEAU. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. I understood the gentleman to state a moment ago one provision of the House bill which dealt with intrastate commerce is eliminated from the bill. Will the gentleman state what provision that is? I understood him to make that statement.

Mr. MILLER. I did make that statement.

[Here the gavel fell.]

Mr. UTTERBACK. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MILLER. You will remember it was in subsection (a) where we undertook to provide for a transaction that was closely intermingled with interstate commerce. We took that provision out and you will find it on page 6, I believe, of the report.

Mr. BOILEAU. I thank the gentleman.

Mr. CELLER. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from New York.

Mr. CELLER. It is possible, of course, for a man to violate section 3 and by that same act be guilty of violation of the other sections of the bill?

Mr. MILLER. That would be entirely possible.

Mr. CELLER. So that he would be subject to triple damages as well as criminal prosecution?

Mr. MILLER. That would be entirely possible.

[Here the gavel fell.]

Mr. UTTERBACK. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MILLER. Mr. Speaker, I want to say if the Congress really wants a bill amending the Clayton Act, and desires to retain the three objectives of the House bill, the conferees on the part of the House, excluding myself, did a good job and brought back to the House a bill which thoroughly represents, in their opinion, and in my opinion, the expressed will of the House as indicated by the passage of the Patman bill. [Applause.]

Mr. MICHENER. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Michigan.

Mr. MICHENER. The whole thing is the question of quantity discount?

Mr. MILLER. Yes.

Mr. MICHENER. The gentleman understands that as well as I do.

Mr. MILLER. Yes.

Mr. MICHENER. Does the Borah-Van Nuys amendment affect the House provision so far as quantity discounts are concerned?

Mr. MILLER. No; it does not.

Mr. MICHENER. Because if it stands alone, the bill is not worth anything.

Quantity discounts, advertising, and brokerage allowances are prohibited in the bill exactly as they were in the bill passed by the House.

The conference report ought to be adopted. [Applause.]

[Here the gavel fell.]

Mr. UTTERBACK. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PATMAN].

EQUAL-OPPORTUNITY BILL

Mr. PATMAN. Mr. Speaker, a million and a half independent retail dealers in this country are interested in this bill, including druggists, grocers, and others. They are not asking for special privileges, special rights, or special benefits. They are just asking for a fair, square deal. That is all they are asking for and that is all this bill will give them. It will not deprive any person of any privilege or benefit that he is now receiving and which he is as a matter of right entitled to receive. It will help farmers, wage earners, and the consumers generally.

This bill grants each and every one the opportunity to do an honest, legitimate business, and protects him from cheaters and racketeers. It is not going to hurt any manufacturer or producer who is doing an honest business and treating all of his customers in the same fair, square way that he should treat all of them.

This is a good bill. I commend the House conferees, Congressmen UTTERBACK, MILLER, MCLAUGHLIN, SUMNERS, GUYER, and ROBSION for the good agreement they reached with the Senate conferees. It is a better bill than it was when it passed the House. The Borah-Van Nuys provision is separate and distinct. It is section 3 of this bill. It does not in the way it is inserted hurt the bill or injure it in any way, but strengthens the bill. I am pleased that the provision is in there in the way the conferees have put it in.

This bill passed the House by the enormous majority of 290 for, to only 16 against, and I hope this conference report will be accepted by this House by an even greater majority. This bill has heretofore been fully discussed and I hope this report is adopted without further delay. I do not desire additional time.

[Here the gavel fell.]

Mr. UTTERBACK. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LIQUOR TAX ADMINISTRATION BILL

Mr. SAMUEL B. HILL. Mr. Speaker, I call up the conference report on the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

[To accompany H. R. 9185]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 55, 60, 77, 81, 85, 86, 102, 111, and 120.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 56, 57, 58, 59, 62, 63, 65, 66, 70, 71, 72, 73, 74, 75, 76, 78, 79, 80, 83, 84, 87, 90, 91, 92, 93, 94, 97, 98, 99, 100, 101, 103, 104, 105, 106, 107, 108, 109, 110, 112, 113, 114, 115, 116, 118, and 119; and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "Act, as amended"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 202. Section 3295 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 26, sec. 1236), is further amended to read as follows:

"'SEC. 3295. (a) Whenever an application is received for the removal from any Internal Revenue Bonded Warehouse of any cask or package of distilled spirits on which the tax has been paid, the storekeeper-gauger shall gauge and inspect the same, and shall, before such cask or package has left the warehouse, place upon such package such marks, brands, and stamps as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall by regulations prescribe, which marks, brands, and stamps shall be erased when such cask or package is emptied.'"

And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with amendments as follows:

On page 9 of the Senate engrossed amendments, in lines 7 and 8, strike out "heretofore or hereafter entered for deposit in a bonded warehouse" and in lieu thereof insert "heretofore entered for deposit in a distillery, general, or special bonded warehouse, or hereafter entered for deposit in an Internal Revenue Bonded Warehouse" and a comma; and on page 9 of the Senate engrossed amendments, in lines 12 and 13, strike out "heretofore or hereafter deposited in any bonded warehouse" and in lieu thereof insert "heretofore deposited in any distillery, general, or special bonded warehouse, or hereafter deposited in any Internal Revenue Bonded Warehouse" and a comma; and on page 12 of the Senate engrossed amendments, in line 23, before the period, insert a colon and the following: "*Provided*, That loss allowances for such spirits for the period prior to the effective date of this section shall be made pursuant to the provisions of the Act of February 6, 1925 (43 Stat. 808)"; and on page 12 of the Senate engrossed amendments, in line 25, before the period, insert a colon and the following: "*Provided*, That a regauge to determine the losses to be allowed under subsection (c) shall be made prior to the effective date of this section"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert "Once in every four years, or whenever"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(d) The brewery premises shall consist of the land and buildings described in the brewer's notice and shall be used solely for the purposes of manufacturing beer, lager beer, ale, porter, and similar fermented malt liquors, cereal beverages containing less than one-half of 1 per centum of alcohol by volume, vitamins, ice, malt, and malt syrup; of drying spent grain from the brewery; of recovering carbon dioxide and yeast; and of storing bottles, packages, and supplies necessary or incidental to all such manufacture. The brewery bottling house shall be used solely for the purposes of bottling beer, lager beer, ale, porter, and similar fermented malt liquors, and cereal beverages containing less than one-half of 1 per centum of alcohol by volume. Notwithstanding the foregoing provisions, where any such brewery premises or brewery bottling house is, on the date of the enactment of the Liquor Tax Administration Act, being used by any brewer for purposes other than those herein described, or the brewery bottling house is, on such date, being used for the bottling of soft drinks, the use of the brewery and bottling house premises for such purposes may be continued by such brewer. The brewery bottling house of any brewery shall not be used for the bottling of the product of any other brewery. Any brewer who uses his brewery or bottling house contrary to the provisions of this subsection shall be fined not more than $50 with respect to each day upon which any such use occurs."

And the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows: On page 23 of the Senate engrossed amendments, in line 12, after the word "wines" insert "on bonded winery premises or bonded storeroom premises"; and the Senate agree to the same.

Amendments numbered 68 and 69: That the House recede from its disagreement to the amendments of the Senate numbered 68 and 69, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by Senate amendments numbered 68 and 69 insert the following:

"(c) So much of section 611 of the Revenue Act of 1918, as amended (relating to the tax on still wines) (U. S. C., 1934 ed., title 26, sec. 1300 (a) (1)), as reads:

" 'On wines containing not more than 14 per centum of absolute alcohol, 10 cents per wine gallon, the per centum of alcohol under this section to be reckoned by volume and not by weight;

" 'On wines containing more than 14 per centum and not exceeding 21 per centum of absolute alcohol, 20 cents per wine gallon;

" 'On wines containing more than 21 per centum and not exceeding 24 per centum of absolute alcohol, 40 cents per wine gallon;'

is amended to read as follows:

" 'On wines containing not more than 14 per centum of absolute alcohol, 5 cents per wine gallon, the per centum of alcohol under this section to be reckoned by volume and not by weight;

" 'On wines containing more than 14 per centum and not exceeding 21 per centum of absolute alcohol, 10 cents per wine-gallon;

" 'On wines containing more than 21 per centum and not exceeding 24 per centum of absolute alcohol, 20 cents per wine-gallon;.

"(d) Section 613 of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., title 26, sec. 1300 (a) (2); U. S. C., 1934 ed., supp. I, title 26, sec. 1300 (a) (2)), is amended to read as follows:

" 'SEC. 613. (a) Upon the following articles which are produced in or imported into the United States, after the date of the enactment of the Liquor Tax Administration Act, or which on the day after such date are on any winery premises or other bonded premises or in transit thereto or at any customhouse, there shall be levied, collected, and paid, in lieu of the internal-revenue taxes imposed thereon by law prior to such date, taxes at rates as follows, when sold, or removed for consumption or sale:

" 'On each bottle or other container of champagne or sparkling wine, 2½ cents on each one-half pint or fraction thereof;

" 'On each bottle or other container of artificially carbonated wine, 1¼ cents on each one-half pint or fraction thereof;

" 'On each bottle or other container of liqueurs, cordials, or similar compounds, by whatever name sold or offered for sale, containing sweet wine, citrus-fruit wine, peach wine, cherry wine, berry wine, apricot wine, or apple wine, fortified, respectively, with grape brandy, citrus-fruit brandy, peach brandy, cherry brandy, berry brandy, apricot brandy, or apple brandy, 1¼ cents on each one-half pint or fraction thereof;

" 'Any of the foregoing articles containing more than 24 per centum of absolute alcohol by volume (except vermouth, liqueurs, cordials, and similar compounds made in rectifying plants and containing tax-paid sweet wine, citrus-fruit wine, peach wine, cherry wine, berry wine, apricot wine, or apple wine, fortified, respectively, with grape brandy, citrus-fruit brandy, peach brandy, cherry brandy, berry brandy, apricot brandy, or apple brandy) shall be classed as distilled spirits and shall be taxed accordingly.

" 'The Commissioner of Internal Revenue, subject to regulations prescribed by the Secretary of the Treasury, is authorized to remit, refund, and pay back the amount of all taxes on such liqueurs, cordials, and similar compounds paid by or assessed against rectifiers at the distilled spirits rate prior to the date of the enactment of the Liquor Tax Administration Act.' "

And the Senate agree to the same.

Amendment numbered 82: That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendent, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(g) Notwithstanding the foregoing provisions of this section, each person making sales of fermented malt liquor to the members, guests, or patrons of bona-fide fairs, reunions, picnics, carnivals, or other similar outings, and each fraternal, civic, church, labor, charitable, benevolent, or ex-service men's organization making sales of fermented malt liquor on the occasion of any kind of entertainment, dance, picnic, bazaar, or festival, held by it, if such person or organization is not otherwise engaged in business as a dealer in malt liquors, shall pay, before any such sales are made and in lieu of the special tax imposed by subdivision (a) of this paragraph, a special tax of $2 as a retail dealer in malt liquors, for each calendar month in which any such sales are made."

And the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "or was returned from such bottling house to the brewery in which made for use therein as brewing material"; and the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) No such claim shall be allowed unless filed within ninety days after such destruction or return to the brewery for use as brewing material, or, in the case of any beer, lager beer, ale, porter, or other similar fermented malt liquor so destroyed or returned before the date of the enactment of this Act, within ninety days after such date."

And the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 330. The last paragraph of section 610 of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., supp. I, title 26, sec. 1310 (d)), is amended to read as follows:

" 'The provisions of the internal-revenue laws applicable to natural wine shall apply in the same manner and to the same extent to citrus-fruit wines, peach wines, cherry wines, berry wines, apricot wines, and apple wines, which are the products, respectively, of normal alcoholic fermentation of the juice of sound ripe (1) citrus-fruit (except lemons and limes), (2) peaches, (3) cherries, (4) berries, (5) apricots, or (6) apples, with or without the addition of dry cane, beet, or dextrose sugar (containing, respectively, not less than 95 per centum of actual sugar, calculated on a dry basis) for the purpose of perfecting the product according to standards, but without the addition or abstraction of other substances, except as may occur in the usual cellar treatment of clarifying or aging.' "

And the Senate agree to the same.

Amendment numbered 117: That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment, as follows: In addition to inserting the matter proposed to be inserted by the Senate amendment, on page 48 of the House engrossed bill, in line 14, strike out "section" and in lieu thereof insert "paragraph"; and the Senate agree to the same.

Amendment numbered 121: That the House recede from its disagreement to the amendment of the Senate numbered 121, and agree to the same with an amendment, as follows: Omit the matter proposed to be inserted by the Senate amendment; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment, as follows: Omit the matter proposed to be inserted by the Senate amendment; and the Senate agree to the same.

Amendment numbered 123: That the House recede from its disagreement to the amendment of the Senate numbered 123, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "404" and insert "402"; and the Senate agree to the same.

Amendment numbered 124: That the House recede from its disagreement to the amendment of the Senate numbered 124, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "405" and insert "403"; and the Senate agree to the same.

Amendment numbered 125: That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "406" and insert "404"; and the Senate agree to the same.

Amendment numbered 126: That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with amendments, as follows: In the first line of said amendment strike out "407" and insert "405"; and in the tenth line of said amendment strike out "distilled spirits other than alcohol" and in lieu thereof insert "spirits distilled at a registered distillery"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with amendments, as follows: In the first line of said amendment strike out "408" and insert "406"; and in the eleventh line of said amendment strike out "distilled spirits (other than alcohol)" and in lieu thereof insert "spirits distilled at a registered distillery"; and the Senate agree to the same.

Amendment numbered 128: That the House recede from its disagreement to the amendment of the Senate numbered 128, and agree to the same with amendments, as follows: In the first line of said amendment strike out "409" and insert "407"; and in the fourth line of said amendment strike out "distilled spirits (other than alcohol)" and in lieu thereof insert "spirits distilled at a registered distillery"; and the Senate agree to the same.

Amendment numbered 129: That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with amendments, as follows: In the first line of said amendment strike out "410" and insert "408"; and in the last two lines of said amendment strike out "distilled spirits (other than alcohol)" and in lieu thereof insert "spirits distilled at a registered distillery"; and the Senate agree to the same.

Amendment numbered 130: That the House recede from its disagreement to the amendment of the Senate numbered 130, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "411" and insert "409"; and the Senate agree to the same.

Amendment numbered 131: That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "412" and insert "410"; and the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with amendments, as follows: In the first line of said amendment strike out "413" and insert "411"; and in the seventeenth, eighteenth, and nineteenth lines of said amendment strike out "such period of time as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe" and in lieu thereof insert "a period of four years"; and the Senate agree to the same.

Amendment numbered 133: That the House recede from its disagreement to the amendment of the Senate numbered 133, and agree to the same with amendments, as follows: In the first line of said amendment strike out "414" and insert "412"; and on page 52 of the Senate engrossed amendments, in lines 14, 15, and 16 strike out "such period of time as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe" and in lieu thereof insert "a period of four years"; and the Senate agree to the same.

Amendment numbered 134: That the House recede from its disagreement to the amendment of the Senate numbered 134, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "415" and insert "413"; and the Senate agree to the same.

Amendment numbered 135: That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "416" and insert "414"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

The committee of conference report in disagreement amendments numbered 95 and 136.

R. L. DOUGHTON,
SAM B. HILL,
THOS. H. CULLEN,
FRED M. VINSON,
FRANK H. BUCK,
FRANK CROWTHER,
DAN'L A. REED,
THOS. H. JENKINS,
Managers on the part of the House.

WILLIAM H. KING,
ALBEN W. BARKLEY,
ROBERT M. LA FOLLETTE, Jr.,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

SUBSTANTIVE AMENDMENTS

On amendment no. 1: This amendment strikes out section 2 of the House bill which provided for the seizure and forfeiture of intoxicating liquor and containers thereof when the containers do not bear proper stamps, labels, and other markings required by Federal law or regulation, and for seizure and forfeiture of such containers and contents when the containers are not accompanied by proper bills of lading or other documents required by Federal law or regulation. The House recedes.

On amendment no. 12: The House bill set forth in considerable detail the requirements for the marking and branding of casks and packages filled with distilled spirits in the cistern room, and required their immediate removal to bonded warehouses. The Senate amendment leaves these matters to regulations to be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury. The House recedes.

On amendment no. 14: The House bill restated language now contained in section 3287 of the Revised Statutes, relating to the tax-free withdrawal of alcohol for the use of the United States. Such withdrawals are now completely provided for in title III of the National Prohibition Act. This language was stricken from the bill by the Senate amendment. The House recedes.

On amendments nos. 16, 18, 19, 22, 23, and 26: The language of the House bill conferred upon the Secretary of the Treasury authority to prescribe rules and regulations necessary for carrying out the provisions of certain sections of the bill. The Senate amendments provide that such rules and regulations shall be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, in conformity with the administrative procedure now followed in the Treasury Department. The House recedes.

On amendment no. 20: The House bill specified the marks, brands, and stamps to be placed on containers of distilled spirits upon tax payment and removal from bonded warehouses. The Senate amendment authorizes the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to prescribe regulations governing these matters. The House recedes with amendments which specify that the spirits shall be tax paid before removal and that the marks, brands, and stamps shall be erased when the containers are emptied.

On amendment no. 36: This amendment amends section 1 of the Bottling in Bond Act of March 3, 1897, to permit the bottling of distilled spirits in bond in any internal-revenue bonded warehouse without regard to the survey capacity of the distillery in which made and to permit such bottling to be done before or after tax payment, and in the name of the individual or association in whose name the spirits were produced and warehoused, as well as in the name of the distiller as is now provided by law. The House bill contained no corresponding provision. The House recedes.

On amendment no. 39: This amendment declares that nothing in the Bottling in Bond Act shall authorize the labeling of whisky contrary to regulations issued under authority of the Federal Alcohol Administration Act. The House bill contained no corresponding provision. The House recedes.

On amendment no. 40: The House bill amended the various provisions of law relating to the bonded period for spirits and the loss allowances thereof by redeclaring those laws as they existed prior to wartime and national prohibition. The purpose was to redeclare the bonded period for spirits to be 8 years and to redeclare the loss allowance to be for a period of 7 years. It further provided that distilled spirits 8 years of age or over which were in bonded warehouses on December 5, 1933, might remain in bond, and, when withdrawn, be given loss allowances up to and including the thirtieth day after the date of the enactment of this act. The Senate amendment completely restates the law relating to the bonded period and loss allowance without making any substantial changes in the purposes of the House provisions. The House recedes with amendments which make clarifying changes in the language of the Senate amendment.

On amendment no. 41: The House bill amended section 602 of the Revenue Act of 1918, to permit the withdrawal into barrels, drums, tanks, tank cars, or other approved containers, of spirits reduced to not less than 100 proof from receiving cisterns at registered distilleries and tax payment and removal of such spirits without entry into bonded warehouses. The Senate amendment provides (1) for the withdrawal of spirits of less than 159 degrees of proof and more than 100 degrees of proof from cisterns at distilleries into packages, and tax payment and removal of such spirits without being entered into warehouse; (2) for the transfer of such spirits from receiving cisterns at such distilleries by means of pipe lines to storage tanks in warehouses located on the bonded premises of such distilleries; (3) for the transfer of such spirits in bond, in approved containers, to warehouses for storage therein; and (4) that such spirits may be transported, after tax payment, in approved containers for beverage use only. The House recedes.

On amendment no. 42: As passed by the House section 309 amended section 3293 of the Revised Statutes to prescribe the form of the entry and the entry stamp and to require distillers to furnish monthly or annual warehousing bonds in penal sums of not less than 50 percent of the tax due on distilled spirits on deposit in the distillery warehouse at one time. The Senate amendment requires the entries of spirits to be made in accordance with the provisions of regulations prescribed by the Commissioner of Internal Revenue, and requires distillers and warehousemen to furnish warehouse bonds in penal sums not to exceed $200,000 for each warehouse. The House recedes.

On amendments nos. 43 and 44: The House bill set out in considerable detail the matter to be included in storekeeper-gaugers' and distillers' records. The Senate amendments authorize the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to prescribe, by regulations, the records to be kept by storekeeper-gaugers and distillers of the receipt and use of distilling materials, and the production of spirits, at distilleries. The House recedes.

On amendment no. 46: The Senate amendment authorizes the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to prescribe by regulations tolerances within the limits of which the amount of fermented malt liquor in a barrel or fractional part of a barrel may exceed the quantity tax-paid as indicated by the stamp affixed to such barrel or fractional part of a barrel, without being accounted and tax-paid at a higher rate. The House bill contained no corresponding provision. The House recedes.

On amendment no. 55: The Senate amendment authorizes the Commissioner of Internal Revenue to permit brewers to ship beer in tank cars to breweries and depots, to the extent that in his opinion such transfer may be permitted without danger to the revenue. No corresponding provision was contained in the House bill. The Senate recedes.

On amendments nos. 60 and 61: The House bill permitted the Secretary of the Treasury to prescribe the penal sums of bonds to be furnished by brewers, in proportion to the production capacity of their plants, but in no event to be less than $1,000; and required that such bonds be renewed once in every 4 years and when required by the Secretary. Senate amendment no. 60 provides that if the penal sum of any such bond exceeds $100,000, the bond covering such excess may be given without surety or collateral security; and amendment no. 61 strikes out the requirement that the bond be renewed once in every 4 years. The Senate recedes on no. 60, and the House recedes on no. 61 with an amendment which restores the House provision except for a clerical change.

On amendment no. 63: The House bill provided for the forfeiture of brewery premises for flagrant and willful removal therefrom of taxable malt liquors without payment of tax thereon. The Senate amendment provides for forfeiture of bottling-house premises also under the same circumstances. The House recedes.

On amendment no. 64: The bill as it passed the House provided that the brewery premises should consist of the lands and buildings described in the brewer's notice, and that such premises should, as to breweries established after the enactment of this act, be used solely for the manufacture of beer, lager beer, ale, porter, and similar fermented malt liquors, cereal beverages containing less than one-half of 1 percent of alcohol by volume, vitamins, and ice; of drying spent grain from the brewery, and recovering carbon dioxide and yeast. It further provided that brewery bottling houses established after the date of the enactment of this act should be used solely for the purposes of bottling such fermented malt liquors and cereal beverages containing less than one-half of 1 percent of alcohol by volume. It provided that notwithstanding such amendments, where established breweries were, on the date of the enactment of this act, being used by the brewer for other purposes, and brewery bottling houses were, on such date, being used for the bottling of soft drinks, such uses might be continued by such brewer. It further provided that the bottling house of any brewery should not be used for the bottling of the product of any other brewery. A penalty of $50 was provided with respect to each day upon which any brewery or brewery bottling house was used contrary to the provisions of this section. The Senate amendment changes these provisions (1) to provide that the brewery premises shall also be available for the manufacture of malt and malt syrup and the storing of bottles, packages, or supplies necessary or incidental to the manufacture of the articles now proposed to be manufactured on the brewery premises, and, under regulations, for the manufacture of other commodities or byproducts; and (2) to permit the use of the brewery bottling house for the manufacturing, carbonating, and bottling of soft drinks and to permit the use of the bottling house for the bottling of the product of any other brewery under regulations prescribed by the Commissioner of Internal Revenue. The House recedes with an amendment which restores the provisions of the House bill with the addition of the Senate provisions permitting the manufacture of malt and malt sirup and the storing of bottles, packages, and other incidental supplies.

On amendment no. 67: The Senate amendment amends section 605 of the Revenue Act of 1918 to declare that the filtering, clarifying, or purifying of wines, and the manufacture of vermouth with fortified sweet wine on the premises of a bonded winery, shall not be deemed to be rectification. Under the present law these operations are considered to be rectification and may be conducted only in rectifying plants, and the products are subject to a tax of 30 cents per proof gallon. There were no corresponding provisions in the House bill. The House recedes with an amendment which makes the provisions relating to the filtering, clarifying, or purifying of wines applicable only when those operations are conducted on bonded winery premises or bonded storeroom premises.

On amendments nos. 68 and 69: The Senate amendments (1) reduce by 50 percent the internal-revenue taxes on dry and sweet wines, champagne, artificially carbonated wines, liqueurs, cordials, and similar compounds; (2) exempt from the distilled spirits tax vermouth, cordials, liqueurs, and similar compounds made in rectifying houses with tax-paid wine fortified with tax-paid brandy and containing more than 24 percent of alcohol by volume; and (3) provide for a refund of such distilled spirits tax paid or assessed prior to the date of the enactment of the act. The House bill contained no corresponding provisions. The House recedes with an amendment to the Senate amendments which removes certain inconsistencies with other provisions of the bill and with provisions of existing law.

On amendments nos. 73 and 74: Sections 323 and 324 of the House bill amended paragraphs "Fourth" and "Fifth", respectively, of section 3244 of the Revised Statutes to restate the classifications of retail and wholesale dealers in liquors and malt liquors, and to provide (a) that no retail dealer in liquors on malt liquors shall be held to be a wholesale dealer solely by reason of sales of 5 wine gallons or more to the same person at the same time when such sales are for immediate consumption on the premises where sold, and (b) that additional special tax as dealer shall not be due on account of sales of malt liquors consummated at other dealers' places of business. The Senate amendments (1) authorize the issuance of "wine dealer" or "wine and malt liquor dealer" special tax stamps to wholesale and retail dealers who sell wine only or wine and malt liquor only, and the issuance of "at large" special tax stamps to retail liquor dealers whose business requires them to travel from place to place, and (2) restore a provision of existing law relating to "medicinal spirits stamp tax", which was omitted by the House bill in the restatement of paragragh "Fourth" of section 3244 of the Revised Statutes. The House recedes.

On amendments nos. 77 and 81: These amendments provide that retail and wholesale dealers in malt liquor shall not be required to pay additional special tax on account of sales at the residences of purchasers who have filed oral or written standing orders with the dealers to call at the residences. There were no corresponding provisions in the House bill. The Senate recedes.

On amendment no 82: This amendment provides for the sale of malt beverages at fairs, picnics, and other similar places for a period of not more than 30 days once in a year, upon the payment of a special tax of $2 in lieu of the tax which is ordinarily paid by retail dealers in malt liquors. There was no corresponding provision in the House bill. The House recedes with an amendment which makes the provision applicable to the sale of malt liquors by fraternal, civic, church, labor, charitable, benevolent, and ex-service men's organizations at entertainments, dances, picnics, bazaars, or festivals, held by them, and provides that the $2 tax shall be paid for each calendar month in which the sales are made, rather than for a period of not more than 30 days once in a year.

On amendment no. 84: The House bill provided for the redemption of the strip stamps issued under authority of the Liquor Taxing Act of 1934, under regulations to be prescribed by the Secretary of the Treasury. The Senate amendment specifies the conditions under which such stamps may be redeemed. The House recedes.

On amendments nos. 85, 86, 87, 88, and 89: The House bill provided that the tax paid on fermented malt liquor which was lawfully removed from a brewery to a brewery bottling house on and after March 22, 1933, and became unsalable without fraud, connivance, or collusion on the part of the brewer, and without removal from such bottling house, and was destroyed in the presence of a representative of the Bureau of Internal Revenue. The subsection in the House bill was applicable to past losses of such fermented malt liquor as well as to losses suffered after the subsection became law. The Senate amendments retain the provisions of the subsection but make it effective only as to losses occurring between March 22, 1933, and the date of enactment of the act, and authorize the refund if the unsalable malt liquor was returned to the brewery for use therein as brewing material. To care for future losses the Senate amendments authorize the Commissioner of Internal Revenue to make a survey of the losses of tax-paid fermented malt liquor in breweries, brewery-bottling houses, and elsewhere, for the purpose of ascertaining if refunds may be made of taxes paid on fermented malt liquor so lost, and, if he finds that such refunds may be made consistently with the protection of the revenue, to prescribe regulations under which such refunds may be made. The Senate recedes on nos. 85 and 86. The House recedes on no. 87 and recedes with an amendment on nos. 88 and 89. The action of the conference restores the provisions of the House bill with the addition of the provisions of the Senate amendment which made the refund applicable to malt liquor returned to the brewery, and omits all the other provisions of the Senate amendment.

On amendment no. 91: The House bill extended to all wine makers the provisions of existing law which exempt wine makers who produce wine from grapes from payment of special tax on account of the sale of wine of their own production at the place of manufacture or their principal office or place of business. The Senate amendment limits the exemption to wine makers who qualify as such under the internal-revenue laws. The House recedes.

On amendment no. 92: The Senate amendment amends section 3 of title III of the National Prohibition Act, to provide that tanks on the industrial alcohol plant premises which are approved by the Commissioner of Internal Revenue may be used as warehouses for the storage of alcohol. There was no corresponding provision in the House bill. The House recedes.

On amendment no. 96: Section 330 of the House bill extended the provisions of the internal-revenue laws applicable to natural wines, to wines made of citrus fruits (except lemons and limes). This section in substance was enacted into law in the Federal Alcohol Administration Act. The Senate amendment extends such provisions of law to wines made from peaches, cherries, berries, apricots, and apples. The Senate amendment also subjects to tax under section 613 of the Revenue Act of 1918, the cordials, liqueurs, and similar compounds containing wine made from such fruits and fortified with brandy. The House recedes with an amendment which omits that part of the Senate amendment which amends section 613 of the Revenue Act of 1918, because that part of the Senate amendment is now included in the conference amendment to the amendments of the Senate nos. 68 and 69.

On amendments nos. 98, 102, 105, 106, 107, and 111: The House bill reduced the tax on fortifying brandy and wine spirits from 20 cents to 10 cents per proof-gallon and extended the time within which the assessment of such tax must be paid from 10 months to 12 months. The Senate amendment no. 102 fixes the rate of tax on fortifying brandy and wine spirits at 15 cents per proof-gallon; no. 111 provides for abatement or refund of the fortifying tax to the extent the tax paid on brandy or wine spirits used in the fortification of wines held by the producer on the effective date of this act exceeds the tax which would have been paid on such brandy or wine spirits if the new rate had been in effect at the time of payment; nos. 98, 105, and 106 extend to 18 months the time in which the tax may be paid, but require every wine producer to give full bond coverage for the payment of the tax on such brandy and wine spirits within the 18 months allowed; and no. 107 authorizes the abatement or refund of the tax on the fortifying brandy or wine spirits when the fortified wines are destroyed. The House recedes on nos. 98, 105, 106, and 107. The Senate recedes on nos. 102 and 111.

On amendments nos. 100, 101, 103, 104, 108, 109, 110, 112, 113, 115: The House bill extended the provisions of law relating to the fortification of grape wines with grape brandy, and the withdrawal and tax payment of grape wines and brandies, to include wines and brandies made from citrus fruits (except lemons and limes). It also included dates as a fruit from which brandy may be distilled. Like section 330 of the House bill, these provisions were in substance enacted into law in the Federal Alcohol Administration Act. The Senate amendments insert new provisions which extend the same provisions of law to wines and brandies made from peaches, cherries, berries, apricots, and apples. Under

the Senate amendments, wine made from one of the fruits may not be fortified with brandy made from another fruit. The House recedes.

On amendment no. 116: The House bill amended section 618 (b) of the Revenue Act of 1918 by striking therefrom the limitations formerly contained therein as to use of wines as distilling material for the production of nonbeverage spirits, and the further limitation that all alcoholic spirits obtained therefrom by distillation at any industrial distillery should be denatured and all spirits so obtained at any fruit distillery should be removed and used only for nonbeverage purposes or for denaturation. The Senate amendment strikes from this section the authority to allow on all spirits distilled from wines, credit for tax paid upon the spirits or brandy used in the fortification of such wines. The House recedes.

On amendment no. 118: This amendment provides that the Commissioner of Internal Revenue may prescribe labels or other marks for the case or shipping container of wines as well as for the immediate container of such wines, as is now provided by law. There was no corresponding provision in the House bill. The House recedes.

On amendment no. 120: The House bill amended section 3354 of the Revised Statutes by permitting the Commissioner of Internal Revenue to prescribe the manner of paying the tax on fermented malt liquor removed from a brewery to a brewery bottling house by means of a pipe or conduit other than by the cancelation and defacement of stamps covering the amount of the tax. The Senate amendment provides that the manner so prescribed for paying the tax shall not entail additional expense to the taxpayer. The Senate recedes.

On amendment no. 121: Section 402 of the House bill, relating to the disposal of forfeited liquor, was, in substance, enacted into law in the Federal Alcohol Administration Act. The Senate amendment strikes out the language of the House bill and inserts a new section 402 which relieves the Commissioner of Internal Revenue from the necessity of making assessments or bringing suits to effect recovery of taxes on distilled spirits, wine, or fermented liquors, or special occupational taxes required to be paid by persons manufacturing or dealing in distilled spirits, wines, or fermented liquor, whenever, after investigation, it appears that such taxes would not be collectible in full or in any substantial amount. The section requires that in each case of such omission to assess or to authorize the bringing of suit a report setting forth the facts as to the uncollectibility of the tax must be filed in the office of the Commissioner of Internal Revenue. There was no corresponding provision in the House bill. The House recedes with an amendment which omits from the bill entirely both the matter contained in section 402 of the House bill and the matter proposed to be inserted by the Senate amendment.

On amendment no. 122: Section 403 of the House bill imposed an embargo upon the importation or bringing into the United States of any distilled spirits, wines, or fermented malt liquors produced, manufactured, rectified, sold, or marketed by any person against whom there has been instituted, or against whom process has been issued for the institution of, any proceeding by the United States, based upon a claim arising out of the customs or internal-revenue laws in connection with an alleged bringing into the United States of liquors, and of any liquors in which such person has any interest, and of any liquors produced, marketed, etc., by any plant or business outside of the United States in which he has a substantial interest, direct or indirect, until such person submits to the jurisdiction of the proper court and furnishes security to insure payment of the claim. The Senate amendment strikes out section 403 of the House bill and inserts a new section 403 which amends section 239 of the Criminal Code (1) by eliminating the designation of "intoxicating liquor" and adding to spirituous liquor, or vinous, and malted liquor the designation "or other fermented liquor, or any compound containing any spiritous liquor, or vinous, malted, or other fermented liquor, fit for use for beverage purposes", (2) to limit the scope of its prohibition to shipments of liquors into States which prohibit the delivery or sale therein of such liquor as is designated, and (3) by providing a further penalty of imprisonment for not more than 1 year in addition to, or in lieu of, the present penalty of a fine of not more than $5,000. There was no corresponding provision in the House bill. The House recedes with an amendment which omits from the bill entirely both the matter contained in section 403 of the House bill and the matter proposed to be inserted by the Senate amendment.

The Senate amendments numbered 123 to 136, add new provisions. There were no corresponding provisions in the House bill.

On amendments nos. 123 and 124: These amendments amend the provisions of the tariff act to allow drawback of internal-revenue tax on distilled spirits and wines bottled especially for export and actually exported. The House recedes with amendments which make changes in section numbers.

On amendment no. 125: This amendment amends section 311 of the Tariff Act of 1930, (a) to permit the rectification of distilled spirits and wines in customs bonded warehouses, class 6, for shipment to Puerto Rico (as well as for export) exempt from all internal-revenue taxes; (b) to exempt the person so rectifying in the customs bonded warehouse from the payment of special tax as a rectifier; and (c) to provide that for the purposes of the section distilled spirits reduced in proof and bottled in such manufacturing warehouses shall be deemed to have been there manufactured. The House recedes with an amendment which makes a change in the section number.

On amendment no. 126: This amendment amends section 51 of the act of August 27, 1894 (which now authorizes the establishment of general bonded warehouses) to authorize the Commissioner of Internal Revenue to establish a single type of warehouse to be known as "internal revenue bonded warehouse" for the storage of distilled spirits (other than alcohol) until payment of tax thereon. The House recedes with amendments which make clerical and clarifying changes.

On amendment no. 127: This amendment (a) repeals section 3271 of the Revised Statutes (which now requires each distiller to provide a distillery warehouse on his bonded premises) but preserves the liabilities of all distillers for taxes and penalties arising out of the use of, or storage of distilled spirits in, distillery warehouses authorized, approved, or maintained under section 3271 of the Revised Statutes, and (b) provides for the designation as internal revenue bonded warehouses of all distillery, general, and special bonded warehouses lawfully established and used prior to the enactment of this act, and authorizes their continued use for the storage of distilled spirits (other than alcohol) upon the filing of such new bonds or the consents of sureties on existing bonds covering spirits in distillery or general or special bonded warehouses as the Commissioner shall consider adequate to insure the payment of taxes due the United States. The House recedes with amendments which make clerical and clarifying changes.

On amendment no. 128: This amendment abolishes the distinction between distillery, general, and special bonded warehouses and authorizes the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to prescribe regulations governing the establishment, construction, maintenance, and supervision of internal revenue bonded warehouses. The House recedes with amendments which make clerical and clarifying changes.

On amendment no. 129: This amendment exempts internal revenue bonded warehouses from the provisions of those sections of law which prior to the date of enactment of this act made distinctions between distillery, general, and special bonded warehouses. The House recedes with amendments which make clerical and clarifying changes.

On amendment no. 130: This amendment amends section 3296 of the Revised Statutes by striking therefrom the words "distillery warehouse" and inserting the words "internal revenue bonded warehouse." The section will then provide for the punishment of those who remove distilled spirits on which the tax has not been paid to a place other than the internal revenue bonded warehouse provided by law or remove distilled spirits from any such warehouse in a manner not authorized by law. The House recedes with an amendment making a change in the section number.

On amendment no. 131: This amendment authorizes the destruction or denaturation, exempt from tax, of distillates containing one-half of 1 percent or more of aldehydes or 1 percent or more of fusel oil (commonly referred to as heads and tails, respectively) removed in the course of distillation. The House recedes with an amendment making a change in the section number.

On amendment no. 132: This amendment amends section 3318 of the Revised Statutes to require rectifiers and wholesale liquor dealers to keep daily at their places of business covered by special tax stamps records of distilled spirits received and disposed of by them and to render under oath correct transcripts and summaries of such records, and to authorize the Commissioner in his discretion to require such records to be kept at the place where such spirits are actually received and sent out. The amendment requires such records to be preserved for such period as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe. The House recedes with amendments making a change in the section number and changing the period for which such records are required to be preserved to 4 years.

On amendment no. 133: This amendment amends section 62 of the act of August 27, 1894, insofar as that section relates to the keeping of records by distillers who sell only distilled spirits of their own production at the place of manufacture, or at the place of storage in bond, in the original packages to which the tax-paid stamps are affixed, to authorize the Commissioner in his discretion to prescribe the form of the records and of the transcripts and summaries thereof. The House recedes with amendments making the same changes as in the case of amendment no. 132.

On amendment no. 134: This amendment declares that all internal-revenue laws of the United States in regard to the manufacture and taxation of, and traffic in, distilled spirits, wines, and malt liquors, and all penalties for violations of such laws, that were in force at the time the National Prohibition Act was enacted, shall be and continue in force, except as they have been repealed or amended by acts other than (1) title II of the National Prohibition Act as amended and supplemented, and (2) section 1 of the Liquor Law Repeal and Enforcement Act, and except as they may be modified by, or may be inconsistent with, this act. The House recedes with an amendment making a change in the section number.

On amendment no. 135: This amendment provides that, except as provided in section 329 of this act, nothing contained in the act shall be construed as restricting or limiting the provisions of title III of the National Prohibition Act, as amended. This section preserves the distinction between alcohol and other distilled spirits. The House recedes with an amendment making a change in the section number.

CLERICAL AND CLARIFYING AMENDMENTS

On amendments nos. 2, 7, 10, 11, 13, 15, 17, 21, 37, 47, 49, 51, 53, 65, and 93: These amendments make changes in section and subsection references which are made necessary by the Senate amendments. The House recedes.

On amendments nos. 3, 4, 5, 6, 8, 9, 25, 34, 35, 70, 75, 76, 79, 80, 94, and 99: These amendments are all of a clerical or clarifying

nature. The Houses recedes on all these amendments with an amendment on no. 4, which makes a further clerical change.

On amendments nos. 24, 27, 28, 29, 30, 31, 32, 33, 38, 45, 48, 50, 52, 54, 56, 57, 58, 59, 62, 66, 71, 72, 78, 83, 90, 97, 114, 117, and 119: These amendments are changes in references to the United States Code which were brought up to date by referring to proper sections in the 1934 edition of the Code. The House recedes on all these amendments with an amendment on no. 117, which corrects a clerical error in the text of the House bill.

The Senate amended the title of the bill to conform to the Senate amendments. The House recedes.

AMENDMENTS REPORTED IN DISAGREEMENT

The committee of conference report in disagreement the following amendments of the Senate:

On amendment no. 95: The Senate amendment extends and makes applicable to Puerto Rico and the Virgin Islands, from and after August 27, 1935, title III of the National Prohibition Act relating to industrial alcohol, and all provisions of the internal-revenue laws relating to the enforcement thereof, the respective insular governments to advance to the Treasury of the United States such funds as may be required from time to time by the Secretary of the Treasury for the purpose of defraying all expenses incurred by the Treasury Department in connection with the enforcement in the islands of the title and regulations promulgated thereunder. There was no corresponding provision in the House bill.

On amendment no. 136: This amendment adds to the bill a new title designed to make the Federal Alcohol Administration an independent establishment of the Government instead of, as now, a division of the Treasury Department. While the name of the Administration is retained, the office of Administrator is abolished and his powers and duties are conferred and imposed upon the Federal Alcohol Administration, to be composed of three members appointed by the President by and with the advice and consent of the Senate. The compensation of the members is fixed at $10,000 a year. The appointment of officers and employees of the Administration, except attorneys and necessary experts, is to be subject to the civil-service laws; and the compensation of all officers and employees is to be fixed in accordance with the Classification Act. The usual provisions have been inserted for continuing in force the rules, regulations, permits, etc., that have been issued by the Federal Alcohol Administrator and for the continuation of proceedings, hearings, investigations, and suits.

Section 505 in the amendment, which amends the third paragraph of section 5 (e) of the Federal Alcohol Administration Act, clarifies that section and also limits the duties of internal-revenue officers with respect to withholding the release of distilled spirits from the bottling plant which are not covered by certificates of label approval or exemption granted by the Administrator.

Section 506 in the Senate amendment amends section 5 of the Federal Alcohol Administration Act to specify certain names which may be used on labels of wine produced in the United States.

Section 507 in the Senate amendment amends section 9 of the Federal Alcohol Administration Act, which provides for the disposition of forfeited distilled spirits, wines, and malt beverages, to declare that nothing in such section 9 shall affect the authority of the Secretary of the Treasury, under customs or internal-revenue laws, to remit or mitigate the forfeiture, or alleged forfeiture, of such distilled spirits, wines, or malt beverages.

R. L. DOUGHTON,
SAM B. HILL,
THOS. H. CULLEN,
FRED M. VINSON,
FRANK H. BUCK,
FRANK CROWTHER,
DAN'L A. REED,
THOS. A. JENKINS,
Managers on the part of the House.

Mr. SAMUEL B. HILL. Mr. Speaker, I have had no requests for time on the report, and I therefore move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 95: Page 66, after line 2, insert:

"(c) Title III of the National Prohibition Act, as amended, and all provisions of the internal-revenue laws relating to the enforcement thereof, are hereby extended to and made applicable to Puerto Rico and the Virgin Islands, from and after August 27, 1935. The respective insular governments shall advance to the Treasury of the United States such funds as may be required from time to time by the Secretary of the Treasury for the purpose of defraying all expenses incurred by the Treasury Department in connection with the enforcement in Puerto Rico and the Virgin Islands of the said title III and regulations promulgated thereunder. The funds so advanced shall be deposited in a separate trust fund in the Treasury of the United States and shall be available to the Treasury Department for the purposes of this subsection."

Mr. SAMUEL B. HILL. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 136: Page 94, after line 20, insert:

"TITLE V

"SEC. 501. (a) The Federal Alcohol Administration created as a division in the Treasury Department by section 2 (a) of the Federal Alcohol Administration Act, approved August 29, 1935 (Public, No. 401, 74th Cong.), is hereby made an independent establishment of the Government. The office of Administrator of the Federal Alcohol Administration is abolished, and hereafter the Federal Alcohol Administration shall be composed of three members, appointed as provided in section 502 of this title.

"(b) All rights, privileges, powers, and duties conferred or imposed upon the Administrator of the Federal Alcohol Administration are conferred and imposed upon the Federal Alcohol Administration. All papers, records, and property of the Administrator and the Federal Alcohol Administration, as a division of the Treasury Department, are transferred to the Federal Alcohol Administration as an independent establishment of the Government.

"(c) The Federal Alcohol Administration is authorized, without regard to the civil-service laws, to appoint such attorneys and experts, and, subject to the civil-service laws, to appoint such other officers and employees, as it deems necessary to carry out its powers and duties; and the compensation of all such attorneys, experts, and other officers and employees shall be fixed in accordance with the Classification Act of 1923, as amended. All officers and employees appointed by the Administrator and engaged in carrying out his powers and duties shall be officers and employees of the Federal Alcohol Administration: *Provided*, That no such officer or employee who does not already possess a competitive classified civil-service status shall thereby acquire such status, except upon recommendation by the Federal Alcohol Administration to the Civil Service Commission, subject to such noncompetitive tests of fitness as the Commission may prescribe; and no such officer or employee, except attorneys and experts, may be retained in the Federal Alcohol Administration without appropriate civil-service status for a period longer than 60 days from the effective date of this section.

"(d) All provisions of law applicable to the Administrator shall be applicable in the same manner and to the same extent to the Federal Alcohol Administration.

"SEC. 502. (a) The members of the Federal Alcohol Administration shall be appointed by the President, by and with the advice and consent of the Senate. Not more than two members of the Administration shall be members of the same political party. The terms of office of the members first taking office shall expire, as designated by the President, at the time of nomination, one at the end of the first year, one at the end of the second year, and one at the end of the third year after the date of the enactment of this act. A successor shall have a term of office expiring 3 years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy occurring prior to the expiration of such term shall be appointed for the remainder of such term. No person shall be eligible for appointment or continue in office as a member if he is engaged or financially interested in, or is an officer or director of or employed by a company engaged in, the production or sale or other distribution of alcoholic beverages or the financing thereof. Each member shall, for his services, receive compensation at the rate of $10,000 per annum, together with actual and necessary traveling and subsistence expenses while engaged in the performance of his duties as member outside the District of Columbia.

"(b) One of the members shall be designated by the President annually at the beginning of the calendar year as chairman and shall be the chief executive officer of the Administration; one of the members shall be designated by the President annually at the beginning of the calendar year as vice chairman of the Administration and shall perform the functions and duties of the chairman in his absence or in the event of his incapacity caused by illness; and one of the members, who shall be a lawyer, shall be designated by the President as general counsel of the Administration. The Administration may function notwithstanding vacancies, and a majority of the members in office shall constitute a quorum. The Administration shall meet at the call of the chairman or a majority of its members. The Administration is authorized to adopt an official seal, which shall be judicially noticed. The Administration shall be entitled to free use of the United States mails in the same manner as the executive departments.

"(c) The Administration is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its powers and duties.

"SEC. 503. (a) Sections 2 (b), 2 (c), and 2 (d) of the Federal Alcohol Administration Act are hereby repealed. All rules, regulations, orders, permits, and certificates, prescribed or issued by the Administrator and in full force and effect on the effective date of this section, shall continue in full force and effect until duly modified, superseded, or revoked.

"(b) All proceedings, hearings, investigations, or other matters pending before, or being carried on by, the Administrator shall be continued and brought to determination by the Administration.

"(c) No suit, action, or other proceeding lawfully commenced by or against any agency or officer of the United States shall abate by reason of the transfer of rights, privileges, powers, and duties, or the abolition of the office of Administrator, under the provisions of this title.

"SEC. 504. The unexpended balances of appropriations available for salaries and expenses of the Federal Alcohol Administration, as a division of the Treasury Department, shall be available for salaries and expenses of the Federal Alcohol Administration, as an independent establishment of the Government, including the salaries and expenses of the members of the Federal Alcohol Administration.

"SEC. 505. The third paragraph of section 5 (e) of the Federal Alcohol Administration Act is hereby amended to read as follows:

"'In order to prevent the sale or shipment or other introduction of distilled spirits, wine, or malt beverages in interstate or foreign commerce, if bottled, packaged, or labeled in violation of the requirements of this subsection, (1) no bottler of distilled spirits, no producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, and no brewer or wholesaler of malt beverages shall bottle, and (2) no person shall remove from customs custody, in bottles, for sale or any other commercial purpose, distilled spirits, wine, or malt beverages, respectively, after such date as the Administrator fixes as the earliest practicable date for the application of the provisions of this subsection to any class of such persons (but not later than Aug. 15, 1936, in the case of distilled spirits, and Dec. 15, 1936, in the case of wine and malt beverages, and only after 30 days' public notice), unless, upon application to the Administrator, he has obtained and has in his possession a certificate of label approval covering the distilled spirits, wine, or malt beverages, issued by the Administrator in such manner and form as he shall by regulations prescribe: *Provided*, That any such bottler of distilled spirits, or producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, or brewer or wholesaler of malt beverages shall be exempt from the requirements of this subsection if, upon application to the Administrator, he shows to the satisfaction of the Administrator that the distilled spirits, wine, or malt beverages to be bottled by the applicant are not to be sold, or offered for sale, or shipped or delivered for shipment, or otherwise introduced in interstate or foreign commerce. Officers of internal revenue are authorized and directed to withhold the release of distilled spirits from the bottling plant unless such certificates have been obtained, or unless the application of the bottler for exemption has been granted by the Administrator; and customs officers are authorized and directed to withhold the release from customs custody of distilled spirits, wine, and malt beverages, unless such certificates have been obtained. The district courts of the United States, the Supreme Court of the District of Columbia, and the United States court for any Territory shall have jurisdiction of suits to enjoin, annul, or suspend in whole or in part any final action by the Administrator upon any application under this subsection; or.'"

"SEC. 506. The second proviso of subdivision (e) of section 5 of the Federal Alcohol Administration Act is amended to read as follows: '*Provided further*, That nothing herein nor any decision, ruling, regulation or other action of any Department of the Government or official thereof shall deny the right of any person to use wholly or in part the wine names or brands Port, Sherry, Burgundy, Sauterne, Haut Sauterne, Rhine (Hock), Moselle, Chianti, Chablis, Champagne, Tokay, Malaga, Madeira, Marsala, Claret, Vermouth, Barbera, Cabernet, St. Julien, Riesling, Zinfandel, Medoc, or Cognac, or any other geographic name of foreign origin, upon any of the foregoing produced in the United States if of the same type and the use of such name or brand is qualified by the name of the State or other locality in the United States in which the product is produced, and, in the case of the use of such name or brand on any label or in any advertisement, if such qualification is as conspicuous as such name or brand: *And provided further*, That nothing in this section shall be held in any wise to affect or abridge any of the powers granted the Federal Alcohol Administration by an Act of Congress entitled the "Federal Alcohol Administration Act", approved August 29, 1935, to provide standards of identity, quality, labeling, or other regulations save as herein expressly provided as to said names or brands.'

"SEC. 507. Section 9 of the Federal Alcohol Administration Act (U. S. C., 1934 ed., supp. I, title 27, sec. 209) is amended by adding at the end thereof the following new subsection:

"'(e) Nothing in this section shall affect the authority of the Secretary of the Treasury, under the customs or internal-revenue laws, to remit or mitigate the forfeiture, or alleged forfeiture, of such distilled spirits, wines, or malt beverages.'

"SEC. 508. This title, except sections 502 and 505 shall take effect when a majority of the members of the Federal Alcohol Administration first appointed under the provisions of section 502 qualify and take office."

Mr. SAMUEL B. HILL. Mr. Speaker, amendment no. 136 involves title V of the bill. The only reason we brought it back in disagreement is that it carries an appropriation. We have therefore brought it back for a vote by the House; otherwise it would have been in the conference report. All of the matter in the amendment is agreed to, but because it involves an appropriation we had to bring it back to the House for a vote.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. SAMUEL B. HILL. I yield.

Mr. SNELL. It seems to me this is a very important amendment, as it sets up a new bureau in the Government. I think the gentleman from Washington should explain fully to the House exactly what the bill intends to accomplish.

Mr. SAMUEL B. HILL. There was a unanimous agreement by the conferees on the question of establishing an independent agency to be known as the Federal Alcohol Administration, rather than having this agency in the Treasury Department.

Mr. SNELL. Just what kind of agency is this to be, and how much of an agency is it going to be, and what will it cost?

Mr. SAMUEL B. HILL. It will be an agency composed of three members with a salary of $10,000 each, and the cost, in addition to the cost of the agency itself, will probably be the same as it would be in the Treasury Department.

Mr. SNELL. If you set up an independent agency, it always takes on more employees, and so forth, and costs more than it would if it were in one of the regular departments.

Mr. SAMUEL B. HILL. There is no reason for that in this case.

Mr. SNELL. Whether there is any reason for it or not, we know that the experience in the Government has been that it does cost more, and I think the gentleman ought to explain the matter a little more fully.

Mr. SAMUEL B. HILL. That is all there is to it. The gentleman understands that the Federal Alcohol Administration at the present time is an agency in the Treasury Department.

Mr. SNELL. And this is going to be an independent agency.

Mr. SAMUEL B. HILL. The amendment provides that instead of being an agency in the Treasury Department, the Federal Alcohol Administration will be an independent agency.

The appropriations available for the expenses and salaries of the Federal Alcohol Administration as an agency of the Treasury Department are to be available for the payment of expenses and salaries of this Administration as an independent agency.

Mr. SNELL. The gentleman does not think that when we establish an independent agency that that agency thinks it is more important than when it was under some department, and therefore the expenses and general control, and so forth, begin to widen?

Mr. SAMUEL B. HILL. I hardly think that would be true, because we would have to have the same machinery, except the board itself.

Mr. SNELL. That has been the experience of government so far, as far as I know. I do not know that I am opposing this, but I think the gentleman ought to explain it very carefully to the House.

Mr. SAMUEL B. HILL. I have done my best to explain it. I do not know of anything further about it to explain.

Mr. MICHENER. Will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. MICHENER. Is there any limitation placed on the number of employees that this new agency may require?

Mr. SAMUEL B. HILL. The number of employees, of course, will be limited by the need of the service and by the appropriation provided therefor. There is the power of limitation in the Congress, through the power of appropriation in providing for these employees.

Mr. MICHENER. This provides that the employees be taken from the civil service?

Mr. SAMUEL B. HILL. All except the experts.

Mr. MICHENER. How many experts?

Mr. VINSON of Kentucky. May I say that the only portion of this amendment that is really in disagreement is the language that appropriates money as placed in the amendment by the Senate. That is the reason it is necessary to bring back the amendment for the action of the House.

Mr. MICHENER. This carries how much in the way of appropriation?

Mr. SAMUEL B. HILL. It makes available to the Federal Alcohol Administration as an independent agency the unexpended balance appropriated for the expenses of the Administration as an agency in the Treasury Department.

Mr. VINSON of Kentucky. It reappropriates.

Mr. MICHENER. If this new agency were set up there would be no money to carry on. Therefore the conference report provides sufficient money from money already appropriated to carry on?

Mr. SAMUEL B. HILL. That is right.

Mr. HEALEY. Will the gentleman yield for a question?

Mr. SAMUEL B. HILL. I yield.

Mr. HEALEY. How will this affect the present personnel, the enforcement agency?

Mr. SAMUEL B. HILL. Presumably it will not affect the personnel.

Mr. HEALEY. I mean the civil-service personnel—inspectors and investigators—that are now employed by the alcohol tax unit?

Mr. VINSON of Kentucky. We have no information that there will be any change.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. McCORMACK. In that respect, it is my understanding that, naturally, the present personnel will continue. In connection with the statement made by the gentleman from New York [Mr. SNELL] I would like to ask the gentleman from Washington whether or not it was desired to have an independent agency because the primary purpose of the Treasury Department is for raising revenue, and this is a regulation provision?

Mr. SAMUEL B. HILL. That is correct.

Mr. McCORMACK. Really, the only change brought about is to take this out of the Treasury Department and create an independent agency? In every other respect it continues as it is now?

Mr. SAMUEL B. HILL. Yes.

Mr. McCORMACK. The appropriation made to the Treasury Department for the purposes of this activity is authorized to be used by the new agency established; is that not right?

Mr. SAMUEL B. HILL. That is right.

Mr. CROWTHER. Mr. Speaker, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. CROWTHER. The gentleman will recollect that as one of the conferees, I, as well as some of the others, stood in favor of a single head in charge of this commission?

Mr. SAMUEL B. HILL. That is correct.

Mr. CROWTHER. I finally yielded. My idea was that in the Federal Alcohol Administration we might have a single head, the same as the Commissioner of Internal Revenue. The question of expense was brought into the argument. I came to the conclusion that if we had an Administrator then he would have a deputy or assistant and he would have a general counsel. The law provides in this bill that one member of the Commission shall be appointed by the President as chairman, another as vice chairman, and the third one must be a lawyer who acts as general counsel. So that as between the two set-ups there was apparently no difference as regards the expense connected with the administration.

That is all I have to say in regard to the bill.

The SPEAKER. The Clerk will report the motion of the gentleman from Washington.

The Clerk read as follows:

Mr. SAMUEL B. HILL submits the following motion: "I move that the House recede and concur in Senate amendment no. 156 with an amendment as follows: Strike out the matter proposed to be inserted by the Senate amendment and in lieu thereof insert the following:

"'TITLE V

"'SECTION 501. (a) The Federal Alcohol Administration created as a division in the Treasury Department by section 2 (a) of the Federal Alcohol Administration Act, approved August 29, 1935 (Public, No. 401, 74th Cong.), is hereby made an independent establishment of the Government. The office of Administrator of the Federal Alcohol Administration is abolished, and hereafter the Federal Alcohol Administration shall be composed of three members appointed as provided in section 502 of this title.

"'(b) All rights, privileges, powers, and duties conferred or imposed upon the Administrator of the Federal Alcohol Administration are conferred and imposed upon the Federal Alcohol Administration. All papers, records, and property of the Administrator and the Federal Alcohol Administration, as a division of the Treasury Department, are transferred to the Federal Alcohol Administration as an independent establishment of the Government.

"'(c) The Federal Alcohol Administration is authorized without regard to the civil-service laws, to appoint such attorneys and experts, and, subject to the civil-service laws, to appoint such other officers and employees, as it deems necessary to carry out its powers and duties; and the compensation of all such attorneys, experts, and other officers and employees shall be fixed in accordance with the Classification Act of 1923, as amended. All officers and employees appointed by the Administrator and engaged in carrying out his powers and duties shall be officers and employees of the Federal Alcohol Administration: *Provided,* That no such officer or employee who does not already possess a competitive classified civil-service status shall thereby acquire such status, except upon recommendation by the Federal Alcohol Administration to the Civil Service Commission, subject to such noncompetitive tests of fitness as the Commission may prescribe; and no such officer or employee, except attorneys and experts, may be retained in the Federal Alcohol Administration without appropriate civil-service status for a period longer than 60 days from the effective date of this section.

"'(d) All provisions of law applicable to the Administrator shall be applicable in the same manner and to the same extent to the Federal Alcohol Administration.

"'SEC. 502. (a) The members of the Federal Alcohol Administration shall be appointed by the President, by and with the advice and consent of the Senate. Not more than two members of the Administration shall be members of the same political party. The terms of office of the members first taking office shall expire, as designated by the President at the time of nomination, one at the end of the first year, one at the end of the second year, and one at the end of the third year after the date of the enactment of this act. A successor shall have a term of office expiring 3 years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy occurring prior to the expiration of such term shall be appointed for the remainder of such term. No person shall be eligible for appointment or continue in office as a member if he is engaged or financially interested in, or is an officer or director of or employed by a company engaged in, the production or sale or other distribution of alcoholic beverages or the financing thereof. Each member shall, for his services, receive compensation at the rate of $10,000 per annum, together with actual and necessary traveling and subsistence expenses while engaged in the performance of his duties as member outside the District of Columbia.

"'(b) One of the members shall be designated by the President annually at the beginning of the calendar year as chairman and shall be the chief executive officer of the Administration; one of the members shall be designated by the President annually at the beginning of the calendar year as vice chairman of the Administration and shall perform the functions and duties of the chairman in his absence or in the event of his incapacity caused by illness; and one of the members, who shall be a lawyer, shall be designated by the President as general counsel of the Administration. The Administration may function notwithstanding vacancies, and a majority of the members in office shall constitute a quorum. The Administration shall meet at the call of the chairman or a majority of its members. The Administration is authorized to adopt an official seal, which shall be judicially noticed. The Administration shall be entitled to free use of the United States mails in the same manner as the executive departments.

"'(c) The Administration is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its powers and duties.

"'SEC. 503. (a) Sections 2 (b), 2 (c), and 2 (d) of the Federal Alcohol Administration Act are hereby repealed. All rules, regulations, orders, permits, and certificates, prescribed or issued by the Administrator and in full force and effect on the effective date of this section, shall continue in full force and effect until duly modified, superseded, or revoked.

"'(b) All proceedings, hearings, investigations, or other matters pending before, or being carried on by, the Administrator shall be continued and brought to determination by the Administrator.

"'(c) No suit, action, or other proceeding lawfully commenced by or against any agency or officer of the United States shall abate by reason of the transfer of rights, privileges, powers, and duties, or the abolition of the office of Administrator, under the provisions of this title.

"'SEC. 504. The unexpended balances of appropriations available for salaries and expenses of the Federal Alcohol Administration, as a division of the Treasury Department, shall be available for salaries and expenses of the Federal Alcohol Administration, as an independent establishment of the Government, including the salaries and expenses of the members of the Federal Alcohol Administration.

"'SEC. 505. The third paragraph of section 5 (e) of the Federal Alcohol Administration Act is hereby amended to read as follows:

"'"In order to prevent the sale or shipment or other introduction of distilled spirits, wine, or malt beverages in interstate or foreign commerce, if bottled, packaged, or labeled in violation of the requirements of this subsection, (1) no bottler of distilled spirits, no producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, and no brewer or wholesaler of malt beverages shall bottle, and (2) no person shall remove from customs custody, in bottles, for sale or any other commercial purpose, distilled spirits, wine, or malt beverages, respectively, after such date as the Administrator fixes as the earliest practicable date for the application of the provisions of this subsection to any class of such persons (but not later than Aug. 15, 1936, in the case of distilled spirits, and Dec. 15, 1936, in the case of wine and malt beverages, and only after 30 days' public notice), unless, upon application to the Administrator, he has obtained and has in his possession a certificate of label approval covering the distilled spirits, wine, or malt beverages, issued by the Administrator in such manner and form as he shall by regulations prescribe: *Provided*, That any such bottler of distilled spirits, or producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, or brewer or wholesaler of malt beverages shall be exempt from the requirements of this subsection if, upon application to the Administrator, he shows to the satisfaction of the Administrator that the distilled spirits, wine, or malt beverages to be bottled by the applicant are not to be sold, or offered for sale, or shipped or delivered for shipment, or otherwise introduced, in interstate or foreign commerce. Officers of internal revenue are authorized and directed to withhold the release of distilled spirits from the bottling plant unless such certificates have been obtained, or unless the application of the bottler for exemption has been granted by the Administrator; and customs officers are authorized and directed to withhold the release from customs custody of distilled spirits, wine, and malt beverages, unless such certificates have been obtained. The District Courts of the United States, the Supreme Court of the District of Columbia, and the United States court for any Territory shall have jurisdiction of suits to enjoin, annul, or suspend in whole or in part any final action by the Administrator upon any application under this subsection; or."

"'SEC. 506. The second proviso of section 5 (e) of the Federal Alcohol Administration Act is amended to read as follows: "*Provided further*, That nothing herein nor any decision, ruling, regulation, or other action of any Department of the Government or official thereof shall deny the right of any person to use wholly or in part the wine names or brands Port, Sherry, Burgundy, Sauterne, Haut Sauterne, Rhine (Hock), Moselle, Chianti, Chablis, Tokay, Malaga, Madeira, Marsala, Claret, Vermouth, Barbera, Cabernet, Saint Julien, Riesling, Zinfandel, Medoc, or Cognac, or any other geographic name of foreign origin (except Champagne), upon any of the foregoing produced in the United States if of the same type and the use of such name or brand is qualified by the name of the State or other locality in the United States in which the product is produced, and, in the case of the use of such name or brand on any label or in any advertisement, if such qualification is as conspicuous as such name or brand: *And provided further*, That except as herein expressly provided as to said names or brands, nothing in this section shall be held in any wise to affect or abridge any of the powers granted to the Federal Alcohol Administration to provide standards of identity, quality, labeling, or other regulations."

"'SEC. 507. Section 9 of the Federal Alcohol Administration Act (U. S. C., 1934 ed., supp. I, title 27, sec. 209) is amended by adding at the end thereof the following new subsection:

"'"(e) Nothing in this section shall affect the authority of the Secretary of the Treasury, under the customs or internal-revenue laws, to remit or mitigate the forfeiture, or alleged forfeiture, of such distilled spirits, wines, or malt beverages, or the authority of the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to compromise any civil or criminal case in respect of such distilled spirits, wines, or malt beverages prior to commencement of suit thereon, or the authority of the Secretary of the Treasury to compromise any claim under the customs laws in respect of such distilled spirits, wines, or malt beverages."

"'SEC. 508. This title, except sections 502, 505, and 507, shall take effect when a majority of the members of the Federal Alcohol Administration first appointed under the provisions of section 502 qualify and take office.'"

The SPEAKER. The question is on the motion of the gentleman from Washington [Mr. SAMUEL B. HILL].

The motion was agreed to.

A motion to reconsider the vote was laid on the table.

CHALMETTE NATIONAL MONUMENT

Mr. DEROUEN, from the Committee on the Public Lands, submitted a conference report (Rept. No. 2993) and statement on the bill (H. R. 5368) to provide for the addition of certain lands to Chalmette National Monument, in the State of Louisiana, and for other purposes.

REGULATION OF LOBBYING

Mr. CELLER. Mr. Speaker, I call up the conference report on the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill, H. R. 11663, an act to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That when used in this Act—

"(a) The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make contribution;

"(b) The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure;

"(c) The term 'person' includes an individual, partnership, committee, association, corporation, and any other organization or group of persons;

"(d) The term 'Clerk' means the Clerk of the House of Representatives of the United States.

"SEC. 2. It shall be the duty of every person who shall in any manner solicit or receive a contribution to any organization or fund for the purposes hereinafter designated to keep a detailed and exact account of

"(1) All contributions of any amount or of any value whatsoever;

"(2) The name and address of every person making any such contribution and the date thereof;

"(3) All expenditures made by or on behalf of such organization or fund; and

"(4) The name and address of every person to whom any such expenditure is made and the date thereof.

"(5) It shall be the duty of such person to obtain and keep a receipted bill, stating the particulars, for every expenditure of such funds exceeding $10 in amount, and to preserve all receipted bills and accounts required to be kept by this section for a period of at least two years from the date of the filing of the statement containing such items.

"SEC. 3. Every individual who received a contribution for any of the purposes hereinafter designated shall within five days after receipt thereof render to the person or organization for which such contributions were received a detailed account thereof, including the name and address of the person making such contribution and the date on which received.

"SEC. 4. Every person receiving any contributions or expending any money for the purposes hereinafter designated shall file with the Clerk between the first and the tenth day of each month, a statement containing complete as of the day next preceding the date of filing.

"(1) The name and address of each person who has made a contribution of any size or value not mentioned in the preceding report; except that the first report filed pursuant to this Act shall contain the name and address of each person who has made any contribution to such person since the effective date of this Act.

"(2) The total sum of the contributions made to or for such person during the calendar year and not stated under paragraph (1);

"(3) The total sum of all contributions made to or for such person during the calendar year;

"(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure;

"(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4);

"(6) The total sum of expenditures made by or on behalf of such person during the calendar year;

"(7) The statements required to be filed by subdivision (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

"SEC. 5. A statement required by this act to be filed with the clerk—

"(a) Shall be verified by the oath or affirmation of the person filing such statement, taken before any officer authorized to administer oaths;

"(b) Shall be deemed properly filed when deposited in an established post office within the prescribed time, duly stamped, registered, and directed to the clerk at Washington, District of Columbia, but in the event it is not received, a duplicate of such statement shall be promptly filed upon notice of the clerk of its nonreceipt;

"(c) Shall be preserved by the Clerk for a period of two years from the date of filing, shall constitute a part of the public record of his office, and shall be open to public inspection.

"SEC. 6. The provisions of this Act shall apply to any individual, partnership, committee (except a political committee as defined in the Federal Corrupt Practices Act, and duly organized State or local committees of a political party), association, corporation, or any other organization or group of persons who by themselves, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, solicit, collect, or receive money or other thing of value to be used principally to aid, or the principal purpose of which person is to aid, in the accomplishment of any of the following purposes:

"(a) The enactment or defeat of any legislation or appropriation by the Congress of the United States or the repeal or nonrepeal of any existing laws of the United States, or adoption or defeat of any amendment to the Constitution of the United States.

"(b) To influence directly or indirectly the passage or defeat of any legislation or appropriation by the Congress of the United States.

"(c) To influence, directly or indirectly, the election or defeat of any candidate for any elective Federal office.

"SEC. 7. Any person who shall engage himself for pay or for any consideration for the purpose of attempting to influence the passage or defeat of any pending or proposed legislation or appropriation by the Congress of the United States shall, before doing anything in furtherance of such object, register with the Clerk of the House of Representatives and the Secretary of the Senate and shall give to those officers, in writing and under oath, his name and business address and the name and address of the person by whom he is employed and in whose interest he appears or works as aforesaid, how much he is paid and is to receive, by whom he is paid or is to be paid, how much he is to be paid for expenses, and what expenses are to be included. Each such person so registering shall, at the end of each three month period, so long as his activity continues, file with the Clerk and Secretary aforesaid a detailed report of all money received and expended by him during such three month period in carrying on his work as aforesaid; to whom paid; for what purposes; and the names of any papers, periodicals, magazines, or other publications in which he has caused to be published any articles or editorials. The provisions of this section shall not apply to any person who merely appears before a committee of the Congress of the United States in support of or opposition to pending legislation and who engages in no further or other activities in connection with the passage or defeat of such legislation; nor to any public official acting in his official capacity.

"SEC. 8. That any person who shall engage himself for pay or for any consideration for the purpose of attempting to influence any Federal department, bureau, agency, or Government official, or Government employee, to make, modify, alter, or cancel any contract with the United States, or any United States department, bureau, agency, or official in the administration of any governmental duty, so as to give any benefit or advantage to any private corporation or individual, shall file with such department, bureau, or agency in such form and detail and at such times as said department, bureau, or agency shall by rules and regulations or orders prescribe as necessary or appropriate in the public interest a statement of the subject matter in respect of which such person is retained or employed, which statement may be required to contain the nature and character of such retainer or employment and the amount of compensation received or to be received by such person directly or indirectly in connection therewith. It shall be the duty of each Federal department, bureau, or agency to promulgate and put into effect such rules, regulations, and orders with respect to the form and filing of such reports as may be necessary to effect the purposes of this act.

"SEC. 9. All reports required under this bill shall be made under oath, before an officer authorized by law to administer oaths.

"SEC. 10. Any person who violates any of the provisions of this Act or who may engage in the practices heretofore set out without first complying with the provisions of this Act, shall be guilty of a misdemeanor, and upon conviction, shall be punished by a fine of not more than $5,000.00 or imprisonment for not more than twelve months, or by both such fine and imprisonment.

"SEC. 11. Any person who shall make a false affidavit, where an affidavit is required in this Act, shall be guilty of perjury, and upon conviction, shall be punished by imprisonment for not more than two years.

"SEC. 12. If any provision of this title or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

"SEC. 13. The provisions of this Act shall not apply to practices or activities intended to be regulated by the Federal Corrupt Practices Act nor be construed as repealing any portion of said Federal Corrupt Practices Act, or any other statute heretofore enacted or any portion thereof."

And the Senate agree to the same.

ZEBULON WEAVER,
EMANUEL CELLER,
JOHN E. MILLER,
U. S. GUYER,
WM. E. HESS,
FRANCIS E. WALTER,
Managers on the part of the House.

CARL A. HATCH,
G. W. NORRIS,
WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, submit the following written statement explaining the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report:

The Senate amendment struck out all after the enacting clause of the House bill and inserted its own bill in lieu thereof. The House receded from its disagreement to the Senate amendment, with an amendment which is a substitute both for the House bill and the Senate amendment. The differences between the House bill, the Senate bill, and the substitute agreed to by the conferees are noted below.

The first seven sections of the conference report are identical with the first seven sections of the House bill, with the exception of the following minor amendments:

(1) The first amendment requires persons expending money for the purposes set out in the act to register as well as those receiving money for such purposes.

(2) The House bill required the first report filed pursuant to this act to contain the name and address of each person who during the preceding 6 months made a contribution required to be reported. The conference report changes the wording to require such report to contain the name and address of each person making a contribution after the effective date of this act.

(3) In section 7 the words of the House bill, "to attempt to influence", are changed by the conference report to read, "for the purpose of attempting to influence."

The House bill required registration only of persons attempting to influence legislation pending before Congress. The Senate amendment added provisions requiring registration of persons who engage themselves for pay or for any consideration to attempt to influence any Federal department, bureau, agency, or Government official or employee to make, modify, alter, or cancel any contract with the United States, or any bureau, agency, or official, as such official, or to influence any such bureau, department, agency, or official in the administration of any governmental duty so as to give benefit or advantage to any private corporation or individual. The House accepted the Senate amendment with amendments, which is section 8 of the conference report. Under this section the report is to be filed with the bureau or agency sought to be influenced, in such form and detail and at such times as said bureau or agency shall prescribe by regulations. The statement to be filed must include the subject matter of such employment, and may include the nature and character of the retainer or employment and the amount of compensation received or to be received by such person directly or indirectly in connection therewith. Persons who merely appear before a committee or board in open session, giving testimony or making arguments, for or against any pending matter, and who engage in no further activities in connection therewith, are exempted from the provisions of the act.

All reports are required to be made under oath. The penalties for violation of the act are a fine of not more than $5,000 or imprisonment for not more than 12 months, or by both such fine and imprisonment. Any person making a false affidavit shall be guilty of perjury and upon conviction shall be punished by imprisonment for not more than 2 years.

Section 12 of the conference report is section 9 of the House bill. This section is the usual separability clause.

Section 13 of the conference report provides that this act shall not apply to practices or activities intended to be regulated by the Federal Corrupt Practices Act nor be construed as repealing any portion of said Federal Corrupt Practices Act, or any other statute heretofore enacted or any portion thereof. This is the same as

section 10 of the House bill with the addition of the clause "or any other statute heretofore enacted or any portion thereof."

EMANUEL CELLER,
ZEBULON WEAVER,
FRANCIS E. WALTER,
JOHN E. MILLER,
U. S. GUYER,
WM. E. HESS,
Managers on the part of the House.

Mr. SNELL. Mr. Speaker, will the gentleman from New York explain the bill?

Mr. CELLER. The bill provides, briefly, for accountings by persons and organizations that are set up principally, and I use the word "principally" advisedly, for the purpose of influencing, directly or indirectly, any legislation or appropriation, or to influence, directly or indirectly, the passage or defeat of any legislation or an appropriation or an amendment to the Constitution, or to influence, directly or indirectly, the election or defeat of any person to any elective Federal office. These provisions require careful and rather minute and detailed bookkeeping and accounting of moneys received and disbursed. Political committees defined in the Federal Corrupt Practices Act are excepted.

Th esecond portion of the bill provides that any person—the term "person" includes a committee, association, or corporation—who shall engage himself for pay or any kind of consideration for the purpose of attempting to influence the passage or defeat of any legislation or appropriation and for that purpose appears before a committee or takes other appropriate action comes within the provisions of the act and must register with the Clerk of the House and the Secretary of the Senate. Each person thus lobbying must continue to register quarterly so long as his employment continues. He must state his compensation, the name and address of his employer or employers, the moneys expended, the amount, and for what purpose. He must indicate whatever propaganda he has initiated and continued, and names of the papers, magazines, and periodicals carrying the statements and propaganda.

If there is a casual, a single, appearance before a committee, he need not register in that fashion. The provisions of the section, for example, would not apply to any person who merely appeared before a committee in support of or in opposition to pending legislation; the bill says so in so many words. It is the professional lobbyist that is sought by the bill. If a man appears before a committee and engages in no other activity in connection with a bill, no registration is necessary. If he appeared for pay in an attempt to influence legislation or balk the passage of a bill before a committee and received compensation therefor, he must register in the manner provided.

That, I may say, was the House bill in general terms. The Senate bill went further and provided a third general section setting up various requirements to be complied with by any person who for profit or consideration appears before any bureau, department, or governmental agency in an endeavor to influence those in charge of that agency, bureau, or department in the way of modifying a contract or changing the actions or influencing favorable actions of those officials in charge of such bureaus or departments. If they act for profit, they come within the provisions of the act and must register in accordance with rules and regulations prescribed by the departments, agencies, or bureaus. First, the appearance before the governmental agency must be for pay. Second, the attempt must be to influence the Government officials so as to confer some advantage upon the person thus appearing. Then registration is essential in pursuance of rules and regulations of the department before which such person appears.

The House conferees thought the Senate had gone too far on this matter of lobbying restrictions so far as executive departments were concerned. After considerable deliberation, it was agreed that we would go along partly with the Senate and require registration of anyone appearing for profit before a department, bureau, or agency in accordance with rules and regulations to be promulgated by the department, bureau, or agency. The Senate originally required that the rules and regulations must provide that the individuals thus appearing to influence the department must state the nature and character of the retainer and the amount of compensation, and give all manner and kind of details. As a result of the deliberations we came to this compromise, that the statement the lobbyist would have to file would be in accordance with rules and regulations of the department, without making it mandatory that the rules and regulations require the individual to state the nature and character and amount of the retainer. That was left purely discretionary with the department in their promulgation of rules and regulations. Thus we finally agreed that the disclosure of the retainer and details thereof be discretionary and not mandatory regulations. It is to be mandatory that the rules and regulations only require a statement of the subject matter in respect of which such person or lobbyist is retained.

Mr. SNELL. Does that mean that under the present bill, as the gentleman views it, if a man wanted to come to Washington and appear before a department in connection with some business for a firm he represented, that before he could appear he must register under the rules and regulations of the department?

Mr. CELLER. If he came here specifically engaged for pay in that appearance—yes.

Mr. SNELL. We would not expect a lawyer to represent a man and not be paid for his services.

Mr. CELLER. If he were a lawyer engaged for compensation by the principal to appear before a department, he would have to register according to the rules to be promulgated by that department.

Mr. SNELL. He would have to consult the rules first and disclose whatever information was required before he could appear before the committee or department?

Mr. CELLER. He would have to disclose whatever was required by the rules and regulations of the particular department before which he wished to appear.

Mr. SNELL. He would have to find out what the rules and regulations were first.

Mr. CELLER. Certainly.

Mr. SNELL. As a matter of fact, the net result of this would be that the business would come to the man who was here in Washington registered.

Mr. CELLER. I do not think that is a fair inference to be drawn.

Mr. SNELL. I thought it was a fair question. It seems to me that is the way it would result.

Mr. CELLER. I cannot answer the question the way the gentleman wanted it answered. There could be no limitation as to who would have the right to register.

Mr. SNELL. I did not ask the gentleman to answer in any particular way. It seems to me it would drive business to those who are registered in Washington to appear before the departments and bureaus.

Mr. CELLER. Any man who seeks to do what this bill says he should not do offends against it. Any man who appears before the departments for compensation or profit would register and disclose what the rules and regulations require. That is nothing more than the Treasury Department requires now, and is nothing more than what many of the departments require now. The R. F. C., the S. E. C., the Federal Communications Commission, the Patents Bureau, and many other departments require no more, no less, than this bill's requirements in this connection.

As I say, instead of making a disclosure of the compensation received mandatory, it is left discretionary with the departments.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MICHENER. As a matter of fact, the House bill was the Smith bill and the Senate bill was the Black bill.

These are known as the antilobbying bills. I understand the conferees are in unanimous agreement?

Mr. CELLER. They are in unanimous agreement.

Mr. MICHENER. The Smith bill, as it passed the House, was aimed directly at movements like the Father Coughlin

movement and the Townsend movement. It required all of those people to keep books and a record of the individuals who gave a nickel or a dime. It required reports and things of that kind. Are those provisions still in the bill?

Mr. CELLER. Those provisions are in the bill in this sense: Any entity organized principally to influence legislation or to elect or defeat candidates for Federal office must keep a record of receipts and disbursements.

Any organization whose principal function is to influence legislation or influence such Federal elections must keep these accounts and do this filing.

Mr. MICHENER. As a matter of fact, if this bill is strictly complied with it would be physically impossible for the Coughlin group or the Townsend group—and I am not speaking for them—to function as they do now.

Mr. CELLER. I am not familiar enough with the practices of these organizations. If they come under the bill they would have to comply, whether it would be easy or difficult so to do. For example, the American Federation of Labor would not have to register under the provisions of this act, because the American Federation of Labor has not been principally devised and organized to elect Federal officials or to influence legislation. Those are only incidental functions. The American Federation of Labor embraces many purposes, only one of which has to do, namely, with the influencing of legislation. The word "principally" was added so as to exempt organizations like the American Legion, Veterans of Foreign Wars, the American Federation of Labor, and so forth.

Mr. BOILEAU. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. In the House bill there were provisions to the effect that these organizations would have to file with the Clerk of the House of Representatives the names of all contributors, whether the contribution was a nickel or a dime, or what not; and such organizations as the gentleman from Michigan referred to, having millions of contributors of small amounts, would have to file the names of those contributors. Is that section still in the bill?

Mr. CELLER. Yes; it is still in the bill. It is the duty of House conferees always to preserve as much as possible of the House bill. Conferees would not be doing their duty otherwise.

Mr. BOILEAU. At the time that that bill was up in the House for consideration I offered an amendment which required the organization to file a statement showing the total amount of the contributions, but listing only the names of those who contributed $5 or more. I understood there was some concession made along that line. However, they still would have to file the names of the millions of people who may have contributed 5 or 10 cents each month?

Mr. CELLER. We took the Smith bill. The Smith bill remained intact. The House voted on that bill, and we dared not change it. The Senate concurred in it.

Mr. BOILEAU. I would like to go along with the gentleman on this bill, but it seems to me that is an unreasonable provision.

Mr. CELLER. Remember, the House passed the bill originally with the provision the gentleman objected to in it.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. MARCANTONIO. Did I understand the gentleman to say that this bill is applicable only to those corporations which are formed principally for the purpose of influencing legislation or influencing Federal elections?

Mr. CELLER. That is correct.

Mr. MARCANTONIO. A public utility holding company is not formed principally for the purpose of influencing legislation. Therefore a public utility holding company would not come under the provisions of this bill?

Mr. CELLER. They might. For example, they would if a public utility hired somebody who appeared before a committee and paid that somebody a compensation. If they hired a lawyer to appear before a committee or department or hired some agent in Washington for compensation to appear before a committee or to appear before a department, that lawyer or that agent would have to register and state who his principal was and give the details of the retainer.

Mr. MARCANTONIO. But let us take such organizations as mentioned by the gentleman from Michigan, such as the Townsendites, Father Coughlinites, and the unemployment groups. These groups will have to register and they will have to give a list of every single contributor, whether the contributor has donated 5 cents or a penny, is that right?

Mr. CELLER. If the Townsend organization is created principally for the purpose of influencing legislation it would have to tell what the contributions were and where they come from, and tell how the moneys were dispersed and for what purpose.

Mr. MARCANTONIO. If the gentleman will bear with me, may I make this further statement? Insofar as the public-utility companies are concerned, as they are not organized principally for the purpose of influencing legislation, the same obligations do not fall on them which this bill places on such organizations as unemployment groups, the Townsend group, Father Coughlinites, and various other groups.

So that in that respect the public-utility holding companies are not by any means curbed in their lobbying down here as you are curbing the unemployment organizations, the Townsend group, the National Union for Social Justice, and various other groups who openly and aboveboard admit they exist for the purpose of influencing legislation. This group penalizes those who operate in the broad daylight and permits those who operate in the dark to continue their nefarious practices.

Mr. CELLER. I do not agree with the gentleman at all.

Mr. MARCANTONIO. Well, the public-utilitity holding companies are not curbed at all.

Mr. CELLER. I do not agree with the gentleman.

Mr. MARCANTONIO. Will the gentleman show me the distinction?

Mr. CELLER. If the public-utility companies sent someone down here to appear before the various departments or agencies or to appear before the gentleman's committee or my committee, and their agent or lawyer received compensation, the agent or lawyer would have to register.

Mr. MARCANTONIO. But they do not have to list their contributors because those organizations are not formed principally for the purpose of influencing legislation. The unemployed and other groups are forced to list their contributors. The joker in this bill becomes more and more apparent.

Mr. CELLER. I may say to the gentleman that if these utilities banded together and collected funds to defray expenses to be incurred to influence legislation or to defeat legislation these utilities would have to give an accounting of all contributions to the fund, and a list of all contributors, the purposes for which the money was raised. They would fare no better nor worse than the Townsend group. Such fund would be one raised to influence elections or legislation and hence the accounting would have to be filed periodically with the Clerk of the House.

Remember, no one can devise a perfect bill. This bill seeks to scotch the common evil of unwholesome and illegitimate and improper lobbying. To do a great good it may do some little injustice. It is not a perfect bill. No perfect bill is possible.

Mr. MARCANTONIO. But under this bill the public-utility holding companies are protected.

Mr. CELLER. That is not so. They must comply if they attempt to do any of the things covered by the bill.

Mr. MICHENER. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Michigan.

Mr. MICHENER. As a matter of fact, the gentleman has suggested that the American Federation of Labor, for instance, would not be compelled to register. By the same token the National Manufacturers' Association, the Chamber of Commerce, and other agencies engaged in influencing legislation in Washington would not be compelled to register

provided they had some other activity. Now, as a matter of fact, this bill if enacted into law and carried out would require the filing once each month of every contributor, for instance, to the Townsend plan. There would be necessarily a filed list of the members in good standing and paying dues of the several Townsend clubs throughout the country. Everybody who contributed to Father Coughlin would be compelled to have his name entered by the Clerk here at least once a month and the amount he gave.

Mr. CELLER. The gentleman is taking for granted he knows what the plan, scope, and purposes of the Father Coughlin organization and the Townsend organization are. I have not examined the charter or bylaws of those organizations, and I do not know.

Mr. MICHENER. Neither have I. I take what they state.

Mr. CELLER. I do not know what comes within the purview of their organization or charter. For example, if they are organized principally for the purpose of influencing legislation here they would come within the provisions of this bill. As for the National Manufacturers Association or the United States Chamber of Commerce, if they, for example, collect a fund from their Members, just as Townsend collects a fund from his adherents, for the purpose of influencing legislation they would come under this bill's restrictions. There are no favorites. There are no special privileges; all are treated alike.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. McCORMACK. If my friend says that the American Federation of Labor is exempt, how is it that he also says that the public utilities are included?

Mr. CELLER. The American Federation of Labor, I take it, from my knowledge of that organization, has various purposes that it seeks to accomplish. It seeks to better labor conditions in many other ways other than through legislation.

Mr. McCORMACK. So have the public utilities.

Mr. CELLER. Just a minute. I started to say that the American Federation of Labor is not principally engaged in the practice of changing statutes or laws.

Mr. McCORMACK. I agree with the gentleman.

Mr. CELLER. Now, a utility corporation, if it wants to effect a change in a statute, usually hires a lawyer or some sort of agent to come here for compensation and appear before the various committees or appear before the various bureaus. The American Federation of Labor usually sends its own employees down here.

Mr. McCORMACK. Not necessarily.

Mr. CELLER. Yes; I have inquired about that. It does not hire a lawyer specifically to appear before a committee and pay him just for that job.

Mr. McCORMACK. Not always.

Mr. CELLER. It has a legislative branch among its activities, over which there presides an officer or officers or aides, and they come down to the various committees. They do not receive any specific compensation for their work here, and therefore they would not come within the purview of this bill. Their appearance is incidental to many other functions or activities.

Mr. McCORMACK. I cannot see the distinction.

Mr. SWEENEY. Mr. Speaker, will the gentleman yield.

Mr. CELLER. I yield to the gentleman from Ohio.

Mr. SWEENEY. The gentleman is making a fine explanation, but what I want to know is this: Are we going to get any time to oppose this matter? The gentleman is in charge of the time.

Mr. CELLER. I shall be pleased to yield time.

Mr. SWEENEY. Is the gentleman going to consume all the time?

Mr. CELLER. I did not intend to do so, and I shall be very pleased to desist now.

Mr. HEALEY. Mr. Speaker, will the gentleman yield for just a moment?

Mr. CELLER. I yield.

Mr. HEALEY. As a matter of fact, as the bill is now written, it is a discriminatory bill against the organizations that are formed wholly for the purpose of influencing legislation.

Mr. CELLER. That is a correct assumption.

Mr. HEALEY. And some of these other organizations not formed for that purpose may influence legislation just as much.

Mr. MARCANTONIO. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Mr. Speaker, this is a very important bill and we ought to have a quorum here. I make the point of no quorum, Mr. Speaker.

Mr. O'CONNOR. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. MARCANTONIO. I withhold it.

Mr. O'CONNOR. In view of the situation which has developed—we did not think this matter would take so long—it is my purpose to move to recess very shortly.

First, Mr. Speaker, I ask unanimous consent to insert in the RECORD two speeches, one made by Postmaster General Farley and one by General Hines, explaining the distribution of the bonus bonds.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

DELIVERY AND PAYMENT OF ADJUSTED-SERVICE BONDS

Mr. O'CONNOR. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following special radio message of Postmaster General James A. Farley to the veterans of the Nation explaining the final preparations for the delivery and payment of the adjusted-service bonds over a Nation-wide radio hookup (National Broadcasting Co., blue network), on June 13, 1936:

It is my privilege tonight to bring to the men and women who participated in the World War a last-minute message explaining the final preparations for the delivery and payment of adjusted-service bonds.

This will be a big task; its magnitude can hardly be appreciated by one not having an intimate knowledge of the numerous details as worked out by the three Government agencies concerned, namely, the Veterans' Administration, the Treasury Department, and the Post Office Department.

Approximately 3,518,000 veterans will receive 38,000,000 bonds, valued at $1,900,000,000. These shipments by mail will total 300 tons in weight, enough to fill completely more than 25 full-sized railway postal cars.

The first step necessary was the surrender by the veteran of his or her adjusted-service certificate and the filing of an application. The Veterans' Administration is the Federal agency which reviews these applications and determines the amounts to be paid.

To the Treasury Department went the equally difficult job of working out the many details incident to the issuance and preparation of the bonds for mailing, as well as their redemption.

In order that the veterans may be accommodated to the fullest extent and put to as little inconvenience as possible, the Post Office Department, with its trained personnel and more than 45,000 post offices located in all parts of the United States, Alaska, Hawaii, Puerto Rico, the Virgin Islands, and Guam and Samoa, has been called upon to deliver the bonds and make payment on request.

The Postal Service welcomes this opportunity to serve the veterans and fully appreciates the importance of the undertaking.

There is one point I wish to make clear—the bonds may not be dispatched or delivered by the Postal Service until June 15, the date prescribed by law for first release. The dispatch of millions of the bonds will commence immediately after 12 o'clock tomorrow night. On Monday thousands of veterans will actually have the bonds in their possession and many who desire to redeem them will receive their checks a few days thereafter.

All veterans will receive their adjusted-service bonds by registered mail, together with checks for odd amounts of less than $50 and a circular letter giving detailed information concerning certification and payment. Delivery will be made to the addressee only. Under no circumstances may delivery be made to other than the person named as the addressee, even though addressed in care of some person, firm, hotel, or institution. It is important, therefore, that veterans arrange to be at their homes or at the addresses given by them in their applications when delivery of the bonds is expected. If delivery cannot be made at the post office to which originally addressed, the registered letter will be returned to the sender, as it may not be forwarded to another office.

In some of the larger cities postmasters will arrange for a night delivery starting about 5:30 p. m. This arrangement will relieve veterans of the necessity of losing time from their places of employment.

In the large cities and many of the small towns, announcements have been made over the radio and through the press advising veterans the date delivery is to start. Every attempt will be made by the Postal Service to deliver the bonds to the veteran at home for the reason that it will be much easier to furnish suitable identification there than it would be at the post-office delivery windows. I would advise each veteran who is not known to the carrier on his route to have someone available to identify him who is acquainted with the carrier.

Due to incomplete applications, the Treasury Department may not be able to turn over all veterans' bonds to the Postal Service by June 15, but you may rest assured that bonds received at post offices subsequent to that date will receive the same speedy service.

Veterans residing on rural routes will receive their bonds from the rural carriers. It will be necessary for veterans on star routes to call at post offices for their bonds, because it would be unlawful for the postmaster to turn such letters over to the star-route carrier, as he is not a regular classified postal employee. However, the veterans on star routes need make only one trip to the post office for delivery of the bonds and payment if desired.

Now as to details concerning payment: All post offices, wherever located, will certify to requests of veterans for payment, and 241 post offices have been selected to issue checks.

When a veteran desires payment all he need do is to go to his local post office, identify himself, and sign the request for payment on the back of each bond. The postmaster will then make the necessary certification, and if his office is not authorized to issue a check he will send the bonds to a central office, where a check for the proper amount will be issued and mailed direct to the veteran's address. This check will be a warrant drawn against the Treasurer of the United States and may be cashed by the veteran in the same manner as other checks—through banks, stores, and other business establishments.

In the event a veteran is not personally known to the postmaster or an employee of his post office he should have one or two responsible persons with him who are known to identify him. This is necessary for the reason that postal employees who certify to requests for payment will be held personally responsible for all improper certifications. If you are a member of a veterans' organization, it is suggested that you contact the officers of your post, and I have been assured that arrangements will be made by them to help you secure necessary identification.

It was realized that because of the large number of veterans to be served during the first 2 or 3 days the space in post offices at many of the larger cities would be inadequate to accommodate the veterans and the necessary witnesses. Arrangements have therefore been made to obtain additional space in which to set up units to take care of the certifications.

Relative to requests for certification for payment of bonds, it has been made plain to the veterans throughout the country that they do not have to cash their bonds at this time. In fact, it has been pointed out that veterans, who are in position to do so, may hold these bonds as security and draw 3 percent interest on them. The interest on these bonds begins on June 15, 1936, but if they are cashed before June 15, 1937, they will draw no interest.

It has also been suggested that veterans who are not in immediate need of funds should hold their bonds for a time in order that those less fortunate may receive first attention.

There are other methods provided by the Treasury Department for having bonds certified, such as by officers in charge of any home, hospital, or other facility of the Veterans' Administration, any executive officer of a bank or trust company, judges and clerks of the United States courts under seal of the court, United States collectors of customs and internal revenue, commanding officers of the Army, Navy, Marine Corps, and Coast Guard of the United States, and certain designated officials of the Treasury Department, but bonds certified by anyone except a postal employee must be sent direct to the Treasurer of the United States, Washington, D. C.

It is evident from a number of letters which I have received that many veterans, civic organizations, and business establishments have been misinformed about the plans worked out for the payment of the bonds. They apparently are under the impression that veterans will be compelled to leave their cities and towns of residence for the purpose of obtaining certification to their request for payment and also for the payment of the bonds.

I want to emphasize that no one need go beyond his local post office. A check for the proper amount will be mailed direct to him at the address furnished, and therefore no community will be deprived of any benefits which might result from the cashing of the checks.

I had the privilege a few weeks ago of conferring in Washington with the national commanders and other representatives of the American Legion, Veterans of Foreign Wars, and Disabled American Veterans. There was an open discussion as to ways and means of placing the bonds in the hands of the veterans and redeeming them at the very earliest practicable date. This conference was of inestimable value in making the arrangements. I appreciated their suggestions and assurances of cooperation, and I welcome continued cooperation on the part of these organizations and also the assistance of fraternal, labor, and civic organizations, service clubs, and all public-spirited citizens to the end that there shall be no avoidable delay in the payments to veterans.

In concluding my remarks I want each veteran and others interested to know that the Post Office Department in Washington and the Postal Service throughout the entire country have planned weeks in advance to handle and pay the bonds without any unnecessary delay. I have directed that the procedure be such that the veterans shall not be put to any undue inconvenience or hardship. Detailed instructions have been in the possession of all postmasters for more than 2 weeks and they have had opportunity to make all necessary arrangements. I am confident that when the payment of the bonds is completed it will be found that the postmasters and postal employees will have performed a vast job in a most creditable manner.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. O'CONNOR. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following radio address of Gen. Frank T. Hines, Administrator of Veterans' Affairs, relative to the payment of adjusted-service certificates over the blue network of the National Broadcasting Co. from 7:15 to 7:30, eastern standard time, on Saturday evening, June 13, 1936:

The Postmaster General has just told you of the plans that have been formulated and the methods which will be employed to deliver to the veterans their adjusted-service bonds. I do not propose to tell veterans what they shall do with their bonds after they receive them, as the veterans of the World War have long since reached their majority and require no such counsel. In fact, I believe it to be almost a truism that those who need advice do not heed it, and those that heed it do not need it.

However, I would like to suggest to the veterans that before they decide upon the disposition which they will make of their bonds they give consideration to some of the more important factors relating to them. Where there is an immediate need for cash for a specific purpose the veteran, of course, will desire to convert his bonds into cash; but in so doing it should be remembered that it is not necessary that all of the bonds be converted at one time, as the veteran is afforded the privilege of securing cash up to any amount represented in the whole and retaining the remaining bonds for such period as may suit his convenience. If there exists no emergent condition which requires that the bonds be cashed, I would like to offer the suggestion that before surrendering the extraordinary benefits to be derived by holding the bonds that it be ascertained how the proceeds may be safely otherwise invested, keeping in mind that the insurance represented in the adjusted-service certificate no longer exists, as it has been surrendered.

I strongly suspect that it is not unlikely that many veterans will be called upon by persons who have ingenious schemes to assist veterans in the spending of the money represented by their adjusted-service bonds. Some will no doubt attempt to demonstrate how the veteran can more advantageously invest his money than by retaining it in the form of service bonds. I doubt if I need to advise veterans carefully to investigate the various schemes suggested, because by this time they, no doubt, have worked out in their own way the plan they expect to follow, but it is my hope that every bond will be retained if cash is not needed urgently, and if cashed the proceeds will be used for some worthy purpose.

Every effort has been made by the Government agencies charged with the operational functions to place the adjusted-service bonds in the hands of veterans as soon after June 15 as is possible, and the Veterans' Administration is now current in the handling of applications filed. The amount of work involved is so great as to make it nearly impossible for even the most imaginative fully to comprehend its volume and complexities. More than 3,000,000 applications have been received and acted upon. It is estimated that the total amount involved in applications already approved will approximate $1,650,000,000, and the average payment to veterans will be about $550. In some few instances, because of certain complications, it has been necessary to delay final action pending the acquiring of further information. I assure you that the Veterans' Administration is working on these cases and settlement will be effected as quickly as possible. So, if perchance you do not receive your bonds on the 15th or 16th of this month, please do not become impatient and write to the Veterans' Administration; the next mail may bring your bonds, and to write may cause a further delay.

The task of administering the Adjusted Compensation Payment Act, which is the statute under which the adjusted-service certificates became immediately payable, is an enormous one involving millions of separate operations. The Veterans' Administration was called upon to recalculate over 3,000,000 veterans' accounts and to determine eligibility for payment and to certify the amount due each veteran.

Upon the Treasury Department devolved the printing and issuance of the bonds and checks, which means that over 40,000,000 individual pieces of paper had to be printed and thereafter inscribed with the veteran's name and other necessary identifying data; and the printing job was not an ordinary one, as the standard for printing Government obligations is so high that the slightest smear or other irregularity is not countenanced. The magnitude of such an undertaking beggars description, and its successful accomplishment should be a matter of great pride to the Secretary of the Treasury.

The Post Office Department is charged with the duty of distributing and cashing the bonds, and its job would be well-nigh

impossible were it not for the fact that it is so well organized and by experience equipped to bear unusual burdens.

The General Accounting Office, while it will not have direct contact with the veterans, has a very important part in the procedure.

I can say with all modesty that in my opinion each department of the Government has discharged its duties in a most efficient manner, and the teamwork has been remarkable with an absolute lack of any friction. In fact it would seem from the standpoint of the Veterans' Administration that each department was endeavoring to outdo the other in cooperativeness.

The help of the American Legion, the Disabled American Veterans of the World War, and the Veterans of Foreign Wars did not even have to be solicited, as the national commanders of these organizations immediately, upon the enactment of the law, generously offered their full assistance; and I want to say that the aid which they have rendered has been of inestimable value and their uniform attitude has been that of helpful cooperation.

I desire to thank the National Broadcasting Co. for this opportunity of speaking to you.

SOCIALIST PARTY PLATFORM

Mr. BOILEAU. Mr. Speaker, I desire to submit a unanimous-consent request.

I have been requested, Mr. Speaker, by the national affairs committee of the Socialist Party, in view of the fact they have no representation of the Socialist Party in this body, to ask unanimous consent to include in the RECORD the Socialist Party platform adopted in Cleveland, Ohio, on May 26, 1936.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BOILEAU. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

SOCIALIST PARTY PLATFORM ADOPTED IN CLEVELAND, OHIO, ON MAY 26, 1936

The Socialist Party of the United States pledges itself anew to the task of building a society under which the industries of the country shall be socially owned and democratically managed for the common good; a society under which security, plenty, peace, and freedom shall be the heritage of all.

THE OLD DEAL FAILS

Eight years ago the people of this country voted to continue the capitalist Old Deal. The purpose of this deal was to preserve the rights of the few who own most of the Nation's wealth. Under the Old Deal the economic machine was plunged into the worst depression in our history.

THE NEW DEAL FAILS

Four years ago the voters of the United States threw their support to the New Deal. They elected to office Franklin D. Roosevelt and the Democratic Party. The New Deal, like the Old Deal, has utterly failed. Under it big business was given almost unheard-of powers. Untold wealth was destroyed. Prices rose. Profits advanced. Wages lagged. Twelve million men and women are still jobless, and hunger and destitution exist throughout the land.

Under the New Deal attacks have been made on our civil liberties more vicious than at any period since the days immediately following the World War. Gag and loyalty bills have been rushed through our legislatures. Labor organizers have been seized, kidnaped, maltreated, killed.

The militia has been used to crush attempts of labor to organize. Lynching, race discrimination, and the development of Fascist trends have continued unabated. Against these infringements of human rights the Democratic administration has kept an ominous silence.

Under the New Deal we are now spending on our Army and Navy three times as much as before the World War.

CAPITALISM MEANS INSECURITY

Under the capitalist Old Deal and the capitalist New Deal America has drifted increasingly toward insecurity, suppression, and war.

Insecurity is but the logical result of the workings of capitalism. For under capitalism, new and old, the many work for the owners of the machines and land. The owners will not employ the workers unless they expect to extract a profit. Labor is forced to divide up its earnings with the owning group.

With their scanty wages, the workers are able to buy only a part of the goods which they create. Goods pile up. Factories close. Workers are discharged. The country finds itself face to face with another depression.

In the past after a period of hard times we could depend upon the settlement of the West, the development of new foreign markets, and the rapid expansion of our population to revive industry. These forces can no longer be depended upon, as formerly, to keep the system going while our gross and unjust inequality of wealth, our monopoly prices, and our growing debt structure are sowing the seeds of more tragic depressions in the days ahead.

CAPITALISM SOWS SEEDS OF DICTATORSHIP

Our capitalist system is also sowing the seeds of dictatorship. As unemployment increases under capitalism the masses, to save themselves from starvation, are compelled to make even greater demands on the Government for relief and for public jobs. These demands are resisted by the propertied classes, fearful of higher taxes. Restlessness grows.

Demand for greater appropriations increase. The struggle between the House of Have and the House of Want becomes ever more intense. Big business seeks to deny the masses their constitutional rights. Fascist trends develop, trends that only a powerful and militant labor movement on the economic and political fields can successfully stay.

CAPITALISM BRINGS WAR

Militarism, likewise, under a declining capitalism, becomes an ever greater menace. As unrest increases, the masters of industry seek to use the military forces as the bulwark of reaction at home. They support higher military budgets. They look toward imperialist adventures abroad as a means of diverting attention from the unrest at home, and of gaining new markets, new investment areas, new sources of raw material.

A race begins that can have but one ending—an international war. The Japanese seizure of Manchuria and Italy's invasion of Ethiopia are but examples of the forces at work under capitalism. These adventures may well be the forerunners of another world conflict.

SOCIALISM PROVIDES ONLY SOLUTION

In socialism and in socialism alone will we find the solution of our problem. Under socialism the socially necessary industries would be socially owned and democratically administered by workers, consumers, and technicians. The farmer working his own farm would be secure in its possession. The workers would no longer be forced to pay tribute to private owners. They would be able to buy back the goods they created.

SOCIALISM AND THE GOOD LIFE

Industry, finding a market for these goods, would run to capacity without periodic break-downs. Unemployment and the wastes of unplanned industry would cease. Our national income would double or treble. Every useful worker would be assured of high living standards, short hours, freedom of thought and action, and a chance to live the good life. The young would be guaranteed an opportunity for a well-rounded education. The old, the sick, the invalided would be assured the necessaries of life. Industrial autocracy and war would pass. An economy of scarcity would give way to an economy of abundance.

Such a society cannot be obtained without a mighty struggle. That struggle must be made both by workers and farmers, organized on the economic and political fields and dedicated to the creation of a cooperative commonwealth.

In their fight for power and socialism the workers and farmers must gain new strength and unity by their daily struggle against poverty and exploitation. To improve the conditions of life and labor and thereby to weld together the strength and solidarity of the masses, the Socialist Party pledges itself to fight for a number of immediate proposals in legislative halls and side by side with labor in field and factory and office.

1. Constitutional changes

We propose the adaptation of the Constitution to the needs of the times through the farmers' and workers' rights amendment, ending the usurped power of the Supreme Court to declare social legislation unconstitutional and reaffirming the right of Congress to acquire and operate industries. We also propose to change the Constitution so as to make future amendments less difficult and pledge our continued support of the child-labor amendment.

2. Social ownership

We propose the social ownership and democratic control of mines, railroads, the power industry, and other key industries, and the recognition of public industries of the right of collective bargaining.

3. Relief, insurance, jobs

We propose an immediate appropriation by Congress of $6,000,000,000 to continue Federal relief to the unemployed for the coming year; the continuance of W. P. A. projects at union wages; the inauguration of a public-housing program for the elimination of the Nation's slums and the building of modern homes for the workers at rents they can afford to pay; a Federal system of unemployment insurance and of old-age pensions for persons 60 years of age and over, with contributions for such social-insurance systems to be raised from taxes on incomes and inheritances, as provided in the Frazier-Lundeen bill; and adequate medical care of the sick and injured as a social duty, not as a private or public charity. Such services should be financed by taxation and should be democratically administered.

4. Youth

We propose the passage of the American Youth Act to meet the immediate educational and economic needs of young people; adequate Federal appropriations for public schools and free city colleges with a view to making possible a full education for all young people; and the abolition of the C. C. C., the National Youth Administration and other governmental agencies dealing with the youth problem which threaten the wage and the living standards of organized labor.

5. Taxation

We propose a drastic increase of income and inheritance taxes on the higher income levels and of excess-profits taxes and wide experimentation in land-values taxation.

6. Labor legislation

We propose the establishment of the 30-hour week; the abolition of injunctions in labor disputes; the prohibition of company unions, company spying, and private guards and gunmen; and the prohibition of the use of police, deputy sheriffs, and militia and Federal troops in labor disputes.

7. Agriculture

We propose the abolition of tenant and corporation farming and the substitution of the use-and-occupancy title for family-sized farms and the conversion of plantations and corporation farms into cooperative farms. We propose that the marketing, processing, and distribution of farm products be taken over by bona-fide cooperatives and other agencies to be created for this purpose. We propose that farm prices be stabilized at cost of production to the working farmer, such stabilization to be made by representatives of organized working farmers and consumers.

While these changes are taking place we urge:

a. That immediate relief be provided for debt-laden working farmers by advancing Government credit on such terms as do not threaten the farmer with the loss of his farm.

b. That social insurance be provided against crop failures.

8. Civil liberties

We urge the abolition of all laws that interfere with the right of free speech, free press, free assembly, and the peaceful activities of labor in its struggle for organization and power; the enforcement of constitutional guaranties of economic, political, legal, and social equality for the Negro and all other oppressed minorities; and the enactment and enforcement of a Federal antilynching law.

9. Militarism and war

Not a penny, not a man to the military arms of the Government. We reaffirm our opposition to any war engaged in by the American Government. We propose the elimination of military training from our schools; the abandonment of imperialistic adventures of a military or economic nature abroad; the maintenance of friendly relations with Soviet Russia; and the strengthening of neutrality laws, to the end that we may ward off immediate wars while fighting for the attainment of a social order which will eliminate the chief causes of war.

10. Cooperation

We recognize the importance of the consumers' cooperative movement, though realizing that it alone cannot be depended upon to achieve a Socialist cooperative commonwealth. We urge the Socialist and the organized-labor movement to give their support to consumers' cooperatives to the end that it may become a valuable auxiliary to labor on the economic and political fields, and that it may help lay the foundation for a new economic order. We urge the encouragement by the Federal Government by every legitimate means of genuine consumers' cooperation.

The Socialist Party calls upon the workers, farmers, and all advocates of social justice to join with it in its struggle to widen the channels through which may be made peaceful, orderly, and democratic progress; to resist all trends toward insecurity, fascism, and war; to strengthen labor in its battles for better conditions, and for increasing power; to refuse to support the parties of capitalism, or any of their candidates, and to unite with it in its historic struggle toward a cooperative world.

AIR CORPS OF THE ARMY

Mr. McSWAIN submitted a conference report and statement on the bill (H. R. 11140) to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States.

ORDER OF BUSINESS

Mr. SWEENEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SWEENEY. Do I understand the conference report submitted by Mr. CELLER, which was under consideration, is the matter now before the House?

The SPEAKER. It is.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that further consideration of the conference report on the so-called antilobby bill be postponed until tomorrow.

Mr. SWEENEY. I object, Mr. Speaker.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that the further consideration of the so-called antilobby bill be postponed until Wednesday at the earliest.

Mr. CONNERY. Mr. Speaker, reserving the right to object, I would like to know what my friend from New York means by "the earliest."

Mr. O'CONNOR. I mean that it will not be taken up tomorrow.

Mr. BLANTON. Mr. Speaker, reserving the right to object, why should this antilobbying bill not be the unfinished business in the morning? This is a most important bill.

Mr. O'CONNOR. We have other business that was scheduled to be taken up tomorrow, and this is a controversial matter.

Mr. BLANTON. What is the bill that is to be taken up tomorrow that is more important than the antilobby bill?

Mr. O'CONNOR. We had planned to take up the bituminous-coal bill.

Mr. BLANTON. That also is a controversial matter. I do not think that is as important as the pending bill, and I object.

Mr. SNELL. In view of the pending situation, I think the gentleman from New York should state what is coming up tomorrow.

Mr. O'CONNOR. Subject, of course, to recognition by the Speaker for the bringing up of conference reports, it is planned to take up the coal bill tomorrow.

Mr. BLANTON. Mr. Speaker, there is no bill before the Congress more important than the pending antilobbying bill, and I object.

PROTEST AGAINST REDUCTION OF TARIFF ON CHERRIES

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter to the Secretary of State's office.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ENGEL. Mr. Speaker, under the leave to extend my remarks in the RECORD I include a letter written to the Secretary of State by Members in Congress from Michigan protesting against the reduction of the tariff on cherries made in the reciprocal-trade agreement with France:

JUNE 4, 1936.

Hon. CORDELL HULL,
Secretary of State,
Washington, D. C.

MY DEAR MR. HULL: We have just been informed that under the trade agreement with France the tariff on maraschino and candied cherries not in brine nor sulphur and not in their natural state was reduced from 9½ cents a pound plus 40 percent ad valorem to 9½ cents a pound plus 20 percent ad valorum. Your Department further informs us that this reduction upon a basis of the 1934 importations represents a reduction of the tariff from 96 percent to 76 percent. Under the "most-favored-nation clause" adopted by you in your reciprocal-trade agreements, this concession permits the importation of these cherries by any other nation, including Italy, with the same reduction in tariff which is given France.

For your information, approximately 22,000,000 pounds of Italian cherries in addition to cherries from other countries were shipped into this country for the maraschino trade in 1929, and prior to the time this tariff was placed on the importation of this product. In 1934, after this tariff had been in operation approximately 4 years and industry had had an opportunity of operating, the importation of this product was reduced to approximately 700,000 pounds. The remainder of the maraschino-cherry trade was supplied by domestic cherry growers and manufacturers. In view of the fact that there has been a surplus of cherries in this country for several years past, this has been an important factor in keeping the cherry industry from being completely demoralized. The maraschino-cherry trade has absorbed from 10 to 15 percent of the total crop, which has been a decisive factor in preventing a still greater surplus and a complete break-down of prices.

The above tariff rate was based upon the difference in the cost of production in this country and in the European countries, represented mainly in the difference of the cost of labor. The French trade agreement permits the importation of the finished product which represents approximately 80 percent labor. The price the cherry grower receives for his cherries is ultimately determined by the price the consumer pays for the finished product. All cherries in brine, either domestic or foreign, must ultimately meet this foreign competition as a finished product. A 20-percent reduction on cherries in brine, which are worth about 10 cents a pound, would have meant a reduction in the price of the finished product of approximately 2 cents a pound. We are informed that the candied or finished cherries sell for about 30 cents a pound, and therefore a 20-percent reduction would mean a reduction of 6 cents a pound. In view of the difference in the cost of labor in European countries and in this country, this reduction will throw open the door to the importation of manufactured cherries, will deprive the home grower of his market, and will add to the surplus crop of the United States in any year in which a normal crop is produced. All of these facts were presented to the fact-finding committee of the Tariff Commission a year ago.

We, the undersigned members of the Michigan delegation in Congress, protest against the reduction of the tariff on this product.

Yours truly,

ALBERT J. ENGEL.
GEORGE A. DONDERO.
WILLIAM W. BLACKNEY.
CARL E. MAPES.
ROY O. WOODRUFF.
EARL C. MICHENER.
CLARE E. HOFFMAN.
JESSE P. WOLCOTT.
CLARENCE J. McLEOD.
VERNER MAIN.
F. L. CRAWFORD.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McCORMACK. If the motion to recess until this evening is adopted, under the previous action of the House the Consent Calendar will be taken up this evening. Will the Smith lobby bill be the first order of business tomorrow?

The SPEAKER. It is the unfinished business before the House until disposed of. The Chair will state, however, and the Chair thinks it is proper to make this statement, that the spirit of the understanding was that tonight the Consent Calendar would be considered.

Mr. BLANTON. Mr. Speaker, I wish to propound an inquiry of the gentleman from New York preliminary to withdrawing my objection. I understand that the conference report on the lobby bill is to be disposed of in this session.

Mr. O'CONNOR. So I understand.

Mr. BLANTON. And I understand that if we recess until 7:30 o'clock tonight there will be no bills taken up tonight except those on the Consent Calendar?

Mr. O'CONNOR. If we have that agreement.

Mr. BLANTON. That will be the agreement, will it?

Mr. O'CONNOR. I was going to again present my unanimous consent request to which the gentleman objected.

Mr. BLANTON. If that should be granted and the gentleman should move to recess until 7:30 this evening, we can understand that there will be no other business taken up except bills on the Consent Calendar?

Mr. O'CONNOR. That was the spirit of the agreement.

Mr. BLANTON. Under the circumstances, Mr. Speaker, I will withdraw my objection to the request of the gentleman from New York.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. O'CONNOR] that the further consideration of the conference report on the so-called antilobby bill be passed until Wednesday?

Mr. CONNERY. Reserving the right to object, Mr. Speaker, there is a general agreement that tonight, just the Consent Calendar will be taken up?

The SPEAKER. That has been definitely settled by agreement.

Mr. CONNERY. And now the gentleman is asking consent that this conference report go over until Wednesday?

Mr. O'CONNOR. At the request of the opponents of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SWEENEY. Mr. Speaker, do I understand that this will be the first order of business on Wednesday?

Mr. O'CONNOR. I could not say that.

The SPEAKER. The Chair will state that it certainly could not come up until necessary business on the Speaker's table is disposed of on Wednesday.

Mr. SWEENEY. Do I understand it is the special order of business for Wednesday and must come up Wednesday?

The SPEAKER. It has been postponed until Wednesday.

Mr. SWEENEY. But it holds its place on the calendar on Wednesday?

The SPEAKER. It is a conference report and is privileged.

Is there objection to the request of the gentleman from New York?

There was no objection.

HOW THE WINE INDUSTRY IS AFFECTED BY THE LIQUOR TAX ADMINISTRATION BILL

Mr. BUCK. Mr. Speaker, I ask unanimous consent to extend my own remarks on the bill H. R. 9185, and to include therein certain tables and excerpts from the hearings before the House Committee on Ways and Means and the Senate Committee on Finance.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BUCK. Mr. Speaker, this afternoon we were endeavoring to conserve the time of the House. When the conference report on H. R. 9185, the liquor tax administration bill, was under consideration, therefore, I did not ask for time to address the House on the subject of the bill. This report has now been adopted by the House and in due course will be adopted by the Senate tomorrow. With the permission of the House, I should now like to review briefly the progress of this bill and the other bills which have been incorporated into it.

The majority of the citizens of my own State, California, and of every other State in which grapes are grown and wine manufactured have followed this legislation with the greatest interest. It is true that this bill revises administrative regulations for distilleries and breweries, as well as wine makers, but California, the chief grape-growing State in the Union, is more concerned with the features of the bill which affect the wine industry than anything else. It is my purpose, therefore, for the information of grape growers and vintners generally throughout the country, to review the many changes which will be made by this bill that affect their interests. It may be well to first recount very briefly the legislative history involved.

On the opening day of the Seventy-fourth Congress, January 3, 1935, I introduced H. R. 191, a bill to reduce by 50 percent the internal-revenue taxes on still wines and on brandy used for fortifying purposes. It will be recalled that on the repeal of prohibition the Interdepartmental Committee on Internal Revenue Taxation recommended a tax on wine, starting at 16 cents per wine gallon on wines of not more than 14-percent alcoholic content and increasing in proportion to the alcoholic content.

Realizing that this would be an unbearable tax, I appeared before the Committee on Ways and Means in January 1934 and succeeded in securing the adoption of a compromise proposal which started the tax rate at 10 cents per wine gallon on dry wines and increased proportionately to the alcoholic content. These are the present rates. They were just the best guess that could be made at the time as to what rate of taxation wine could stand. Experience, however, has demonstrated that, while possibly wine could stand a tax of 10 cents per gallon on dry wines, 20 cents per gallon on sweet wines, and so forth, it could not stand that tax as a Federal tax and additional State taxes, which in some cases amounted up to over $1 per gallon, as well. At this point I include an excerpt from the testimony of Judge Marion DeVries before the subcommittee of the Committee on Finance of the United States Senate in the hearings on H. R. 191 and H. R. 9185, and a table submitted by him (Hearings, pp. 165–168):

Thereafter I wired Mr. Harry A. Caddow, secretary-manager of the Wine Institute in San Francisco, for a statement on authority of the institute of the fair average selling prices of wines, dry and sweet, naked in the winery in California. In response thereto I was by him advised that the current fair average sales price of dry wines in California is 15 cents a gallon, and of sweet wines 35 cents a gallon naked in the bonded winery or storeroom.

Since the tax must be paid before the wines can be delivered from the bonded winery or storeroom it is obvious that the average market value of, or sales price paid for, bulk wines in California today deliverable in trade and commerce is 15 cents naked in the winery plus 10 cents Federal and 2 cents State tax or 27 cents per gallon. And for sweet wines 35 cents naked in the winery plus 20 cents Federal and 2 cents State tax or 57 cents per gallon.

The actual situation therefore is as follows: The tax is laid upon the wine whether in bulk or in the case at a gallonage rate upon each gallon as it leaves the bonded winery or storeroom. It must be paid before the wine can be delivered out of the bonded winery or storeroom. It is an integral part of the

sales price which the purchaser must pay in order to take possession of and move the wines in trade and commerce. The determination of the tax burden upon the vintner who actually pays the tax is arrived at by comparing the tax so paid by him with the price obtained by him for the wine at the door of the bonded winery or storeroom and not by comparing the tax the vintner pays with the retail price received long thereafter by the retailer in the retail markets of the United States. At the door of the bonded winery or storeroom stands the tax collector, so to speak, to collect the tax laid by the gallon upon every wine sale before it is delivered out of the bonded winery or storeroom.

Bulk wines, of which the vast majority of sales consist, if dry, are sold on an average of 27 cents a gallon deliverable at the winery. When, therefore, a buyer comes to the winery and wants to buy dry wines and is willing to pay therefor 27 cents per gallon, the vintner selling the same at that price receives for himself 15 cents only and must pay to the Government 12 cents.

The same is true of the vendor of bulk sweet wines. The State tax in California is 2 cents per gallon upon all wines. The Federal tax is 20 cents per gallon upon sweet wines. The average open-market sales price therefor is 57 cents per gallon, deliverable at the winery. So that when a customer comes to the winery in California prepared to pay for sweet wines 57 cents per gallon, out of that 57 cents received therefor by the vintner he retains but 35 cents for himself and must immediately pay to his partners, the Government, 20 cents Federal tax and 2 cents State tax, or 22 cents. But the vintner of sweet wine has already paid or must pay the Federal Government 6 cents per gallon fortifying tax. So whenever the California vintner receives 35 cents for 1 gallon of sweet wine, the Government actually receives 28 cents and the vintner 35 less 6 cents, or 29 cents. The Government nets 28 cents, the vintner receives 29 cents.

And the vintner must receive these prices and must pay these taxes in order to receive out of his aforesaid open-market sales prices for his own use 15 cents per gallon for his dry and 35 cents per gallon for his sweet wines.

Comparative costs of producing dry and sweet wine in California, by districts, 1933

District	Dry wine				
		Manufacturing			
	Total	Total	Overhead and general manufacturing	Labor	Juice [1]
	(1)	(2)	(3)	(4)	(5)
	Cents	*Cents*	*Cents*	*Cents*	*Cents*
North coast section (includes only Napa, Sonoma, and Mendocino)	26.08	8.01	6.04	1.97	18.07
Central Valley (includes only Lodi section)	14.69	6.69	5.47	1.22	8.00
San Joaquin Valley (includes only Fresno section)	15.47	6.47	4.97	1.50	9.00
Southern district (territory south of Tehachapi)	16.36	6.19	4.53	1.66	10.17
Average cost production per gallon, California dry wines	18.15				

District	Sweet wine						
		Manufacturing					
	Total	Total	Overhead and general manufacturing	Labor	Juice	Tax (fortifying)	Average cost of grapes (per ton)
	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Cents	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	
North-coast section (includes only Napa, Sonoma, and Mendocino)							$29.17
Central Valley (includes only Lodi section)	29.71	9.73	8.22	1.51	15.00	4.98	12.00
San Joaquin Valley (includes only Fresno section)	31.09	8.55	7.37	1.18	16.90	5.64	13.52
Southern district (territory south of Tehachapi)	33.98	8.25	7.04	1.21	20.91	4.82	15.27
Average cost production per gallon California sweet wines	31.59½						

[1] Juice determined by conversion factor of 150 gallons of dry wine crushed from 1 ton of grapes and 80 gallons of sweet wine from 1 ton of grapes.

Source of data: Recapitulation of cost figures compiled by B. C. Squires.

In this connection it will be borne in mind that while Mr. Weller's figures relate to cost of marketing the wine as and after it leaves the bonded winery or storeroom, the foregoing figures of Messrs. West and Pearce cover the cost necessary to produce the wine naked in the winery. Therefrom it is shown that when the vintner-grower receives net 15 cents per gallon for his dry wine he receives less than its actual cost to him naked in the winery, and when he receives net 35 cents per gallon for his sweet wines naked in the winery he receives less than 3 percent, if that, above actual cost.

In the fall of 1934 I proposed that, if returned to Congress, I would introduce a measure to cut the existing internal-revenue taxes in half, believing that with this encouragement from the Federal Government, State governments might be likewise encouraged to reduce their taxes to the same level of Federal taxation. This would result in a combined tax rate of not more than 10 cents per gallon on dry wines, 20 cents per gallon on wines containing up to 21 percent alcohol, and 40 cents per gallon containing more than 21 percent alcohol.

To carry out this proposal, H. R. 191 was introduced by me on the opening day of the first session of the Seventy-fourth Congress. This measure received the approval of the Wine Institute of California and the approval, as well, of New York and other grape-growing States. At the suggestion of New York Representatives, the same tax reduction was also extended to champagnes and sparkling wines. In this suggestion I was only too happy to concur.

During the spring of 1935 the Treasury Department sent down a set of three proposed bills for consideration by the Ways and Means Committee. These dealt with changes in administrative regulations affecting distilling, brewing, and wine interests. Investigation had shown me that there were still additional taxes that burdened the wine industry, so on April 19, 1935, I introduced bills providing for the removal of the first withdrawal and the rectifying tax on vermouth, and for the repeal of the tax on grape concentrate. Both of these measures had received the approval of the Wine Institute through their very able counsel at Washington, who has cooperated with me in an extraordinarily helpful manner from start to finish, Judge Marion DeVries. I should also record the fact that Hon. CLARENCE F. LEA, of the First California District, also appeared before both the Ways and Means Committee and the Senate Finance Committee and submitted helpful briefs in behalf of this legislation.

Extensive hearings on the three Treasury bills and the vermouth and grape-concentrate bills and the tax-reduction bill were held simultaneously before the Ways and Means Committee, and executive sessions of some length on these bills ensued. As a result, the Ways and Means Committee favorably reported to the House H. R. 191, incorporating therein the vermouth and champagne tax-reduction provisions and a provision eliminating a double tax on liqueurs and cordials, which was evidently an oversight on the part of those who prepared the Liquor Taxing Act of 1934.

The 50-percent reduction of the tax on brandy used for fortifying purposes and the repeal of the tax on grape concentrate as well, together with the administrative changes, were incorporated into the final liquor-tax administration bill known as H. R. 9185, which combined such parts of the three Treasury bills as the committee approved and a number of other suggestions, which I shall speak of later, worked out in conference with Treasury officials by Judge DeVries and myself. These bills were reported separately because of parliamentary reasons, but it is important to remember that both received the unanimous favorable report of the Committee on Ways and Means and unanimous approval of the House, in order to understand that while apparently the House conferees were accepting a large number of Senate amendments to H. R. 9185, in reality they have only been assenting to the Senate's action in combining the two bills in one.

Largely because of the special interest in this legislation that I had taken, Chairman DOUGHTON authorized me to introduce the liquor-tax administration bill in its final form, and the Ways and Means Committee authorized me to report both it and H. R. 191 favorably—Reports Nos. 1817 and 2028, Seventy-fourth Congress. Both bills passed the House

late in August 1935, but too near adjournment to be seriously considered by the Senate Finance Committee at the first session of the Seventy-fourth Congress. Senator HARRISON, chairman of that committee, however, promised that early hearings would be given on both bills together when the Senate reconvened.

True to that promise, on January 13, 1936, hearings were opened and, because of various new matters which had been brought up during the 5-month recess, continued intermittently through March. The Senate Finance Committee then went into executive session and on May 15, 1936, favorably reported, with numerous amendments, H. R. 9185. In so doing it accepted that portion of H. R. 191 which reduced the tax on dry wines only and incorporated it in H. R. 9185, making no report on the tax bill itself.

With the very able cooperation of Senators JOHNSON and MCADOO the remaining provisions of H. R. 191, covering the tax reductions on other wines, as originally introduced, were incorporated in the present bill on the floor of the Senate. The Finance Committee had rejected the reduction in the tax on fortifying brandy, but a partial concession on the Senate floor led to it also going to conference, where the full 50-percent reduction has been restored, and accepted by conferees.

During the last recess of Congress and during the course of the Senate hearings numerous conferences were held with Treasury officials, and particularly with those of the Bureau of Internal Revenue, over additional amendments which had been suggested by the counsel for the Wine Institute, myself, or others interested. As a result the Senate incorporated the majority of these suggestions in the bill and the conferees have accepted all of them except one.

In addition to the new administrative regulations, an amendment offered by Senators MCADOO and JOHNSON provided that no department of the Government or official thereof shall deny the right of any person to use wine names of foreign origin if the product is of the same type, and when the use of such name is qualified by the name of the State or other locality in the United States in which the product is produced, displayed as conspicuously as the name of such foreign origin. The conferees have accepted this amendment with the elimination of the word "Champagne." This elimination is due to the fact that the question of the use of that word and its modification is now being considered after hearings by the Federal Alcohol Administration. It was the purpose of the conferees in dropping this word from the amendment to leave those determinations as well as those of all such wine names not within the provisions of this amendment to the tribunals of the government having jurisdiction thereof.

Legislative procedure is a complicated matter and many times I have been in receipt of letters and telegrams from many friends at home interested in the wine industry, wondering what had become of the Buck bills, urging haste in passage and ofttimes expressing impatience. Let me remind them that it takes a long time to grind out legislation of as technical and complicated nature as this bill is; to win over the opposition of the Treasury Department for, while it has made many concessions, it has never acceded to the tax reduction. Let me remind them further that though many of these amendments were placed in this bill on the floor of the Senate, the preliminary work was done in consultations and in the hearings.

The tax-reduction features of the bill I have spoken of. They will represent a saving to the grape growers and vintners of the United States of approximately $3,000,000 per year on wines, and according to Treasury figures around $630,000 per year on fortifying brandy. It is my honest opinion that the Treasury will suffer no loss. Experience has shown that the States that have low-tax rates on wine have the greatest wine consumption, and I predict that the increase in wine consumption, if the States can be made to cooperate in this tax program, will result in an actual increase in revenue to the United States Treasury. I here insert a table taken from page 80 of the hearings above referred to showing the population, wine-tax rates, and consumption of wines for several States for the first 10 months of the year 1935, arranged in three comparable groups of relatively low tax-rate States, State-store States with high write-ups, and high-tax States:

State	Population, 1930	Tax rate per gallon	Wine consumed	Gallon per capita
Low-tax States:		*Cents*	*Gallons*	
New York	13,059,000	10	8,500,000	0.551
Connecticut	1,655,000	5,6	1,550,000	.755
Florida	1,575,000	5,10	440,000	.279
Washington	1,608,000	10	700,000	.435
Nebraska	1,395,000	5,15	200,000	.200
District of Columbia	497,000	0,10	100,000	.200
Total	20,789,000		11,190,000	
State-store States with high write-ups:				
Utah	520,000	100	8,000	.015
Michigan	5,093,000	50	500,000	.078
Virginia	2,446,000	[1] 50	136,000	.056
Pennsylvania	9,826,000	50	1,000,000	.102
New Hampshire	470,000	25	16,000	.038
Iowa	2,485,000	75	50,000	.020
Total	20,840,000		1,733,000	
High-tax States:				
Illinois	7,876,000	10-25	1,000,000	.127
Colorado	1,056,000	12-24	300,000	.236
Minnesota	2,602,000	10-20	231,000	.090
Rhode Island	705,000	20	109,000	.154
Maryland	1,671,000	20	150,000	.089
Indiana	3,304,000	25	75,000	.033
Delaware	242,000	40	18,000	.074
Total	17,456,000		1,835,000	

[1] Since reduced to 14⅔ cents per gallon.

I also insert the following excerpt from the statement of Judge DeVries contained on page 173 of the hearings, which shows the effect on consumption of wine where tax reductions have been made by the States:

Since said hearings, efforts have been made and statistics collected, insofar as possible by telegraph, to ascertain the exact increase of wine sales before and after tax reductions in the States. It must be obvious that on account of the different dates of tax reductions in the different States that task was difficult, owing to the necessarily incomplete statistical information available. Nevertheless, some striking developments were shown.

Thus, the State of Missouri, effective May 9, 1935, reduced wine taxes per gallon from 40 cents on sweet and 10 cents on dry to 20 cents on sweet and 2 cents on dry wines. The department of liquor control of that State reports that from January 1 to May 9, 1935—4 months—under the 20-cent rate but 50,000 gallons of dry wines were sold, whereas from May 9, 1935, to January 1, 1936—8 months—under the reduced 2-cent rate 594,164 gallons of such wine were consumed. The report further continues that, of fortified wines, not over 80,000 gallons were consumed during 1935 under the 40-cent and 20-cent tax, the exact reverse of usual relative dry- and sweet-wine consumption.

In the State of Wisconsin, during all of 1934 and the first 7 months of 1935—January to July—the wine-tax rate was 25 cents per gallon. During the whole year 1934 there were 308,000 gallons of wine sold in that State. During the first 7 months of 1935 there were 128,000 gallons of wine sold, all under the 25-cent tax rate. In the month of July 1935 the tax rate upon wines in Wisconsin was reduced from 25 cents per gallon to 10 cents on sweet and 5 cents on dry wines, with the result that in the last 5 months of 1935 there were sold 362,168 gallons of wine, or more in 5 months under the low rate than in any year under the higher rate.

In the State of Iowa, moved by the same wisdom that reduced tax rates means increased wine consumption and State revenues, the Iowa Liquor Control Commission reported that during the last 6 months of 1934 with a write-up of 36 cents per gallon, 15,000 gallons of wine were sold for $68,000. During the first 6 months of 1935 under a write-up of 35 cents per gallon, 17,000 gallons of wine were sold for $64,000, that thereafter the commission stated "most drastic cuts were made during the last 6 months" of 1935, during which time 28,000 gallons of wine were sold for $90,000. Wherefrom it is shown that a reduction of the State write-up or tax rate in the State of Iowa constantly increased the State revenues practically doubling the same after drastic cuts during the last 6 months of 1935.

In addition to the 50-percent wine-tax reduction, the elimination of the first withdrawal tax and rectifying tax on vermouth, and the repeal of the grape-concentrate tax referred to previously, the bill provides for the extension of the time within which taxes on fortifying brandy must be paid to 18 months from date of assessment instead of 10

months as at the present time. This will be a great advantage to sweet-wine makers for it will enable them to age their wine longer and to market it in a more orderly fashion.

The filtering, clarifying, and purifying of wines, on bonded winery premises or bonded storeroom premises, are declared not to be rectification, and hence, wines so treated will not be required to pay the rectifying tax of 30 cents per proof gallon hereafter.

The provision that domestic wines may not be mixed, compounded, or rectified with distilled spirits is abolished. This does away with an unreasonable distinction between imported and domestic wines, and it is hoped will open a new outlet for domestic wines.

The duty-free importation of distilled spirits, wines, or malt liquors by residents of the United States who have been traveling abroad is hereafter restricted to an amount of not more than 1 wine gallon per person. The limit has previously been "not to exceed $100 in value." This may be of particular value in restricting importations along the border States.

The distinction between general and special bonded warehouses is abolished and all will in the future be operated as internal-revenue bonded warehouses under the same regulations.

Upon exportation of bonded wines manufactured or produced in the United States on which an internal-revenue tax has been paid, a draw-back equal to the full amount paid shall be allowed, provided the wines have been bottled specially for exportation.

Destruction or denaturation, free of tax, of distillates containing one-half of 1 percent or more of aldehydes, or 1 percent or more of fusel oil removed in the course of distillation, is authorized under regulations to be prescribed by the Commissioner of Internal Revenue. This is a very important concession for manufacturers of brandy.

The Secretary of the Treasury is permitted to authorize the amelioration of wine by the wine maker and the fortification of wine without supervision of any officer of the United States whenever he determines that such authorization may be made without danger to the revenue.

The provision affecting the use of names of foreign origin has been referred to above. It should be noted in connection with this that the bill makes the Federal Alcohol Administration, now a division of the Treasury Department, an independent unit of the Federal Government. Experience has apparently shown that the Treasury Department should be concerned only with the collection of the revenue derived from distilled liquors, wines, and malt beverages, and that regulatory functions such as the Federal Alcohol Administration exercises should be handled separately.

Finally, a minor change, but one which may be of value in parts of the country where distilled liquors are not favorably looked upon, is the provision that the Commissioner of Internal Revenue may provide for the issuance of a stamp denoting the payment of the special-license tax by retail and wholesale dealers' licenses, respectively, as "retail dealer in wines" or "wholesale dealer in wines." Many dealers in semidry territory have objected to being listed as dealers in liquors, as they must be under the present law, even where they only sell wines.

No matter what other legislation I sponsor in the future, it will always be a source of pride and satisfaction to me to know that I not only introduced this legislation, but have been able to assist in its progress into law at every stage; first as a member of the Ways and Means Committee, then in charge of the bills on the floor of the House, later by appearing before the Senate Finance Committee, and finally, as a member of the conference between the two Houses. I am deeply grateful to my colleagues on the Ways and Means Committee who have given their time and attention to the mastery of what is a very technical subject. And, of course, I am deeply appreciative of the action of both House and Senate in approving the measure in its final form.

Through this legislation a measure of justice has been done the grape grower and the wine maker, but I call the attention of those who may not have felt as enthusiastic as I have about the proposed tax reduction to the fact that during the prohibition era, the tax on dry wines was only 4 cents per wine gallon and on sweet wines 10 cents per wine gallon, so this bill has only after all restored the tax rate to that which was in effect during prohibition.

Wine is a temperate drink. It is generally taken with meals; it is an aid to digestion and brings cheer and grace to the table. If there is any truth to the theory which I have been propounding that the reduction in the tax rate on wine will increase consumption, this measure will bring added cheer, health, and happiness to millions of Americans as well as additional prosperity to the grape growers of America.

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNSON of Oklahoma. 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 Oklahoma?

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

SPEAKER PRO TEMPORE

The SPEAKER. The Chair appoints as Speaker pro tempore to preside at the session of the House this evening the gentleman from Virginia, Mr. WOODRUM.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1790. An act for the relief of Margaret Murphy; to the Committee on Claims.

S. 2976. An act for the relief of John Edgar White, a minor; to the Committee on Claims.

S. 3405. An act for the relief of Capt. James W. Darr; to the Committee on Military Affairs.

S. 3438. An act to provide for the establishment of an agricultural experiment station within the Middle Rio Grande Conservancy District in the State of New Mexico; to the Committee on Agriculture.

S. 3484. An act for the relief of Edward Y. Garcia and Aurelia Garcia; to the Committee on Claims.

S. 3505. An act for the improvement and protection of the beaches along the shores of the United States; to the Committee on Rivers and Harbors.

S. 3879. An act for the relief of James W. Grist; to the Committee on Claims.

S. 3930. An act authorizing an appropriation for payment to the Sac and Fox Tribe of Indians in the State of Oklahoma; to the Committee on Indian Affairs.

S. 3957. An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; to the Committee on the Judiciary.

S. 4062. An act to provide for a survey of the Cabinet Gorge on the Clark Fork of the Columbia River; to the Committee on Irrigation and Reclamation.

S. 4142. An act for the relief of owners of property damaged by high waters in the Blackfoot Reservoir; to the Committee on Indian Affairs.

S. 4160. An act for the relief of F. M. Loeffler; to the Committee on Claims.

S. 4182. An act to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island, to make charges in connection therewith, and other purposes; to the Committee on Indian Affairs.

S. 4185. An act to amend the act entitled "An act to authorize the Secretary of Commerce to dispose of certain portions of Anastasia Island Lighthouse Reservation, Fla., and for other purposes", approved August 27, 1935, and for other purposes; referred to Committee on Merchant Marine and Fisheries.

S. 4204. An act to authorize the payment of the burial and funeral expenses of Harley H. Hester, late corporal, Machine Gun Company, Three Hundred and Thirty-ninth Regiment, United States Infantry; referred to Committee on Claims.

S. 4241. An act to provide for the sale of a certain isolated tract of the public domain in the State of Oregon; referred to the Committee on the Public Lands.

S. 4362. An act for the relief of Rufus C. Long; referred to the Committee on Claims.

S. 4363. An act for the relief of B. W. Winward; referred to the Committee on Claims.

S. 4392. An act to add certain lands to the Sawtooth National Forest; referred to the Committee on the Public Lands.

S. 4456. An act for the relief of the estate of Charles White; to the Committee on Claims.

S. 4478. An act for the relief of Joseph N. Wenger, lieutenant, United States Navy, and for other purposes; to the Committee on Claims.

S. 4493. An act to provide for the construction, extension, and improvement of public-school buildings in Uintah County, Utah; to the Committee on Indian Affairs.

S. 4495. An act to amend certain of the navigation laws of the United States, to remove inconsistencies and inequalities therein, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 4551. An act to authorize the addition of certain names to the final rolls of the Blackfeet Tribe of Indians in the State of Montana; to the Committee on Indian Affairs.

S. 4591. An act for the relief of the children of Rees Morgan; to the Committee on Claims.

S. 4686. An act to amend the act known as the Federal Credit Union Act, approved June 26, 1934; to the Committee on Banking and Currency.

S. 4723. An act to authorize cooperation in the development of farm forestry in the States and Territories, and for other purposes; to the Committee on Agriculture.

S. 4724. An act for the relief of Henry C. Anderson; to the Committee on Claims.

S. 4740. An act to provide a graduated scale of reduction of payments under section 8 of the Soil Conservation and Domestic Allotment Act; to the Committee on Agriculture.

S. J. Res. 177. Joint resolution to define the term of certain contracts with Indian tribes; to the Committee on Indian Affairs.

S. J. Res. 207. Joint resolution to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" (44 Stat. L. 807); to the Committee on Indian Affairs.

S. J. Res. 272. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937; to the Committee on the District of Columbia.

S. J. Res. 273. Joint resolution authorizing the granting of permits to the committee on inaugural ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes; to the Committee on the District of Columbia.

S. J. Res. 274. Joint resolution to exempt from the tax on admissions amounts paid for admission tickets sold by authority of the committee on inaugural ceremonies on the occasion of the inauguration of the President-elect in January 1937; to the Committee on Ways and Means.

S. J. Res. 275. Joint resolution to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies; to the Committee on Public Buildings and Grounds.

S. J. Res. 279. Joint resolution establishing a commission to make a study and report with respect to the fair and equitable amount to be paid by the United States toward the expenses of the government of the District of Columbia, and for other purposes; to the Committee on Appropriations.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 300. An act for the relief of F. P. Bolack;

H. R. 686. An act for the relief of John Collins;

H. R. 796. An act for the relief of A. E. Clark;

H. R. 993. An act for the relief of Frank A. Boyle;

H. R. 2213. An act for the relief of Charles P. Shipley Saddlery & Mercantile Co.;

H. R. 2262. An act for the relief of William H. Locke;

H. R. 2387. An act for the relief of Julia Miller;

H. R. 2400. An act for the relief of Blanche Knight;

H. R. 2495. An act for the relief of Thomas Berchel Burke;

H. R. 2496. An act for the relief of Thomas J. Moran;

H. R. 2497. An act for the relief of William H. Hildebrand;

H. R. 3160. An act for the relief of Irene Magnuson and Oscar L. Magnuson, her husband;

H. R. 3388. An act for the relief of Jessie D. Bowman;

H. R. 3694. An act for the relief of Florence Byvank;

H. R. 3907. An act for the relief of James L. Park;

H. R. 4085. An act for the relief of Joseph Watkins;

H. R. 4219. An act for the relief of John J. Ryan;

H. R. 4373. An act for the relief of Albert Gonzales;

H. R. 4565. An act for the relief of Lucile Smith;

H. R. 4619. An act for the relief of Joseph Salinghi;

H. R. 4699. An act for the relief of Estelle M. Gardiner;

H. R. 4955. An act for the relief of the estate of Jennie Brenner;

H. R. 5635. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the mayor and aldermen of Jersey City, Hudson County, N. J., a municipal corporation;

H. R. 5752. An act for the relief of May Wynne Lamb;

H. R. 5870. An act for the relief of K. S. Szymanski;

H. R. 5900. An act for the relief of Joseph E. Moore;

H. R. 6702. An act for the relief of Annie E. Daniels;

H. R. 7270. An act for the relief of Clara Imbesi and Domenick Imbesi;

H. R. 7555. An act for the relief of W. N. Holbrook;

H. R. 7743. An act for the relief of Mrs. David C. Stafford;

H. R. 7764. An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes;

H. R. 8028. An act for the relief of the Great Northern Railway Co.;

H. R. 8033. An act for the relief of Juanita Filmore, a minor;

H. R. 8055. An act to provide for economic studies of the fishery industry, market news service, and orderly marketing of fishery products, and for other purposes;

H. R. 8200. An act for the relief of the seamen of the steamship *Santa Ana;*

H. R. 8220. An act for the relief of Helen Mahar Johnson;

H. R. 8671. An act for the relief of R. H. Quynn, lieutenant, United States Navy;

H. R. 8759. An act to amend the act known as the "Perishable Agricultural Commodities Act, 1930", approved June 10, 1930, as amended;

H. R. 9926. An act for the relief of Robert B. Barker;

H. R. 10225. An act for the relief of W. D. Lovell;

H. R. 10435. An act for the relief of Emma Hastings;

H. R. 10527. An act for the relief of Harris Bros. Plumbing Co.;

H. R. 10677. An act for the relief of Cora Fulghum and Ben Peterson;

H. R. 10712. An act to authorize the transfer of land from the War Department to the Territory of Hawaii;

H. R. 10916. An act for the relief of Carl Hardin, Orville Richardson, and W. E. Payne;

H. R. 11072. An act authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

H. R. 11203. An act for the relief of Andrew Smith;

H. R. 11218. An act 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;

H. R. 11262. An act for the relief of Brooks-Callaway Co.;

H. R. 11461. An act for the relief of the estates of N. G. Harper and Amos Phillips;

H. R. 11522. An act to amend the charter of the National Union Insurance Co. of Washington, in the District of Columbia;

H. R. 11643. An act to amend certain provisions of the act of March 7, 1928 (45 Stat. L. 210–212);

H. R. 11819. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 11820. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

H. R. 11916. An act to authorize the transfer of a certain piece of land in Muhlenberg County, Ky., to the State of Kentucky;

H. R. 12006. An act to authorize a preliminary examination of the Kennebec River, Maine, and its tributaries with a view to the control of their floods;

H. R. 12033. An act 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;

H. R. 12074. An act to consolidate the Indian pueblos of Jemez and Pecos, N. Mex.;

H. R. 12202. An act to provide for a preliminary examination of Six Mile Creek, in Logan County, Ark., with a view to flood control, and to determine the cost of such improvement;

H. R. 12240. An act to authorize a preliminary examination of the tributaries, sources, and headwaters of the Allegheny and Susquehanna Rivers in the State of Pennsylvania, where no examination and survey has heretofore been made, with a view to the control of their floods and the regulation and conservation of their waters;

H. R. 12305. An act to define the jurisdiction of the Coast Guard;

H. R. 12311. An act for the relief of the P. L. Andrews Corporation;

H. R. 12408. An act for the relief of Robert D. Baldwin;

H. R. 12461. An act to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.;

H. R. 12514. An act authorizing the Chesapeake Bay Authority to construct, maintain, and operate a toll bridge across the Chesapeake Bay from a point in Baltimore County, Md., over Hart Island and Millers Island, to a point near Tolchester, Kent County, Md.;

H. R. 12622. An act for the relief of Dr. Harold W. Foght;

H. R. 12685. An act granting the consent of Congress to the county of Horry, S. C., to construct, maintain, and operate a free highway bridge across the Waccamaw River at or near Red Bluff, S. C.;

H. R. 12896. An act to provide for the transfer of the surplus decommissioned lightship *No. 82* to United States Ship Constitution Post, No. 3339, Veterans of Foreign Wars;

H. J. Res. 415. Joint resolution to carry out the intention of Congress with reference to the claims of the Chippewa Indians of Minnesota against the United States;

H. J. Res. 444. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally", approved August 27, 1935;

H. J. Res. 522. Joint resolution for the relief of William W. Brunswick;

H. J. Res. 583. Joint resolution authorizing the Veterans' Administration to prepare and publish a compilation of all Federal laws relating to veterans of wars of the United States;

H. J. Res. 589. Joint resolution to authorize the Secretary of the Treasury to permit the transportation of bonded merchandise by other than common carriers under certain conditions.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 3371. An act for the relief of John Walker;

S. 3441. An act for the relief of C. T. Hird; and

S. 3956. An act for the relief of Jacob Kaiser.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On June 8, 1936:

H. R. 10785. An act for the relief of John B. H. Waring.

On June 12, 1936:

H. R. 4688. An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes;

H. R. 6772. An act to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity future exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes;

H. R. 7690. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y.;

H. R. 8234. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of the city of Elgin, Ill., and the erection of a heroic pioneer memorial;

H. R. 8271. An act to amend the act entitled "An act to insure adequate supplies of timber and other forest products for the people of the United States; to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production; and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture through research in reforestation, timber growing, protection, utilization, forest economics, and related subjects; and for other purposes", approved May 22, 1928;

H. R. 8455. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes;

H. R. 9183. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 11533. An act to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg;

H. R. 11687. An act to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes;

H. R. 11920. An act to increase the efficiency of the Air Corps;

H. R. 12329. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges;

H. R. 12848. An act to provide an additional place of holding terms of the United States district court in the eastern district of Kentucky, and to amend section 83 of the Judicial Code, as amended; and

H. J. Res. 467. Joint resolution authorizing the erection of a memorial to the late Haym Salomon.

RECESS

Mr. O'CONNOR. Mr. Speaker, I move that the House now stand in recess until 7:30 o'clock this evening.

The motion was agreed to; accordingly the House (at 5 o'clock and 49 minutes p. m.) stood in recess until 7:30 o'clock p. m.

EVENING SESSION

The recess having expired, the House was called to order at 7: 30 p. m., by the Speaker pro tempore [Mr. WOODRUM].

CONSENT CALENDAR

The SPEAKER pro tempore. The Clerk will call the first bill on the Consent Calendar.

IRRIGATION CHARGES, INDIAN RESERVATIONS

The Clerk called the 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.

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 the Secretary of the Interior is authorized and directed to cause an investigation to be made to determine whether the owners of non-Indian lands under Indian irrigation projects and under projects where the United States has purchased water rights for Indians are unable to pay irrigation charges, including construction, maintenance, and operating charges, because of inability to operate such lands profitably by reason of lack of fertility of the soil, inadequacy of water supply, defects of irrigation works, or for any other causes. Where the Secretary finds that said landowners are unable to make payment due to the existence of such causes, he may adjust, defer, or cancel such charges, in whole or in part, as the facts and conditions warrant. In adjusting or deferring any such charges the Secretary may enter into contracts with said landowners for the payment of past due charges, but such contracts shall not extend the payment of such charges over a period in excess of 10 years.

SEC. 2. Where the Secretary finds that any such lands cannot be cultivated profitably due to a present lack of water supply, proper drainage facilities, or need of additional construction work, he shall declare such lands temporarily nonirrigable for periods not to exceed 5 years and no charges shall be assessed against such lands during such periods.

SEC. 3. Where the Secretary finds that any such lands are permanently nonirrigable he may, with the consent of the landowner, eliminate such lands from the project.

SEC. 4. Where irrigation assessments against any such lands remained unpaid at the time the Indian title to such lands became extinguished and no lien existed and attached to such lands for the payment of charges so assessed and no contract for the payment of such charges was entered into, the Secretary shall cancel all such charges.

SEC. 5. The Secretary shall have power to make such rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 6. The Secretary shall make reports to the Congress on the first Monday of each regular session, and from time to time thereafter, showing the action taken under the provisions of this act during the preceding year. No proceedings under this act shall become effective until approved by the Congress.

The 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 EASTERN AND WESTERN DISTRICTS OF 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 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 the President of the United States be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky. The judge shall be a resident of the State of Kentucky and shall possess the same powers, perform the same duties, and receive the same compensation as the present judges of the respective districts.

Mr. JENKINS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. JENKINS of Ohio. It has been suggested that possibly this bill was disposed of in an omnibus bill. Is the Chair advised in the matter?

The SPEAKER pro tempore. The Chair is not advised that it has been disposed of.

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

A motion to reconsider was laid on the table.

FRANK WIDEMAN

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.

Mr. TABER. Mr. Speaker, reserving the right to object——

Mr. O'CONNOR. Mr. Speaker, will the gentleman withhold his objection?

Mr. TABER. Mr. Speaker, I withhold my objection to permit the gentleman from New York to make a statement.

Mr. O'CONNOR. Mr. Speaker, I understand this bill pertains principally to Mr. Wideman, of the Department of Justice. I understand further that the usual provision in reference to counsel not practicing for 2 years after retiring from the Department might inhibit him from practicing. The fact is he had retired from the Department but has been assigned as special counsel in a case. The Attorney General feels that the 2-year limitation should not apply to the date when he gets out of this particular case, which may take years. He feels that this is a special case and that this provision should not apply.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman from New York yield?

Mr. TABER. I yield.

Mr. JENKINS of Ohio. Does the gentleman from New York know, or any member of the Committee on the Judiciary know, whether this would establish a precedent?

Mr. O'CONNOR. No. I think this is a special case to take care of this situation. Mr. Wideman has retired from the Department but has been assigned as special counsel in a particular case, the Associated Gas & Electric Co. case, I understand. If this provision is not made the 2-year limitation may apply at some later date rather than as of the time he retired from the Department of Justice, for he may be in this case several years.

Mr. JENKINS of Ohio. I think I met this gentleman. I was very much impressed with his sincerity.

Mr. O'CONNOR. I do not know him, but I know the Attorney General has recommended this as a special case to which the usual rules should not apply. I think the gentleman from New Jersey [Mr. MCLEAN] is familiar with the situation.

Mr. McLEAN. If the gentleman from New York will yield——

Mr. TABER. Certainly.

Mr. McLEAN. The object of this bill is to make the 2-year inhibition run from the date of Mr. Wideman's resignation from the Department and not from the date when he shall have concluded his activities in connection with this case. This particular situation seems to be one that comes within the suggestion of Attorney General Mitchell in his annual report of 1929, wherein he explained the difficulties of getting a man peculiarly adapted and with knowledge of the particular case. This seems to be a proper exception to the general law on the subject.

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 nothing in sections 109 and 113 of the Criminal Code of the United States, as amended (U. S. C., title 18, secs. 198 and 203), or in section 190 of the Revised Statutes of the United States (U. S. C., title 5, sec. 99), or in any other act of Congress forbidding officers or employees or former officers or employees of the United States from acting as counsel, attorney, or agent for another before any court, department, or branch of the Government, or from receiving or agreeing to receive compensation therefor, shall be deemed to apply to attorneys or counselors specially employed, retained, or appointed by the Attorney General or under authority of the Department of Justice to assist in the conduct of legal proceedings pertaining to the unpaid tax liability of Associated Gas & Electric Co. and its corporate affiliates and to assist in the conduct of the case of Commissioner of Internal Revenue against Charles E. Mitchell, including all proceedings therein and any other case or proceeding, appellate or otherwise, that may arise out of or pertain to the tax liability of said taxpayers.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the employment of Frank Wideman as an attorney or counselor specially employed, retained, or appointed by the Attorney General or under authority of the Department of Justice to assist in the conduct of legal proceedings pertaining to the unpaid tax liability of Associated Gas & Electric Co. and its corporate affiliates and to assist in the conduct of the case of Commissioner of Internal Revenue against Charles E. Mitchell, including all proceedings therein and any other case or proceeding, appellate, or otherwise, that may arise out of or pertain to the tax liability of said taxpayers shall not be construed to be employment within the meaning of sections 109 and 113 of the Criminal Code of the United States as amended (U. S. C., title 18, secs. 198 and 203) or section 190 of the Revised Statutes of the United States (U. S. C., title 5, sec. 99).

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.

PROVISION FOR A CIVIL GOVERNMENT OF 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 Puerto Rico, and for other purposes."

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

Mr. JENKINS of Ohio. Mr. Speaker, I understood from the gentleman from Puerto Rico that his desire was to have this bill passed over. I therefore ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SURVEY OF 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 for the present consideration of the bill?

Mr. MARTIN of Colorado. Mr. Speaker, reserving the right to object, may I ask the gentleman from New Mexico [Mr. DEMPSEY] if he has any objection to the amendment that I gave him a copy of this morning?

Mr. DEMPSEY. I would have objection to the amendment because I do not think it has a thing to do with the bill in question.

Mr. MARTIN of Colorado. Of course, the gentleman, I know, understands the position I have been put into in connection with this bill. It is one I do not relish a bit.

Mr. DEMPSEY. I appreciate that fact.

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 the Secretary of the Interior be, and he is hereby, authorized and directed to cause an examination and survey to be made to determine the best utilization of the surplus waters of the San Juan River, a tributary of the Colorado River, and to determine the best possible use of such waters in the San Juan Basin without injury to the present users of the waters of the San Juan River and by diversion, if feasible, of a portion of such surplus waters to the Rio Chama, a tributary of the Rio Grande River, and to report the results of such surveys and examinations to the Congress as soon as possible. There is authorized to be appropriated the sum of $50,000, or so much thereof as may be necessary, to carry out the purposes of this act.

Mr. MARTIN of Colorado. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Colorado: Page 2, at the end of line 5, change the period to a colon and add the following: "*Provided*, That $17,500 of the above sum may be expended for a similar examination and survey of the surplus waters of the Animas River, a tributary of the Rio Grande River, with a view to the diversion, if feasible, of a portion of such surplus waters to the Rio Grande River."

Mr. MARTIN of Colorado. Mr. Speaker, I would like to have the attention of the Members present for just 2 or 3 minutes.

This is a bill to authorize an appropriation of $50,000 to make a diversion survey of water from the San Juan River to the Chama River in the State of Colorado, and came over here from the Senate. After it got here the people of my State wanted me to oppose the bill because it did not carry an appropriation for the survey of two other rivers, the Animas and Rio Grande, in the State of Colorado, it being understood that the first project was for the benefit of New Mexico and the second would have benefited the State of Colorado.

We had a meeting with a view to getting together on this proposition and met in the office of Senator Hatch, of New Mexico, the author of the pending bill. Senator Hatch was there, the gentleman from New Mexico [Mr. DEMPSEY], was there, the Colorado Representatives were there, and we agreed on a division between those two projects of a certain allocation of funds down in the Interior Department by the National Resources Committee.

We made an agreement whereby, if Colorado would throw in for the Hatch bill, the State of Colorado, for its project, would receive $17,500 out of the $35,000 allocated down in the Department to New Mexico. That was agreed to unanimously and the memorandum was in writing. After the Senators and the Representatives had agreed, with the approval of a representative of the National Resources Committee, it was objected to by the State engineer of New Mexico. When that occurred, interested parties in my State put me in what I am frank to say looks to me like a "dog in the manger" position of blocking this whole thing.

Mr. Speaker, I am going to be frank about this. I submitted my amendment to the gentleman from New Mexico and told him if he would accept my amendment to apply $17,500 of the $50,000 provided in this bill, to the Animas-Rio Grande survey, we would relinquish all claim to a split of the $35,000 down in the National Resources Committee, which would have amounted to the same thing. He advised me he was not in a position to agree to that.

I think the Members of the House can see what the fair thing is, and I believe they ought to enforce the agreement. The fact of the matter is Congress would be justified in kicking these quarrels out until the Mountain States have adjusted their own differences. Every one of them is fighting the other. It is high time they got their differences settled without bringing such a small item as this to Congress. I have submitted a fair proposition to you, considering the circumstances in which I find myself in connection with this bill. The gentleman from New Mexico is a fair man. I can invite him to stand on this floor and ask him if he and his Senator, the author of the bill, did not agree in the Senator's office that if this bill was allowed to pass in the House they would agree to a 50–50 split of the $35,000 allocated to his survey by the National Resources Committee, which proposition was thereafter turned down by his State engineer. I am sure the gentleman will not dispute me when I say that.

Mr. RICH. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Pennsylvania.

Mr. RICH. This $17,500 that the gentleman speaks of will come out of the Federal Treasury?

Mr. MARTIN of Colorado. This is an authorization, not an appropriation. There is no money appropriated in the bill, but it does authorize an appropriation of $50,000 to make the survey described in this bill.

Mr. RICH. If the survey is authorized the gentleman will come back and want $50,000 to do the work?

Mr. MARTIN of Colorado. Well, the gentleman knows the answer to that as well as I do.

[Here the gavel fell.]

Mr. DEMPSEY. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, this bill now before us was submitted to the Reclamation and Irrigation Committee of the Senate and unanimously reported by that committee. It passed the Senate unanimously. It was introduced in the House and referred to the Irrigation and Reclamation Committee. That committee reported it unanimously.

There was a fund of $35,000, just as stated to you by the gentleman from Colorado, that the National Resources Committee had to do with. Insofar as the Senator from New Mexico is concerned and insofar as I am concerned, I see no reason why they should not divide that particular amount as between Colorado and New Mexico, but I submit that has no place in this bill.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. The gentleman will admit this bill could not be amended by trying to divide some other fund down there in a department.

Mr. DEMPSEY. I say this bill has nothing to do with dividing any fund. This bill is for a specific purpose.

Mr. MARTIN of Colorado. But that $35,000 is also down there for the same purposes.

Mr. DEMPSEY. For this purpose in part and for some other things in part, but this bill provides for a specific thing, and it should be carried forward for that purpose.

Mr. MARTIN of Colorado. Let me ask the gentleman this question: Is it not a fact that if this bill passes the way it is now, your people get the $50,000 in this bill and the $35,000 in the Resources Board allocation and Colorado gets nothing? Is not that the kind of split we are going to get out of this matter?

Mr. DEMPSEY. May I say to the gentleman from Colorado that if this bill passes in its present form, a survey is carried on exactly as provided by the bill. New Mexico does not get any money from it. They simply make a survey to determine what to do with the waters of this river and whether it benefits Colorado or New Mexico or Arizona is aside from the question.

Mr. MARTIN of Colorado. In reply I would like to state to the gentleman from New Mexico that I believe I know him well enough to be able to say that if this were left to him he would accept this amendment. He does not accept it because he might get some criticism from his own State, which wants all of this money.

Mr. DEMPSEY. The State of New Mexico is not getting any money as a result of this bill. This is used to survey in Colorado.

Mr. MARTIN of Colorado. Sure; to get water to transfer to the State of New Mexico—every drop of it.

Mr. DEMPSEY. Not from Colorado. If the gentleman from Colorado or his people objected to this bill they should have appeared before our committee and made known their objections, which they did not do, and I ask that the House vote down the amendment, because I think it is improper.

Mr. MARTIN of Colorado. I want to say further to the gentleman and to the Members of the House that I could have had this bill objected off this calendar and I would not need to have taken the floor. I have been fair enough to New Mexico and fair enough to the gentleman to let this bill come up for consideration and I ask the House to be fair enough to me to adopt my amendment and give our State just one-third of the $50,000 that this bill carries.

[Here the gavel fell.]

Mr. JENKINS of Ohio. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, it strikes me that the only fair thing to do is to vote this amendment up and then vote the bill down. We have waited on the Republican side to have these two gentlemen get this matter patched up, because they are both very high-class gentlemen and no doubt have some personal interest in the outcome of this measure because of the interest of their constituents. Since they have failed to agree and since the gentleman from Colorado has made out such a fair case here, I think we ought to support him because it is very evident he is not going to get what he thought he would get and what he understood he was going to get. Therefore, we ought to vote his amendment up and then we ought to vote the bill down because, apparently, they do not need this money, and they cannot agree about this $50,000 or $60,000 or $65,000, and goodness knows Franklin D. Roosevelt needs it and we ought to save this money.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Colorado.

The amendment was agreed to.

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

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. DEMPSEY) there were—ayes 85, noes 6.

Mr. RICH. Mr. Speaker, I object to the vote on the ground there is no quorum present, and I make the point of order there is not a quorum present.

The SPEAKER pro tempore. The Chair will count.

Mr. RICH. Mr. Speaker, I withdraw the point of no quorum; but if we have any more rumpuses on the Democratic side, I shall not withdraw it.

So the bill was passed.

A motion to reconsider was laid on the table.

The title of the bill was amended to read as follows: "To provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and the Animas River, and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama and the Rio Grande."

MEMORIAL TO BETSY ROSS

The Clerk called 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. McLEAN, Mr. WOLCOTT, and Mr. RICH objected.

EXTERIOR 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. Is there objection?

Mr. COCHRAN. Mr. Speaker, I reserve the right to object. I want to know if the committee is willing to act favorably on the recommendation of the Department of the Interior and the Bureau of the Budget and strike out the authorization for $650,000. If the committee is willing to strike out that section, I have no objection to the bill, but if it will not strike out that section, I shall object.

Mr. MURDOCK. Mr. Speaker, suppose we do this. On page 5, in line 17, after the comma——

Mr. COCHRAN. No; I shall not agree to anything except what the Department recommends and the Bureau of the Budget recommends.

Mr. MURDOCK. I believe this will accomplish the thing that the gentleman is asking for. The tribe of Indians involved have some funds down there to their credit. If we strike out the appropriation from the Treasury and make it from the Indian funds exclusively, does that satisfy the gentleman from Missouri?

Mr. COCHRAN. That is what the Director of the Budget recommends.

Mr. MURDOCK. That is what I am willing to do. I am willing to strike out any appropriation from the Treasury, and make it exclusively an appropriation from the funds to the credit of the Indians.

Mr. COCHRAN. If the gentleman will read the letter from the Assistant Secretary of the Interior he will find that he says:

> The objectionable text is found in section 3 of the bill, beginning with line 14 on page 5, and ending with the word "provided" in line 1, page 6.

Now the gentleman wants to retain that.

Mr. MURDOCK. I am willing to strike any appropriation direct from the Treasury and make it exclusively from the funds of the Indians.

Mr. COCHRAN. All right, let us strike out all after line 14 if you don't want to retain it.

Mr. MURDOCK. On which page?

Mr. COCHRAN. Page 5. I am willing to let the bill go through under those conditions.

Mr. MURDOCK. Will the gentleman yield?

Mr. COCHRAN. The gentleman said he wanted to do it and I am willing to do that. Six hundred and fifty thousand dollars is involved here, and you get a revolving fund, and this money can be taken out of that, and you are only increasing the annual appropriation by $650,000.

Mr. MURDOCK. I have stated my position.

Mr. COCHRAN. All right, let us strike that all out.

Mr. MURDOCK. Will the gentleman yield long enough for me to make a brief explanation of what I am willing to do and how it may be accomplished without ruining the bill?

Mr. COCHRAN. I am merely following the Secretary of the Interior and the Bureau of the Budget.

Mr. MURDOCK. The Indians have money to their credit and I am willing to take the language out of the bill that provides for funds out of the Treasury not otherwise appropriated and make the whole amount come out of the Indian funds, and that can be accomplished.

Mr. RICH. Mr. Speaker, I object.

Mr. COCHRAN. Mr. Speaker, I object.

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. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. BURDICK. Mr. Speaker, will the gentleman withhold that?

Mr. COSTELLO. Yes.

Mr. BURDICK. The only harmful part of the bill is section 4. As I understand it, proponents of the measure are willing to cut out section 4 of the bill, and that is satisfactory.

I do not think it should be passed over, because there is a case pending in the courts now where this legislation is necessary.

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. ROGERS of Oklahoma. I would like to inquire if the only objection the gentleman has is on account of the letter from the Department; and if that is the case, I would like to inform the gentleman that I have a letter from the Secretary saying that if section 4 is stricken from the bill there is no objection to it. I am prepared to offer an amendment to strike section 4 if the gentleman will allow the bill to be considered.

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

Mr. COSTELLO. Mr. Speaker, reserving the right to object, unfortunately I have not had an opportunity to see the amendment which is being offered. I have had several communications regarding this proposed legislation opposing the passage of it in its present form. There are several amendments necessary in order to put the bill in satisfactory form, and I believe for that reason I will have to object to its present consideration.

The SPEAKER pro tempore. Objection is heard. The Clerk will report the next bill.

Mr. JENKINS of Ohio. Will the gentleman reserve his objection for a moment?

Mr. COSTELLO. I shall be glad to.

Mr. JENKINS of Ohio. I have no interest in this bill, nor has anybody on our side, as far as I know, but I understand the people interested in this bill have exercised a great deal of patience in an attempt to satisfy all objections, and I believe the gentleman might work a hardship on some innocent people if he would not permit this bill to be passed. That is the way I understand it.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. COCHRAN. When I went to my office this evening I found a letter sent to me by messenger from the Secretary of the Interior, in which he says that if section 4 is stricken from this bill it will remove his objections. I have the letter in my hand. I am opposed to the bill with section 4 in it.

Mr. COSTELLO. The only letter I have had was from the Commissioner of Indian Affairs, dated May 4, objecting to the passage of the bill. That letter was sent to me by Mr. Collier, urging me to prevent the passage of the bill at this time. I have received no other communication. There is a great deal of interest in this legislation in the State of California. The legislation provides that the Indians may be able to employ their own attorneys. That in itself would retard the activity of this suit that is now pending before the courts. Another provision which this bill contains at the present time is one to investigate the roll of Indians and check and make sure that all Indians who have any claim at all to share under the judgment in this court would be entitled to come in here.

That investigation of the roll would require a great deal of time and it would be almost impossible to satisfy. Whether this amendment that is being offered at this stage of the proceeding would cure those defects of which complaint has been raised, I cannot say, but I have been informed by different organizations that they would prefer to have this bill not passed at the present session, and let the matter go over until next session. For that reason I feel I shall be obliged to object. I will be glad to withhold the objection if the gentleman wishes to make a statement.

Mr. LEA of California. Will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. LEA of California. I am in receipt of a letter from the Secretary of the Interior to the same effect as stated by the gentleman from Missouri [Mr. COCHRAN]. The Secretary takes the position that if section 4 is eliminated from the bill he will have no further objection to its passage.

As to the 2-year clause providing for the enrollment of the Indians, I would be glad to offer an amendment to reduce that to 1 year and eliminate that unnecessarily long delay involved for that purpose.

Mr. COSTELLO. I do not think that the objections to the provision regarding enrollment would be satisfied merely by reducing the time. In view of the fact that I am not familiar with the nature of the amendments at this time, I believe the best thing would be to pass this bill over without prejudice, which would still allow us to consider it again. It might give an opportunity later during the course of the week to call the bill up.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. JENKINS of Ohio. The chances are this will be the last Consent Calendar day.

Mr. COSTELLO. It undoubtedly will be the last Consent Calendar day, but still it would give an opportunity to look at the amendments and it could be called up by unanimous consent during the week.

Mr. JENKINS of Ohio. Would the gentleman agree that if we passed it over now we could call it up the last thing before we close tonight? Would the gentleman agree to that?

Mr. COSTELLO. I have had several communications from California objecting to the passage of this bill. I do not like to jeopardize their interests by passing the bill at this time unless I know exactly the nature of the amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California that the bill be passed over without prejudice?

There was no objection.

PUBLIC WELFARE DEPARTMENT FOR PUERTO RICO

The Clerk called the next 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 to the present consideration of the bill?

Mr. JENKINS of Ohio. Mr. Speaker, I understand this bill is in the same category as the other Puerto Rico bill, and consequently I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

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 ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

INDIANS 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?

There being no objection, the Clerk read the bill, as follows:

An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes

Be it enacted, etc., That the United States, acting through the Congress, hereby readmits, reacknowledges, and assumes continued responsibility for the guardianship of our Indian citizens and, in exercising such guardianship, does hereby pledge such Indian citizens of all tribes that it is and will be the continuing policy of the Government to establish justice for and to promote the general welfare of the Indians of the United States.

SEC. 2. Pursuant to the general policy set forth in section 1 hereof, the Government, acting through the Congress, hereby declares it to be for the best interest and general welfare of the Indians of Oklahoma to provide a plan whereunder all Indians may be accorded all rights, opportunities, and privileges and may eventually assume full responsibility as citizens in the said State and Nation. Pursuant to such policy the following specific things to be done are hereby set forth:

(a) The restricted lands, funds, or other property of the Indians of the State of Oklahoma, as herein provided are to be retained in the custody of the Secretary of the Interior, in trust, save as provided in this act, but nothing herein contained shall be construed as reimposing restrictions on any such property from which the restrictions have previously been removed.

(b) The restricted lands, funds, or other property belonging to competent adult Indians, as herein provided for, shall be relieved by the Secretary of the Interior of all restrictions as rapidly as the best interests of such Indians will permit and justify.

(c) The Government hereby declares its policy to be that the aged, infirm, and incompetent Indians shall have every possible care, assistance, and protection and that the Indian youth shall have educational facilities and advantages to the end that they may assume their place among the citizenship of the State and Nation.

(d) All claims held by any Indian tribe, group, or band against the Government shall be considered and adjudged, and such amounts as may be found to be due any such tribe, group, or band shall be paid and expended as may be provided by law.

(c) Pursuant to the provisions of paragraph (b) of section 2, the Secretary of the Interior at least once during each 4-year period shall cause to be created a competency commission, and such commission shall make a survey and examination of each adult Indian of the State of Oklahoma in order to ascertain whether such Indian is qualified and should have his or her restrictions removed on all or any part of any property, real or personal, of such Indian, and in the event the recommendations of such commission are favorable to the removal of the restrictions in whole or in part the Secretary of the Interior is authorized to issue patent in fee to such Indians for or otherwise remove the restrictions from such lands, property, and funds, as may be recommended by such commission, and which property and funds are in the possession or under the jurisdiction of the Secretary of the Interior: *Provided, however,* That such competency commission shall consist of at least one qualified Indian representative of the respective tribe or tribes to be so visited and examined, together with the superintendent or other officer in charge of the respective agency or school having jurisdiction over such tribe or tribes, and one other member to be designated by the Secretary of the Interior for such purpose: *Provided further,* That the Secretary of the Interior at any time may exercise the authorities specified in section 7 of this act.

SEC. 3. It is hereby declared to be the policy of Congress to provide adequate educational facilities for the Indian population of the State of Oklahoma, with preference to those of one-quarter or more of Indian blood, as follows:

(a) The present policy of providing funds for the payment of tuition to public State schools for Indian children shall be continued and maintained.

(b) All existing Indian boarding schools shall be continued as now operating until otherwise provided by law.

(c) Funds may be made available for the purpose of constructing, equipping, and maintaining school buildings in such sections as may be deemed necessary for carrying out the policy stated and the intent of this section.

(d) The Secretary of the Interior is hereby authorized and directed to make diligent effort to provide adequate educational facilities for all Indian children of school age: *Provided,* That preference in the boarding schools shall be given to Indian children without means of support, Indian children retarded because of lack of educational facilities, and orphaned Indian children.

SEC. 4. From time to time, as conditions require, funds shall be provided for maintenance of existing boarding and day schools, hospitals, and sanatoria, and for the construction of such additional day schools, hospitals, and sanatoria to provide adequate school and hospitalization facilities for the Indians of Oklahoma, with preference to those of one-quarter or more of Indian blood.

SEC. 5. That when used in this act the term "tribe" shall be construed to mean any Indian tribe, organized band, or group of Indians composed of persons on the classified rolls of the Indian Office or persons containing one-half or more of Indian blood and residing in the State of Oklahoma.

SEC. 6. For the purpose of providing lands for Indians in the State of Oklahoma, the Secretary of the Interior is hereby authorized, in his discretion, to acquire, through purchase, relinquishment, gift, exchange, or assignment, any interest in lands, water rights, or surface rights to lands, within or without existing reservations, including trust or otherwise restricted lands now in Indian ownership, allotted or inherited, whenever said Secretary deems it advisable to permit the present Indian owner or owners to part with the same or their interests therein. In the sale of any restricted Indian land, pursuant to the terms of this or any other act of Congress, the Secretary of the Interior shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians of the same or any other tribe, at a fair valuation to be fixed by appraisement satisfactory to the Indian owner or owners of such restricted land, or if offered for sale at auction said Secretary shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians by meeting the highest bid otherwise offered therefor. Title to all land so acquired or set aside shall be taken in the name of the United States, in trust for the tribe, band, group, or individual for whose benefit such land is so acquired, and the Secretary of the Interior is hereby authorized to designate or proclaim the tribe, band, community, or group of Indians for whose benefit such land is so acquired, and said Secretary is further authorized to prescribe such rules and regulations as he may deem necessary to control the use, management, and operation of such lands for the benefit of the Indians, including the assignment of the right to use part or parts of such land by individual Indians, the ownership of any improvements placed thereon by or at the expense of the occupant to remain in such occupant and to be devisable and inheritable under such rules and regulations as the Secretary of the Interior may prescribe, and not otherwise: *Provided,* That in accepting title to any individually owned restricted Indian land for the benefit of any tribe or group of Indians, the Secretary of the Interior, in consideration for such conveyance, may assign the same land to or for the benefit of the former Indian owner or owners, for such period or periods as the said Secretary may deem proper, including a further right or power in such former owner or owners to lease such land to third parties, upon such terms and conditions as the Secretary of the Interior may prescribe: *Provided, however,* That nothing herein contained shall be construed as granting or recognizing in any such individual occupant or his or her heirs, any title to any tribal or communally owned lands so occupied, or as giving to the courts of the State of Oklahoma any jurisdiction over any matter affecting the title to, right to use or occupy, or the ownership of any improvements located on any such tribal or communally owned lands; all of which questions are hereby committed to the exclusive jurisdiction of the Secretary of the Interior. Any restricted land, funds, or other securities belonging to Indians of the State of Oklahoma shall, while held by the Secretary of the Interior, be free from any and all taxes save those provided by existing law.

SEC. 7. That at any time prior to the expiration of the existing period of trust or other restrictions against alienation of any lands, funds, or other property belonging to any Indians of the State of Oklahoma, whether held under a trust, tribal, or other form of patent, deed, or any other instrument containing restrictions against alienation, the President of the United States be, and he is hereby, authorized in his discretion, to extend such trust or other restricted period for such further period or periods as he may deem best: *Provided, however,* That during such trust or restricted period, or any extension or extensions thereof, the Secretary of the Interior, in his discretion, whenever satisfied that the best interest of the Indian owner or owners of such restricted property, and that of his immediate family, would best be served thereby, may, with or without

application from the Indian owner or owners, remove the restrictions in whole or in part, in such manner and under such rules and regulations as the said Secretary may prescribe: *Provided further,* That before removing the restrictions from any land, funds, or other property, belonging to any adult restricted Indian, without the consent of such Indian, the Secretary of the Interior shall give at least 30 days' notice in writing to such Indian owner to show cause why such action should not be had: *Provided further,* That in any case wherein a restricted Indian has applied to the Secretary of the Interior for the removal of his or her restrictions on land, property, securities, or funds and such application has been rejected, and in any case wherein the Secretary has acted to remove restriction or issue a patent in fee without the consent of the Indian owner of the restricted property, an appeal will lie to the Federal court under whose jurisdiction the land is located and if the application is for the removal of restrictions on property, securities, or funds only, then the appeal will lie to the Federal court having jurisdiction of the legal residence of the applicant and if the Federal court shall find that the action of the Secretary of the Interior in denying such application was arbitrary, or without due regard to the best interests of the Indian applicant and that of his immediate family such court may, in its discretion, overrule the action of the Secretary of the Interior and the decision of the Federal court shall be final and binding upon the Secretary of the Interior. In all cases where appeals are authorized as provided herein, the applicant is entitled to have a certified copy of all papers, including the application and order of rejection, and such applicant shall pay all necessary expenses in connection with the preparation and certification of such transcript: *Provided further,* That, in the event an appeal is taken as authorized herein and such appeal is denied by any Federal court, then the costs of such appeal shall be assessed and taxed against the applicant: *And provided further,* That nothing contained in this act shall be construed as authorizing the removal of restrictions on Osage headrights owned or possessed by persons of Indian blood, which shall remain inalienable, except by will, as now provided by law.

SEC. 8. That the provisions of sections 2, 3, 4, 5, 6, and 7 of the act of January 27, 1933 (47 Stat. 777), entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes in Oklahoma", be, and the same hereby are, made applicable to all Indians of said State, regardless of tribe or degree of Indian blood, and all such Indians having any restricted lands, funds, or other property shall have the right, at their election, either to create private trusts out of such restricted property, pursuant to the terms of said act, or allow the same to remain subject to supervision of the Secretary of the Interior: *Provided,* That it was not intended by the enactment of section 1 of said act to make it retroactive, to extend restrictions on lands other than homesteads of the Indians therein described, or to restrict funds which otherwise were unrestricted after April 26, 1931.

SEC. 9. Any group of Indians residing on any area of tribal land or on land acquired by the United States for the use of Indians shall have the right to organize for its common welfare and to adopt a constitution and bylaws, under such rules and regulations as the Secretary of the Interior may prescribe. The Secretary of the Interior may issue to any such organized group a charter of incorporation, which shall become operative when ratified by a majority vote of the adult members of the organization voting: *Provided, however,* That the total vote cast shall not be less than 40 percent of those entitled to vote. Such charter may convey to the incorporated group, in addition to any powers which may properly be vested in a body corporate under the laws of the State of Oklahoma, the right to participate in the revolving credit fund and to enjoy any other rights or privileges secured to an organized Indian tribe under the act of June 18, 1934 (48 Stat. 984).

The Secretary of the Interior may from time to time delegate and convey to a corporation so chartered, subject to any qualifications that may appear necessary or desirable, any or all powers now vested in the Secretary of the Interior or in the Commissioner of Indian Affairs with respect to the management or control of lands, funds, or other property held or enjoyed by the corporation or its members, the administration of services performed by the Interior Department for such corporation or its members, or the regulation of the conduct or affairs of such corporation and its members. Such action shall become effective when ratified by a majority vote of the adult members of the corporation voting: *Provided, however,* That the total vote cast shall not be less than 40 percent of those entitled to vote. Wherever the management and control of its funds shall be vested in an Indian corporation, such funds may be deposited in any national bank within the State of Oklahoma or otherwise invested, utilized, or disbursed in accordance with the terms of the corporate charter.

SEC. 10. The Secretary is authorized and directed to establish an Oklahoma Indian Credit Corporation, hereinafter referred to as the "Corporation", to issue a charter to such corporation, defining its powers, and providing for a board of directors to serve without pay and to consist of seven members, one of whom shall be the director of credit of the Indian Credit Administration, and four of whom shall be representative Indians of the State of Oklahoma, and to appoint, at a salary determined by him, a manager for such corporation. In addition to any powers which the Secretary may delegate to such corporation necessary for the proper performance of its functions, such corporation shall be authorized in its charter to purchase stock in and to make loans to Indian cooperative credit, producers, consumers, marketing, and land management associations and to individual Indians as defined in the act of June 18, 1934 (48 Stat. 984), under rules and regulations prescribed by the Secretary of the Interior: *Provided,* That no loan shall be made to any individual unless the establishment of a cooperative credit association in an area reasonably convenient to such individual has been proved to the satisfaction of the corporation not to be feasible: *Provided further,* That no loan to any individual or association nor purchase of stock shall be made without the approval of the manager of the corporation. For the purposes and expenses of the corporation and cooperative associations organized pursuant to this act, there shall be appropriated, out of the Treasury of the United States, the sum of $2,000,000.

SEC. 11. Any 10 or more Indians, as defined in the act of June 18, 1934 (48 Stat. 984), who reside in convenient proximity to each other may petition the corporation for a charter for a local cooperative association for any one or more of the following purposes: Credit administration, production, marketing, consumers' protection or land management. Upon approval of the petition by the corporation and by the Secretary, the Secretary shall issue to such person a charter defining the powers of such cooperative association, the district within which it shall operate, and the conditions of membership, and prescribing the manner of conducting its business. The provisions of this act, the regulations of the Secretary of the Interior, and the charters of the cooperative associations issued pursuant thereto, shall govern such cooperative associations but in those matters not covered by said act, regulations, or charters, the laws of the State of Oklahoma, if applicable, shall govern. All credit associations shall, and any other cooperative association may, possess voting and nonvoting stock with a par value as fixed in the charter. The nonvoting stock shall be purchased by the corporation or otherwise taken by it in exchange for loans made to the cooperative associations in such proportion to the loans made as may be prescribed in the regulations of the Secretary. The voting stock shall be issued only to members of the cooperative association, and must be purchased by every member thereof to the amount required in the charter of the association; except that every credit association shall require its members to possess stock to the amount of 5 percent of the face value of any loan. Any member may pay for such stock either by cash supplied by him or through assignment to the association of a part of his patronage dividend. In any stock or nonstock cooperative association no one member shall have more than one vote, and membership therein shall be open to all individuals of one-half or more Indian blood residing within the prescribed district. Any Indian, regardless of his degree of blood, who has relinquished to the Secretary title to land and who has been assigned land by said Secretary pursuant to section 6 of this act is entitled to become a member of a land-management association. The officers of all cooperative associations must be approved by the corporation, and all books and accounts of such associations shall at all times be open to inspection by the corporation or the Secretary.

SEC. 12. The corporation shall continue until otherwise directed by act of Congress; and the charters of all cooperative associations organized pursuant to this act shall not be amended or revoked by the Secretary except after a majority vote of the membership. The charters of the said corporation and cooperative associations may convey the right to make contracts, to acquire, hold, and dispose of real and personal property necessary and incident to the conduct of their business, to prescribe fees and charges, subject to the regulations of the Secretary, for loans and other services, to buy and sell stocks in their own or other associations or corporations; and such other powers as may, in the judgment of the Secretary, be necessary and incident to carrying out the powers and duties described in this act. Said corporation and cooperative associations may sue and be sued in any court of the State of Oklahoma or of the United States having jurisdiction of the cause of action, but a certified copy of all papers filed in any action against a cooperative association in a court of Oklahoma shall be served upon the corporation. Within 20 days after such service or within such extended time as the trial court may permit, the corporation may intervene in such action or the Secretary, upon the request of the corporation, may remove such action to the United States district court to be held in the district where such petition is pending by filing in such action in the State court a petition for such removal together with the certified copy of the papers served upon the corporation. It shall then be the duty of the State court to accept such petition and proceed no further in such action. The said copy shall be entered in the said district court within 20 days after the filing of the petition for removal, and the said district court is hereby given jurisdiction to hear and determine said action.

In addition to the foregoing powers the cooperative associations may, by delegation from the Secretary of the Interior, receive the power to manage, operate, and assign lands purchased or acquired by the Secretary pursuant to section 6 of this act and to regulate the leasing thereof and the disposition, use, inheritance, and devise of the improvements placed thereon.

SEC. 13. The provisions of this act are to be considered, held, and construed as supplemental to the rights, privileges, and benefits set forth and provided in the act of June 18, 1934 (48 Stat. 994): *Provided,* That the Indian tribes and Indian citizens of Oklahoma shall have equal rights, opportunities, and privileges under the provisions of the last-mentioned act when applicable: *Provided further,* That all funds appropriated under the several grants of authority contained in said act for the purchase of land

as provided in section 5 thereof; for the purpose of establishing a revolving fund as provided in section 10 thereof; for the making of loans to Indians for the payment of tuition and other expenses in recognized vocational and trade schools as provided in section 11 thereof; are hereby made available for use under the provisions of this act, and Oklahoma Indians shall be accorded and allocated a fair and just share of any and all funds hereafter appropriated under the authorization herein set forth.

SEC. 14. For the purpose of carrying out the several provisions of this act and supplemental to the authorizations contained in the act of June 18, 1934 (48 Stat. 984), funds are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and all sums appropriated pursuant to this authority shall be expended under the direction and supervision of the Secretary of the Interior: *Provided*, That specific authority is hereby granted to appropriate funds for—

(a) General support and civilization, including education;

(b) For relief of distress and conservation of health;

(c) For industrial assistance and advancement and general administration of Indian property;

(d) For the enlargement, extension, improvement, and repair of the buildings and grounds of existing plants and projects;

(e) For the employment of inspectors, supervisors, superintendents, clerks, field matrons, farmers, physicians, Indian police, and other employees;

(f) For the suppression of traffic in intoxicating liquor and deleterious drugs; and

(g) For the purchase of horse-drawn and motor-propelled passenger-carrying vehicles for official use.

SEC. 15. The Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 16. All acts or parts of acts inconsistent herewith are hereby repealed.

SEC. 17. This act may be cited as the "Oklahoma Indian General Welfare Act of 1935."

With the following committee amendment:

Strike out all after enacting clause and insert the following:

"That the Secretary of the Interior is hereby authorized, in his discretion, to acquire by purchase, relinquishment, gift, exchange, or assignment any interest in lands, water rights, or surface rights to lands, within or without existing Indian reservations, including trust or otherwise restricted lands now in Indian ownership: *Provided*, That such lands shall be agricultural and grazing lands of good character and quality in proportion to the respective needs of the particular Indian or Indians for whom such purchases are made. Title to all lands so acquired shall be taken in the name of the United States, in trust for the tribe, band, group, or individual Indian for whose benefit such land is so acquired, and while the title thereto is held by the United States said lands shall be free from any and all taxes, save that the State of Oklahoma is authorized to levy and collect a gross production tax, not in excess of the rate applied to production from lands in private ownership, upon all oil and gas produced from said lands, which said tax the Secretary of the Interior is hereby authorized and directed to cause to be paid.

"SEC. 2. Whenever any restricted Indian land or interests in land, other than sales or leases of oil, gas, or other minerals therein, are offered for sale, pursuant to the terms of this or any other act of Congress, the Secretary of the Interior shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians of the same or any other tribe, at a fair valuation to be fixed by appraisement satisfactory to the Indian owner or owners, or if offered for sale at auction said Secretary shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians by meeting the highest bid otherwise offered therefor.

"SEC. 3. Any recognized tribe or band of Indians residing in Oklahoma shall have the right to organize for its common welfare and to adopt a constitution and bylaws, under such rules and regulations as the Secretary of the Interior may prescribe. The Secretary of the Interior may issue to any such organized group a charter of incorporation, which shall become operative when ratified by a majority vote of the adult members of the organization voting: *Provided, however*, That such election shall be void unless the total vote cast be at least 30 percent of those entitled to vote. Such charter may convey to the incorporated group, in addition to any powers which may properly be vested in a body corporate under the laws of the State of Oklahoma, the right to participate in the revolving credit fund and to enjoy any other rights or privileges secured to an organized Indian tribe under the act of June 18, 1934 (48 Stat. 984): *Provided*, That the corporate funds of any such chartered group may be deposited in any national bank within the State of Oklahoma or otherwise invested, utilized, or disbursed in accordance with the terms of the corporate charter.

"SEC. 4. Any 10 or more Indians, as determined by the official tribal rolls, or Indian descendants of such enrolled members, or Indians as defined in the act of June 18, 1934 (48 Stat. 984), who reside within the State of Oklahoma in convenient proximity to each other may receive from the Secretary of the Interior a charter as a local cooperative association for any one or more of the following purposes: Credit administration, production, marketing, consumers' protection, or land management. The provisions of this act, the regulations of the Secretary of the Interior, and the charters of the cooperative associations issued pursuant thereto shall govern such cooperative associations: *Provided*, That in those matters not covered by said act, regulations, or charters, the laws of the State of Oklahoma, if applicable, shall govern. In any stock or nonstock cooperative association no one member shall have more than one vote, and membership therein shall be open to all Indians residing within the prescribed district.

"SEC. 5. The charters of any cooperative association organized pursuant to this act shall not be amended or revoked by the Secretary except after a majority vote of the membership. Such cooperative associations may sue and be sued in any court of the State of Oklahoma or of the United States having jurisdiction of the cause of action, but a certified copy of all papers filed in any action against a cooperative association in a court of Oklahoma shall be served upon the Secretary of the Interior, or upon an employee duly authorized by him to receive such service. Within 30 days after such service or within such extended time as the trial court may permit, the Secretary of the Interior may intervene in such action or may remove such action to the United States District Court to be held in the district where such petition is pending by filing in such action in the State court a petition for such removal together with the certified copy of the papers served upon the Secretary. It shall then be the duty of the State court to accept such petition and to proceed no further in such action. The said copy shall be entered in the said district court within 30 days after the filing of the petition for removal, and the said district court is hereby given jurisdiction to hear and determine said action.

"SEC. 6. The Secretary is authorized to make loans to individual Indians and to associations or corporate groups organized pursuant to this act. For the making of such loans and for expenses of the cooperative associations organized pursuant to this act, there shall be appropriated out of the Treasury of the United States, the sum of $2,000,000.

"SEC. 7. All funds appropriated under the several grants of authority contained in the Act of June 18, 1934 (48 Stat. 984), are hereby made available for use under the provisions of this act, and Oklahoma Indians shall be accorded and allocated a fair and just share of any and all funds hereafter appropriated under the authorization herein set forth: *Provided*, That any royalties, bonuses, or other revenues derived from mineral deposits underlying lands purchased in Oklahoma under the authority granted by this act, or by the Act of June 18, 1934, shall be deposited in the Treasury of the United States, and such revenues are hereby made available for expenditure by the Secretary of the Interior for the acquisition of lands and for loans to Indians in Oklahoma as authorized by this act and by the Act of June 18, 1934 (48 Stat. 984).

"SEC. 8. This act shall not relate to or affect Osage County, Okla.

"SEC. 9. The Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act. All acts or parts of acts inconsistent herewith are hereby repealed."

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.

CHOCTAW INDIANS 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. TABER, Mr. WOLCOTT, Mr. JENKINS of Ohio, and Mr. RICH objected.

NAVAL AIR BASE, 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.

Mr. UMSTEAD, Mr. TARVER, and Mr. TABER objected.

Mr. LUDLOW. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LUDLOW. What becomes of Calendar No. 770, the bill to amend the Federal Register Act?

The SPEAKER pro tempore. The bill was objected to twice and should not have been on the calendar. It is on the calendar only through clerical error.

ASSINIBOINE INDIANS

The Clerk called the next 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. WOLCOTT, Mr. MCLEAN, Mr. TABER, Mr. MITCHELL, and Mr. COSTELLO objected.

CLASSIFIED STATUS FOR CERTAIN SPECIAL-DELIVERY MESSENGERS

The Clerk called the next bill, H. R. 11822, to permit certain special-delivery messengers to acquire a classified status through noncompetitive examination.

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

Mr. COSTELLO, Mr. CLARK of Idaho, Mr. TAYLOR of South Carolina, and Mr. TABER objected.

Mr. HAINES. Mr. Speaker, will not the gentleman from California withhold his objection?

Mr. COSTELLO. Mr. Speaker, I withhold my objection to permit the gentleman to make a statement.

Mr. HAINES. Mr. Speaker, this is a good bill and has the approval of the Post Office Department. Will the gentleman from California kindly tell me his objection to this bill?

Mr. COSTELLO. My particular objection to the passage of the bill is that it takes a group of special-delivery messengers who are not now under civil service and gives them an examination which is not open to all competitors who may desire to compete in the examination. The examination is limited exclusively to this limited group of employees employed as special-delivery messengers, and then confers on them a civil-service status in the Post Office Department. It blankets into the Department a small group by a special examination. It seems to me such bills defeat the very purpose for which the civil service was established and the very basis of entrance into the civil service, which is through competitive examination open to all who desire to compete.

Mr. HAINES. This bill is designed to take care of a certain group of old men who have been a long time in the service. If they do not have this opportunity, they will never have any opportunity to get in the classified service.

Mr. SWEENEY. Mr. Speaker, if the gentleman will yield, some of these men have been in the service 10 or 15 years. The bill is not retroactive but just gives recognition of service performed in the past.

The regular order was called for.

The SPEAKER pro tempore. The regular order is, Is there objection to the consideration of the bill?

Mr. COSTELLO, Mr. CLARK of Idaho, Mr. TAYLOR of South Carolina, and Mr. TABER objected.

MEMORIAL TO UNKNOWN SOLDIERS, PHILADELPHIA, PA.

The Clerk called the next bill, H. R. 9040, to provide for the erection of a memorial in the National Cemetery of Philadelphia, Pa., in honor of the 40 unknown soldiers of America's wars who lie buried there.

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

Mr. COSTELLO and Mr. CLARK of Idaho objected.

There being no further objections, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to erect on a suitable site in the national cemetery located in the city of Philadelphia, Pa., a memorial in honor of the 40 unknown soldiers of America's wars who lie buried there. Such memorial shall be erected only after the plans and specifications therefor have been submitted to, and approved by, the Commission of Fine Arts.

SEC. 2. There is authorized to be appropriated the sum of $25,000, or so much thereof as may be necessary, to carry out the provisions of this act.

With the following committee amendment:

Page 2, line 2, strike out "$25,000" and insert in lieu thereof "$2,500."

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.

TERMINAL MARKER, JEFFERSON DAVIS NATIONAL HIGHWAY

The Clerk called the next bill, S. 2737, authorizing the erection in the District of Columbia of a suitable terminal marker for the Jefferson Davis National Highway.

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

Mr. RICH, Mr. TABER, Mr. WOLCOTT, and Mr. JENKINS of Ohio objected.

BLUE RIDGE PARKWAY

The Clerk called the next bill, H. R. 12455, 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 pro tempore. Is there objection to the consideration of the bill?

Mr. TABER, Mr. RICH, Mr. WOLCOTT, and Mr. JENKINS of Ohio objected.

AMENDMENT OF PUBLIC BUILDINGS ACT OF MAY 25, 1926

The Clerk called the next bill, H. R. 11959, 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.

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

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ELIMINATION OF UNNECESSARY RENEWALS OF OATHS OF OFFICE BY CIVILIAN EMPLOYEES

The Clerk called the next bill, H. R. 12219, to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments.

Mr. WOLCOTT, Mr. TABER, and Mr. JENKINS of Ohio objected.

AMENDMENT OF SECTION 4B OF THE NATIONAL DEFENSE ACT, AS AMENDED

The Clerk called the next bill, S. 4132, to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army.

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

Mr. BOILEAU. Mr. Speaker, reserving the right to object, as I understand, the language in this bill is broad enough to permit the President of the United States to definitely fix the enlisted personnel of the Army. In other words he may provide the number of privates in the Army, the number of first-class privates, sergeants, and so forth, and in that way he may increase by Executive order the enlisted personnel of the Army. I do not believe that is the intention of the legislation, but the language is broad enough to permit that.

Mr. HILL of Alabama. If the gentleman will yield, I may say that is not the intention of the bill. I have prepared an amendment that I propose to offer to make sure the intention as the gentleman has just stated it is carried out; that is, so that there can be no increase in the number of enlisted personnel.

Mr. WOLCOTT. Will the gentleman tell us what his amendment is?

Mr. HILL of Alabama. On page 2, strike out the period, insert a colon and the following language:

Provided further, That nothing herein shall be construed to authorize any increase in the number of the enlisted personnel of the Regular Army.

Mr. BOILEAU. With the adoption of that amendment I shall have no objection to the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4b of the National Defense Act, as amended, be, and the same hereby is, amended by striking out the present wording and substituting therefor the following:

"SEC. 4b. Enlisted men: On and after July 1, 1936, the grades and ratings of enlisted men shall be such as the President may from time to time direct, with monthly base pay in each grade and pay for each rating as prescribed by law. The numbers in grades and/or ratings of enlisted men shall be such as are authorized from time to time by the President by Executive order: *Provided*, That nothing in this section shall operate to reduce the pay which any enlisted man is now receiving during his current enlistment and while he holds his present grade and rating, nor to change the present rate of pay of any enlisted man now on the retired list, nor to change existing provisions of law relating to

flying cadets: *Provided further*, That the transportation privileges authorized by section 12 of the act of Congress approved May 18, 1920, shall apply only to enlisted men of the first three grades."

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

Mr. HILL of Alabama. Mr. Speaker, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HILL of Alabama: Page 2, line 9, strike out the period, insert a colon, and add the following language:

"*Provided further*, That nothing herein shall be construed to authorize any increase in the number of the enlisted personnel of the Regular Army."

The amendment was agreed to.

The bill was ordered to be a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF CONTRACTORS IN RECONSTRUCTION NAVIGATION DAMS AND LOCKS ON THE MISSISSIPPI RIVER

The Clerk called the next bill, H. R. 10846, to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

EXEMPTION OF CERTAIN BRIDGES FROM TAXATION

The Clerk called the next bill, S. 3107, to exempt publicly owned interstate highway bridges from State, municipal, and local taxation.

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

NATURAL GAS

The Clerk called the next bill, H. R. 12680, to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes.

Mr. RICH, Mr. TABER, Mr. FADDIS, Mr. COOPER of Ohio, and Mr. WOLCOTT objected.

ERECTION OF A PEDESTAL FOR THE ALBERT GALLATIN STATUE IN DISTRICT OF COLUMBIA

The Clerk called Senate Joint Resolution 215, authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C.

Mr. WOLCOTT. 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 Michigan?

There was no objection.

ACCEPTANCE BY SECRETARY OF THE INTERIOR OF UNSURVEYED LANDS IN STATE OF ARIZONA

The Clerk called the next bill, H. R. 12062, to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, 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 authorized, in his discretion, to accept as a basis for exchange with the State of Arizona under authority of section 8 of the act of June 28, 1934 (48 Stat. 1269), unsurveyed lands which, if surveyed, would fall within numbered school sections in place designated by the act of June 20, 1910 (36 Stat. 557), and otherwise become the property of the State. For the purpose of such exchange the identification and area of the offered unsurveyed school sections may be determined by protraction, but no reservation by the State of minerals, easements, or rights of use may be made in such offered lands, and the selections made in lieu of such offered lands shall be based upon equal areas of vacant, unappropriated, and unreserved nonmineral public lands. The selection by the State of lands in lieu of any such protracted school sections shall be a waiver of its right to such sections. Except as herein modified, the provisions of said section 8 of the act of June 28, 1934, shall remain in full force and effect.

SEC. 2. That the Secretary of the Interior is hereby authorized to establish and administer additional grazing districts in the State of Arizona pursuant to the provisions and subject to the restrictions of "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934 (48 Stat. 1269), without regard to the 80,000,000 acres limitation contained in section 1 thereof: *Provided*, That no such grazing district shall be established until a hearing shall have been held in the vicinity of the proposed district, as provided by said act, to first ascertain the sentiments of the settlers, residents, and livestock owners of the area.

With the following committee amendment:

On page 2, strike out all of section 2.

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.

ACQUISITION OF CERTAIN LANDS BY THE TOWN OF BENSON, ARIZ.

The Clerk called the next bill, H. R. 11183, to provide for acquisition of certain lands by the town of Benson, Ariz., for school and park purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to transfer without cost to the State of Arizona title to an area of surveyed, unreserved, unappropriated, nonmineral public lands within such State equal in acreage and value to section 16, township 17 south, range 20 east, Gila and Salt River meridian.

SEC. 2. Notwithstanding any provision of law to the contrary, the State of Arizona is authorized to transfer without cost to the town of Benson title to section 16, township 17 south, range 20 east, Gila and Salt River meridian, for school and park purposes. Unless such transfer of title to the town of Benson is made within 1 year after the date of the execution of the deed conveying land to the State of Arizona pursuant to section 1 of this act, title to such lieu land shall revert to the United States.

SEC. 3. The joint resolution entitled "Joint resolution authorizing the State of Arizona to transfer to the town of Benson without cost title to section 16, township 17 south, range 20 east, Gila and Salt River meridian, for school and park purposes", approved August 24, 1935, is repealed.

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.

STUDIES AND PLANS FOR DEVELOPMENT OF HYDROELECTRIC POWER PROJECTS AT CABINET GORGE ON THE COLUMBIA RIVER

The Clerk called the next bill, H. R. 12663, to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, and a reclamation project for the Rathdrum Prairie area, and for other purposes.

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

Mr. DIRKSEN and Mr. RICH objected.

Mr. WHITE. Will the gentlemen reserve their objection?

Mr. DIRKSEN. I withhold my objection.

Mr. WHITE. Mr. Speaker, this bill has been amended to meet the objections that were made to the bill in its original form. The bill has been approved by the Secretary of the Interior and also has the approval of the Director of the Budget. The bill has been passed by the Senate and has been unanimously reported by the Committee on Irrigation and Reclamation. The bill as it stands provides only for the investigation of the possibility of pumping water by a hydroelectric power project in order to rehabilitate four or five irrigation districts which are in distress out in that country. These irrigation districts are now pumping water from various wells and lakes that are going dry. This bill has the support of the Grange and the people all over the northern part of the State of Idaho. It is a very small matter, involving a very minor appropriation to make this examination.

Mr. DIRKSEN. This is just the entering wedge for another appropriation out there.

Mr. WHITE. These reclamation projects are already in existence. The people out there are in distress for the want

of water. The wells have gone dry and the lakes are going down.

Mr. DIRKSEN. Why was not this matter incorporated in the general Interior Department appropriation bill in the first instance?

Mr. WHITE. I may say this will come out of the money that has been accumulated in the irrigation fund.

Mr. DIRKSEN. This simply aggravates the agricultural situation as at present existing. It is a piecemeal proposition to crowd in other irrigation projects from year to year.

Mr. WHITE. The agricultural situation in this district is already aggravated and these people are in distress. I hope the gentleman will not object to an investigation, which is all that the bill calls for.

Mr. DIRKSEN. I will say to the gentleman that I will go so far as to ask that the bill be passed over without prejudice, otherwise I shall object.

Mr. WHITE. The committee has reported the bill out, and it only calls for an investigation, and I hope the gentleman will not object.

Mr. RICH. Mr. Speaker, reserving the right to object, the gentleman says they are going to get the money out of the reclamation fund. This afternoon we had a bill up here and they said they were going to take the money called for under that bill out of the reclamation fund, although I understand they have spent all the money, and there is now no money left in the reclamation fund.

Mr. WHITE. If that is true, then there will not be anything done about it. It is my information that money is available in the reclamation fund. Let me remind the gentleman that these funds are obtained from the public-land States and do not come out of tax money paid into the Treasury.

Mr. DIRKSEN. 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 Illinois?

There was no objection.

AMENDMENT OF THE NATIONAL DEFENSE ACT OF JUNE 3, 1916

The Clerk called the next bill, S. 4026, to amend the National Defense Act of June 3, 1916, as amended.

Mr. McLEAN. Mr. Speaker, reserving the right to object, will the gentleman from Alabama tell me whether or not an amendment was proposed by the adjutant generals of the several States?

Mr. HILL of Alabama. The gentleman from California [Mr. COSTELLO] has an amendment that he proposes to offer which will take care of the National Guard officers, putting them on a parity with the Reserve officers and the Regular Army officers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 112 of the National Defense Act, as amended by the act of June 15, 1933 (48 Stat. 161), be, and the same is hereby, amended by striking out the phrase "except for training".

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 6, strike out the word "training" and insert in lieu thereof the following: "*Provided*, That for the purposes of this section the service of officers, warrant officers, the enlisted men of the National Guard or of the National Guard of the United States while en route to or from or during their attendance at encampments, maneuvers, or other exercises, or at service schools, under the provisions of sections 94, 97, and 99 of the National Defense Act of June 3, 1916, as amended, shall be considered as service under a call or order into the active service of the United States."

The 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.

LITTLE ROCK CONFEDERATE CEMETERY, ARKANSAS

The Clerk called the next bill, S. 4190, to amend the act approved February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, Arkansas, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. HILL of Alabama. Mr. Speaker, reserving the right to object, I do not think the gentleman from Michigan should object to the bill. In 1913 the city of Little Rock gave some land to the Federal Government to be used as a cemetery for the burial of Confederate soldiers only. What the bill would do would be to remove the limitation of burying only Confederate soldiers and let the Federal Government bury all different classes of soldiers in the cemetery. The Federal Government today needs this cemetery to bury different classes of soldiers and is anxious to have the bill passed, and as I say, the only purpose of the bill is to remove the limitation under which only Confederate soldiers can be buried there today.

Mr. WOLCOTT. I hope the gentleman will not object to the bill going over without prejudice, in order that we may have further time to study it.

Mr. HILL or Alabama. I may say to the gentleman that I have no personal interest whatever in the measure, but it is certainly to the interest of the Government to get this land to be used for the burial of World War soldiers, Spanish War soldiers, Union soldiers, and all classes of soldiers. I may say to the gentleman further that adjoining this particular cemetery the Federal Government has another cemetery in which it has been burying all classes of soldiers, but that cemetery today is filled up and the Government must have additional land or otherwise be put to the expense of shipping the bodies of these different classes of soldiers to cemeteries far from where they die and this means additional cost of transportation to the Government.

The bill is absolutely in the interest of the Government. I have no personal interest in the matter, but, as I have said, it is a matter that is entirely in the interest of the Government.

Mr. TERRY. Mr. Speaker, will the gentleman yield?

Mr. HILL of Alabama. I yield to the gentleman from Arkansas.

Mr. TERRY. Mr. Speaker, there is a great deal more space in this park the gentleman from Alabama is speaking about. He is correct in stating that the portion formerly used for Federal soldiers entirely has been completely used up.

Mr. WOLCOTT. I think we should consider it a little further and I hope the gentleman will not object to its going over without prejudice. Mr. Speaker, I renew my unanimous-consent request that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

BACHELOR OF SCIENCE DEGREES

The Clerk called the bill (H. R. 11922) to amend the act of May 25, 1933 (48 Stat. 73).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved May 25, 1933 (48 Stat. 73), be amended by changing the period at the end of the act to a colon and by adding the following words: "*Provided*, That on and after the date of the accrediting of the said academies by the Association of American Universities the superintendents of the respective academies may, under such rules and regulations as the respective secretaries may make, confer the degree of bachelor of science upon all living graduates of the said academies."

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.

CONSTRUCTION OF MILITARY POSTS, PANAMA CANAL DEPARTMENT

The Clerk called the bill (H. R. 10640) to authorize appropriations for construction at military posts, Panama Canal Department, and for other purposes.

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

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. It seems to me that we are getting into rather important legislation when we authorize the construction at military posts of buildings totaling in cost $1,600,000. Personally I have been in favor of a national defense system adequate to protect our natural resources and our people, comparable with any in the world, but it does not seem to me logical for us to be adopting bills which have as their purpose the establishment of military and naval policies by unanimous consent. In order to allow the sponsors of the bill to bring this up in the regular way, so that we may consider it and give every one on the floor an opportunity to be heard and an opportunity to vote on the establishment of a military and naval policy, I ask unanimous consent that the bill go over without prejudice.

Mr. HILL of Alabama. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. HILL of Alabama. Has the gentleman definitely made up his mind that he wants this bill to go over?

Mr. WOLCOTT. I have made up my mind to object to it if it does not, because I do not think we have any business authorizing an appropriation for any purpose, to say nothing of establishing a military and naval policy regulating Army posts. We have a bill here now on the calendar to follow, no. 873, providing for an authorization of $21,000,000.

Mr. TARVER. Mr. Speaker, I demand the regular order.

Mr. WOLCOTT. Mr. Speaker, I renew my request that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan that the bill be passed over without prejudice?

Mr. TARVER. I object.

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

Mr. WOLCOTT. Mr. Speaker, I object.

CONSTRUCTION AT MILITARY POSTS

The Clerk called the bill (H. R. 12511) to authorize appropriations for construction at military posts, and for other purposes.

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

Mr. WOLCOTT. Mr. Speaker, for the same reasons I gave in objecting to the consideration of Calendar No. 872, H. R. 10640, I object to the consideration of this bill.

COMPENSATION OF CERTAIN IMMIGRATION AND NATURALIZATION SERVICE EMPLOYEES

The Clerk called the bill (H. R. 12244) to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 24 of the Immigration Act of 1917 (39 Stat. 893) as amended (U. S. C., title 8, sec. 109), is amended by adding at the end thereof new paragraphs, as follows:

"Immigration and Naturalization Service employees of the following classifications shall be divided into grades, as follows:

"Senior border patrol inspectors: Grade 1, salary $2,400; grade 2, salary $2,500; grade 3, salary $2,600.

"Border patrol inspectors: Grade 1, salary $2,100; grade 2, salary $2,200; grade 3, salary $2,300.

"Naturalization examiners: Grade 1, salary $2,600; grade 2, salary $2,800; grade 3, salary $3,000.

"Interpreters: Grade 1, salary $1,800; grade 2, salary $1,900; grade 3, salary $2,000; grade 4, salary $2,100; grade 5, salary $2,200.

"Clerks: Grade 1, salary $1,700; grade 2, salary $1,800; grade 3, salary $1,900; grade 4, salary $2,000; grade 5, salary $2,100.

"Guards and matrons: Grade 1, salary $1,800; grade 2, salary $1,900; grade 3, salary $2,000; grade 4, salary $2,100; grade 5, salary $2,200.

"Telephone operators: Grade 1, salary $1,440; grade 2, salary $1,500; grade 3, salary $1,560; grade 4, salary $1,620; grade 5, salary $1,680.

"Laborers in charge: Grade 1, salary $1,500; grade 2, salary $1,560; grade 3, salary $1,620; grade 4, salary $1,680.

"Laborers: Grade 1, salary $1,320; grade 2, salary $1,380; grade 3, salary $1,440; grade 4, salary $1,500.

"Charwomen in charge: Grade 1, salary $1,440; grade 2, salary $1,500; grade 3, salary $1,560.

"Charwomen: Grade 1, salary $1,260; grade 2, salary $1,320; grade 3, salary $1,380.

"Messenger-clerks: Grade 1, salary $1,260; grade 2, salary $1,320; grade 3, salary $1,380.

"Messengers: Grade 1, salary $960; grade 2, salary $1,020; grade 3, salary $1,080.

"On the 1st of the month next following the date of the approval of this act all employees of the above classification shall be promoted to appropriate salary grades as hereinabove authorized. Thereafter each such employee shall be promoted successively to the next higher salary grade at the beginning of the next quarter following 1 year's satisfactory service (determined by standards of efficiency to be defined by the Commissioner of Immigration and Naturalization with the approval of the Secretary of Labor) in the next lower grade, until the maximum salary grade of the particular classification shall have been reached.

"Promotions for meritorious service above the maximum rates specified herein may be made at the discretion of the Secretary of Labor upon the recommendation of the Commissioner of Immigration and Naturalization.

"Administrative promotions for clerks above grade 5 shall be at the discretion of the Secretary of Labor and upon the recommendation of the Commissioner of Immigration and Naturalization to the following salary grades: $2,200, $2,300, $2,400, $2,500, and $2,600: *Provided*, That not to exceed 50 percent of the clerks in these administrative grades shall be promoted after no less than 1 year of meritorious service to the next higher administrative grade, until the maximum administrative grade for clerks herein provided has been reached.

"New appointments shall be made only at grade 1 of the appropriate classification, but an employee may be transferred from one classification to another without reduction of compensation, in the interest of good administration, at the discretion of the Commissioner of Immigration and Naturalization with the approval of the Secretary of Labor.

"Nothing herein contained shall be construed to reduce the rate of salary of any person employed in the Immigration and Naturalization Service on the date of the approval of this act.

"The appropriation of such sums as may be necessary for the enforcement of this act is hereby authorized."

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.

STATE OF NEVADA

The Clerk called the next bill, S. 3907, for the relief of the State of Nevada.

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

Mr. LAMNECK. Reserving the right to object, Mr. Speaker, I should like to know something about this bill.

Mr. SCRUGHAM. This bill simply authorizes the reissuance of a check which was lost in transfer.

Mr. LAMNECK. I withdraw my reservation of objection, Mr. Speaker.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 3646, as amended, of the Revised Statutes of the United States, the chief disbursing officer of the Treasury Department is authorized and directed to issue, without the requirement of an indemnity bond, a duplicate of original check numbered 81257, drawn September 6, 1935, in favor of "State treasurer of Nevada, trust fund" for $3,978.97 and lost after delivery.

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.

INTEREST PAYMENTS ON AMERICAN EMBASSY DRAFTS

The Clerk called the next bill, S. 1896, to provide for interest payments on American Embassy drafts.

The SPEAKER pro tempore. Is there objection?

Mr. WHITE. Mr. Speaker, I object.

Mr. BLOOM. Mr. Speaker, will the gentleman reserve his objection?

Mr. WHITE. I will reserve my objection if the gentleman wishes to make a statement. What does this bill provide?

Mr. BLOOM. The bill pays interest on a loan that this Gavernment made in Turkey years ago. It has been recommended by President Hoover. It has been recommended by three Presidents and all their Secretaries of State. It is recommended by President Roosevelt. It is interest on money borrowed by this Government. They are asking for the interest. It was money loaned to this Government during the war.

Mr. WHITE. How much money is involved?

Mr. BLOOM. The interest on it is about $44,000, but it is a debt of this Government. Those people loaned the money to the United States Government. President Roosevelt and President Hoover and all Secretaries of State say that it should be paid. It has passed the Senate.

Mr. WHITE. The principal has been paid?

Mr. BLOOM. The principal has been paid in installments. The Government only borrowed it for 3 days during the war, and they did not pay it until years afterward. The bankers who loaned this money to the Government are asking for the interest, and every one in three administrations has O. K.'d the bill.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. BOILEAU. I should like to ask the gentleman who are the creditors?

Mr. BLOOM. The bankers who loaned the money.

Mr. BOILEAU. American bankers?

Mr. BLOOM. No. They are foreign bankers.

Mr. BOILEAU. Is there any way in which this debt could be applied on the American war debt?

Mr. BLOOM. No.

Mr. BOILEAU. Is it from the same countries?

Mr. BLOOM. No. This is from Vienna. The Vienna bank loaned this money through the Embassy in Turkey at that time. I have no personal interest in it, but everyone says it is a just claim of this country and should have been paid.

Mr. REILLY. Will the gentleman yield?

Mr. BLOOM. I yield.

Mr. REILLY. Why has not the claim been paid?

Mr. BLOOM. There was not sufficient money in a certain fund to pay this debt. Our Government borrowed this money for 3 days, and the bankers at that time said they would not charge any interest, but it took years before it was paid. The only reason it was not paid was that in a certain fund the money was not available at that time.

Mr. REILLY. Is it not a general debt of the National Government?

Mr. BLOOM. It is a debt of this Government; yes.

Mr. REILLY. When was it made?

Mr. BLOOM. In about 1915.

Mr. REILLY. And they have had billions in the Treasury since that time.

Mr. BLOOM. But not in this special fund. The money had to come from a special fund to pay for this. The report shows the details.

The SPEAKER pro tempore. Is there objection?

Mr. WHITE. Mr. Speaker, in view of the fact that the principal has been paid I am constrained to object.

Mr. LAMNECK. Mr. Speaker, I object.

COMMUNICATIONS ACT OF 1934

The Clerk called the next bill, H. R. 12646, to amend section 318 of the Communications Act of 1934.

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

Mr. MONAGHAN. Mr. Speaker, I object.

Mr. HEALEY. Mr. Speaker, will the gentleman reserve his objection?

Mr. MONAGHAN. I will reserve the objection.

Mr. HEALEY. Will the gentleman allow the bill to go over without prejudice?

Mr. MONAGHAN. I will consent to it going over without prejudice.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that the bill H. R. 12646 may go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There is no objection.

TIME CREDITS FOR SUBSTITUTES IN MOTOR-VEHICLE SERVICE

The Clerk called the next bill, H. R. 6868, to provide time credits for substitutes in the motor-vehicle service.

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

Mr. TAYLOR of South Carolina. Mr. Speaker, I object.

MIGRATORY BIRD TREATY ACT

The Clerk called the next 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.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the title of the act entitled, "An act to give effect to the convention between the United States and Great Britain for the protection of migratory birds concluded at Washington, August 16, 1916, and for other purposes", approved July 3, 1918 (40 Stat. 755), is hereby amended as of the day on which the President shall proclaim the exchange of ratifications of the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded February 7, 1936, or on the day of the enactment of this act, whichever date is later, so that it will read as follows:

"An act to give effect to the conventions between the United States and Great Britain for the protection of migratory birds concluded at Washington August 16, 1916, and 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."

SEC. 2. That said act approved July 3, 1918, is hereby amended as of the day aforesaid by striking out the word "convention" wherever it occurs therein and by inserting in lieu thereof the word "conventions."

SEC. 3. That section 2 of said act approved July 3, 1918, is hereby amended as of the day aforesaid so as to read as follows:

"SEC. 2. That unless and except as permitted by regulations made as hereinafter provided, it shall be unlawful at any time, by any means or in any manner, to pursue, hunt, take, capture, kill, attempt to take, capture, or kill, possess, offer for sale, sell, offer to barter, barter, offer to purchase, purchase, deliver for shipment, ship, export, import, cause to be shipped, exported, or imported, deliver for transportation, transport or cause to be transported, carry or cause to be carried, or receive for shipment, transportation, carriage, or export, any migatory bird, or any part, nest, or egg of any such birds, included in the terms of the conventions between the United States and Great Britain for the protection of migratory birds concluded August 16, 1916, and the United States and the United Mexican States for the protection of migratory birds and game mammals concluded February 7, 1936."

SEC. 4. That section 4 of said act approved July 3, 1918, is hereby amended as of the day aforesaid by adding at the end thereof the following:

"It shall be unlawful to import into the United States from Mexico, or to export from the United States to Mexico any game mammal, dead or alive, or parts or products thereof, except under permit or authorization of the Secretary of Agriculture in accordance with such regulations as he shall prescribe having due regard to the laws of the United Mexican States relating to the exportation and importation of such mammals or parts or products thereof and the laws of the State, District, or Territory of the United States from or into which such mammals, parts, or products thereof, are proposed to be exported or imported, and the laws of the United States forbidding importation of certain live mammals injurious to the interests of agriculture and horticulture, which regulations shall become effective as provided in section 3 hereof."

SEC. 5. That section 9 of said act approved July 3, 1918, is hereby repealed as of the day aforesaid and the following is hereby substituted in lieu thereof:

"SEC. 9. That there is authorized to be appropriated, from time to time, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and to accomplish the purposes of said conventions and this act and regulations made pursuant thereto, and the Secretary of Agriculture is authorized out of such moneys to employ in the city of Washington and elsewhere such persons and means as he may deem necessary for such purpose and may cooperate with local authorities in the protection of migratory birds and make the necessary investigations connected therewith."

SEC. 6. That all moneys now or hereafter available for administration and enforcement of said act approved July 3, 1918, shall be equally available for the administration and enforcement of said act as hereby amended.

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.

UNITED STATES DISTRICT COURT FOR CHINA

The Clerk called the next bill, H. R. 12257, to extend the jurisdiction of the United States Court for China to offenses committed on the high seas.

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 section 1 of the act entitled "An act creating a United States Court for China and prescribing the jurisdiction thereof", approved June 30, 1906 (34 Stat. 814; U. S. C., title 22, sec. 191), be, and it is hereby, amended to read as follows:

"That a court is hereby established, to be called the United States Court for China, which shall have exclusive jurisdiction in all cases and judicial proceedings whereof jurisdiction may now be exercised by United States consuls and ministers by law and by virtue of treaties between the United States and China except insofar as the said jurisdiction is qualified by section 2 of this act; and to concurrent jurisdiction of all offenses committed on the high seas in cases in which the person or persons charged with such offenses shall be found in or be brought first into China. The said court shall hold sessions at Shanghai, China, and shall also hold sessions at the cities of Canton, Tientsin, and Hankau at stated periods, the dates of such sessions at each city to be announced in such manner as the court shall direct, and a session of the court shall be held in each of these cities at least once annually. It shall be within the power of the judge, upon due notice to the parties in litigation, to open and hold court for the hearing of a special cause at any place permitted by the treaties, and where there is a United States consulate, when, in his judgment, it shall be required by the convenience of witnesses, or by some public interest. The place of sitting of the court shall be in the United States consulate at each of the cities, respectively.

"That the seal of the said United States Court for China shall be the arms of the United States, engraved on a circular piece of steel of the size of a half dollar, with these words on the margin, 'The Seal of the United States Court for China.'

"The seal of said court shall be provided at the expense of the United States.

"All writs and processes issuing from the said court and all transcripts, records, copies, jurats, acknowledgments, and other papers requiring certification or to be under seal may be authenticated by said seal, and shall be signed by the clerk of said court. All processes issued from the said court shall bear test from the day of such issue."

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.

FORT MOULTRIE (S. C.) MILITARY RESERVATION

The Clerk called the next bill, S. 4432, authorizing and directing the Secretary of War to lease land on the Fort Moultrie (S. C.) Military Reservation to the owners of certain cottages thereon.

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

Mr. RICH, Mr. WOLCOTT, and Mr. MARCANTONIO objected.

EQUALIZATION OF ALLOWANCES FOR QUARTERS AND SUBSISTENCE OF ENLISTED MEN

The Clerk called the next bill, S. 1976, to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps.

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 so much of the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926 (44 Stat. 257; U. S. C., Appendix title 37, sec. 192), which provides "That hereafter enlisted men, including the members of the United States Army Band, entitled to receive allowances for quarters and subsistence shall continue, while their permanent stations remain unchanged, to receive such allowances while sick in hospital or absent from their permanent-duty stations in a pay status: *Provided further*, That allowances for subsistence shall not accrue to such an enlisted man while he is in fact being subsisted at Government expense", is hereby amended to read as follows: "That hereafter enlisted men of the Army, Navy, and Marine Corps, including the members of the United States Army, Navy, and Marine Corps Bands and the Naval Academy Band, entitled to receive allowances for quarters and subsistence, shall continue, while their permanent stations remain unchanged, to receive such allowances while sick in hospital or absent from their permanent-duty stations in a pay status: *Provided further*, That allowances for subsistence shall not accrue to such an enlisted man while he is in fact being subsisted at Government expense."

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.

SUPREME COURT OF THE DISTRICT OF COLUMBIA

The Clerk called the next bill, S. 4038, to amend an act of Congress approved March 3, 1863, entitled "An act to reorganize the courts in the District of Columbia, and for other purposes."

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 the court established by section 1 of the act of March 3, 1863 (12 Stat. 762), entitled "An act to reorganize the courts in the District of Columbia, and for other purposes", shall hereafter be known as the district court of the United States for the District of Columbia: *Provided*, That nothing in this act shall affect the jurisdiction or functions of the court.

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.

ANCESTRAL HOME OF JAMES K. POLK

The Clerk called the next bill, H. R. 9875, to provide $50,000 for the care, maintenance, and improvement of the ancestral home of James K. Polk, and for other purposes.

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

Mr. WOLCOTT, Mr. TABER, and Mr. RICH objected.

SUPPLY DEPOT AND LABORATORY, POCATELLO, IDAHO

The Clerk called House Joint Resolution 366.

The SPEAKER pro tempore. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of Agriculture is hereby authorized to purchase on behalf of the United States such tract or tracts of land in Pocatello, Idaho, including structures thereon, as in his judgment may be suitable for the establishment of a game management supply depot and laboratory for use of the Department of Agriculture, and to pay all costs incident to examining, transferring, and perfecting title to said land, and to construct thereon such building or buildings and to repair, add to, or remodel any existing structures thereon as in his judgment may be suitable for use as a depot and laboratory, and to purchase and install therein such equipment machinery as may be necessary for its efficient use and operation; he is authorized to provide such sidewalks and approaches in and around said premises as may be required. That appropriations made for the administration, protection, maintenance, control, improvements, and development of wildlife sanctuaries, reservations, and refuges under the control of the Secretary of Agriculture shall be available for the purchase, transportation, and handling of supplies and materials for distribution at cost from game management supply depots maintained by the Department of Agriculture to projects specially provided for, and transfers between the appropriations for said purposes are hereby authorized in order that the cost of supplies and materials and transportation and handling thereof drawn from central warehouses so maintained may be charged to the particular project benefited; and such supplies and materials as remain in said depots at the end of any fiscal year shall be continuously available for issuance during subsequent fiscal years and to be charged for by such transfers of funds between said appropriations for the fiscal year then current without decreasing in any way the appropriations made for that fiscal year: *Provided*, That supplies and materials shall not be purchased solely for the purpose of increasing the value of storehouse stock beyond reasonable requirements for any current fiscal year.

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.

COMMISSIONED LINE AND ENGINEER OFFICERS OF THE COAST GUARD

The Clerk called the next bill, H. R. 12734, to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923.

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

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to substitute Senate bill 4654 for the House bill.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is the Senate bill identical with the House bill?

Mr. BLAND. It is an identical bill; but I shall offer an amendment to the Senate bill for the reason that the bill at the time it was originally introduced would have met the situation, but Admiral Hamlet retired last Saturday and in order to cover the situation now it is necessary to amend the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes," approved January 12, 1923 (42 Stat. 1130), is hereby amended by striking out the first proviso in that section and inserting the following proviso in lieu thereof: "*Provided*, That any officer who is now serving or shall hereafter serve as Commandant in the Coast Guard shall, when retired, be retired with the rank of Commandant and with the pay of a rear admiral (upper half) of the Navy on the retired list and that an officer whose term of service as Commandant has expired may be appointed a captain and shall be an additional number in that grade, but, if not so appointed, he shall take the place on the lineal list in the grade that he would have attained had he not served as Commandant and be an additional number in such grade;".

Mr. BLAND. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLAND: Page 1, strike out, in lines 8, 9, and 10, the words "is now serving or shall hereafter serve as Commandant in the Coast Guard shall, when retired," and insert in lieu thereof the following: "who was serving on June 1, 1936, or shall thereafter serve as Commandant of the Coast Guard, shall, when retired, whether before or after the date of the enactment of this act,".

The 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 and a similar House bill (H. R. 12734) were laid on the table.

SAC AND FOX TRIBES OF INDIANS IN THE STATE OF OKLAHOMA

The Clerk called the next bill, H. R. 10669, authorizing an appropriation for payment to the Sac and Fox Tribes of Indians in the State of Oklahoma.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, due to the fact the author of the bill is not here I think it would be better to pass the bill over.

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman withhold his request?

Mr. JENKINS of Ohio. Yes.

Mr. ROGERS of Oklahoma. The author of the bill has gone home, I may say to the gentleman, but if I can help him out I shall be glad to do so. He put the bill in my charge.

Mr. JENKINS of Ohio. I think if the author is not here it would be well to pass the bill over without prejudice.

Mr. ROGERS of Oklahoma. Possibly I can take care of the situation. What does the gentleman wish to know about the bill?

Mr. JENKINS of Ohio. I wish to know about the merits of the bill.

Mr. ROGERS of Oklahoma. I may say to the gentleman that as the bill has been reported by the committee I do not want to see it passed. If, however, the gentleman does not object to the consideration of the bill, I shall ask unanimous consent to substitute the Senate bill for the House bill. The Senate bill, I assume, is at the Speaker's desk, inasmuch as it has passed the Senate and was recommended by the Department.

Mr. JENKINS of Ohio. Will it cost any money?

Mr. ROGERS of Oklahoma. It will cost a small sum to refund the Indians certain money spent in the administration of Indian affairs of other tribes.

Mr. JENKINS of Ohio. How much?

Mr. ROGERS of Oklahoma. Forty thousand dollars. This is for a whole tribe of Indians.

Mr. RICH. Where are you going to get the money?

Mr. BURDICK. May I ask what is the real purpose of taking a——

The regular order was demanded.

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

Mr. WOLCOTT, Mr. JENKINS of Ohio and Mr. RICH objected.

INVESTIGATION OF AGRICULTURAL IMPLEMENTS AND MACHINERY

The Clerk called House Joint Resolution 212, to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. BURDICK. Mr. Speaker, I object.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

Mr. BURDICK. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. MITCHELL of Illinois. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WOLCOTT. Will the Chair advise us what joint resolution we are now considering?

The SPEAKER pro tempore. House Joint Resolution 212, to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery.

Mr. WOLCOTT. What is the parliamentary situation?

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MITCHELL] has asked unanimous consent that the joint resolution be passed over without prejudice.

Is there objection to the request of the gentleman from Illinois?

Mr. TERRY. Will the gentleman withdraw his request?

Mr. MITCHELL of Illinois. No. I have asked unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. TERRY. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. MITCHELL of Illinois. Mr. Speaker, I object.

ADJUSTMENT AND SETTLEMENT OF LOSSES SUSTAINED BY COOPERATIVE MARKETING ASSOCIATIONS

The Clerk called Senate Joint Resolution 38, for the adjustment and settlement of losses sustained by the Cooperative Marketing Associations.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate joint resolution?

Mr. LAMNECK. Mr. Speaker, I object.

Mr. PIERCE. Will the gentleman withhold his objection?

Mr. LAMNECK. I withhold the objection.

Mr. PIERCE. I should like to tell the gentleman a little about this joint resolution. There were many people in the days of the Farm Board out there in the West who held their wheat on account of telegrams and on account of certain requests made by the Farm Board. The Agricultural Committee last winter heard hearings in connection with this bill. I served on a subcommittee that considered the matter, and it was considered very thoroughly. It was our opinion at that time these men had certain rights that should be adjusted.

The Senate has passed this joint resolution. The House has amended it, so that the Court of Claims may consider the matter after an impartial hearing and determine the facts in the case.

Mr. JONES. Will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Texas.

Mr. JONES. May I suggest that the Court of Claims is not authorized to render a decision but only to make a finding and a recommendation to the Congress on this long-disputed proposition.

Mr. PIERCE. That is true.

Mr. JONES. The Court of Claims simply makes a recommendation.

Mr. LAMNECK. Then this joint resolution does not permit the Secretary of Agriculture or any other executive officer to pay these losses?

Mr. PIERCE. Not at all.

Mr. JONES. It simply authorizes the Court of Claims to make an investigation and a recommendation.

Mr. LAMNECK. I withdraw my objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. COSTELLO. Mr. Speaker, I object. As I view this bill it seems to me those who dealt in this commodity were simply speculating and this is simply an action for loss by speculation.

Mr. PIERCE. No; that is not the testimony that was given before the committee.

Mr. JONES. Most of the farmers were involved in cooperatives, to which the Farm Board had made loans on wheat during the old Farm Board operation. This simply authorizes the Court of Claims to make an investigation of the facts, after which they shall make a recommendation to the Congress. That is all there is to it.

Mr. COSTELLO. There is no question but what they actually sustained a loss.

Mr. JONES. There is no question about that. The Court of Claims is authorized to investigate these losses, the amount thereof, and all the facts connected with the matter to see whether it will recommend that any action be taken. It is purely a recommendation.

Mr. COSTELLO. The result of this would be that the Court of Claims would ultimately find that these men had suffered certain losses.

Mr. JONES. Undoubtedly they would do that.

Mr. COSTELLO. The court would find what the amount of those losses were in each particular instance. They would further find there was no legal ground on which the court could render a decision in favor of these cooperatives. Then the next step would be to present bills to Congress on the basis of this being a moral obligation on the part of the Government.

Mr. JONES. They would find whether or not in their judgment there was a moral and equitable obligation. That is all.

Mr. BOILEAU. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The gentleman stated that the Court of Claims would hold in one of its findings that they had no authority to pay these claims. That is not the question involved in this joint resolution, because under the circumstances the Court of Claims would not have authority to find in favor of the claimants. This merely provides for an investigation.

I call the gentleman's attention also to the fact that the Farm Board asked these particular cooperatives to withhold their grain from the market. They were cooperating with the Farm Board, and the only purpose of the bill is to have the Court of Claims determine the facts in the matter and present them to Congress. Under no conditions is the Court of Claims authorized to allow payment of the claims.

Mr. COSTELLO. These losses were sustained due to the fact that they anticipated an increase in the price of their commodities.

Mr. BOILEAU. That will be according to what the Court of Claims may determine. The cooperatives claim they sustained their losses because they were complying with the request of the Farm Board, and that is the meat of the matter in a nutshell. We want the Court of Claims to make a finding and submit it to the Congress.

Mr. JONES. May I state to the gentleman that this matter has been under discussion for a long time, and it seems to me that the Court of Claims, which has the facilities, ought to go into the matter and determine the facts.

Mr. RICH. I object, Mr. Speaker. They tell me this joint resolution would cost the Government $400,000, and where are you going to get the money?

Mr. JONES. Mr. Speaker, will the gentleman withhold his objection a moment?

Mr. BOILEAU. Mr. Speaker, if the gentleman will withhold his objection a moment, I should like to state to the gentleman that the language is very clear that the Court of Claims is to make its recommendation to the Congress, and the Court of Claims cannot authorize the payment of one cent. The facts are in dispute and we want the facts presented to the Congress by the Court of Claims so that the matter may be decided on its merits.

Mr. RICH. Why do they have to have this joint resolution in order to go to the Court of Claims?

Mr. BOILEAU. In order that the Court of Claims may determine the facts. This joint resolution does not authorize the Court of Claims to render judgment.

The regular order was demanded.

Mr. COSTELLO. Mr. Speaker, I object to the passage of the joint resolution.

COMMEMORATION OF THE WINNING OF THE OREGON COUNTRY FOR THE UNITED STATES

The Clerk called House Joint Resolution 450, authorizing the erection of a memorial building to commemorate the winning of the Oregon country for the United States.

Mr. TARVER. Mr. Speaker, reserving the right to object, will the author of the joint resolution or some other Member who may have the information state the amount of expenditure contemplated by this joint resolution?

Mr. MOTT. The erection of the memorial at Champoeg, Oreg., which commemorates the establishment of the first government west of the Mississippi, will cost altogether $250,000. The State of Oregon is contributing $125,000 and we are asking the Government to contribute $125,000.

Champoeg, Oreg., was the place where the inhabitants of the Oregon country, which took in the States of Oregon, Washington, Idaho, Montana, and Wyoming, met in 1844 and established a government of their own and invited the United States to come in and take jurisdiction over them. The meeting was called at which delegates from the entire population, consisting of half British and half American, met and discussed this matter and took a vote upon it, and this was the establishment of the government.

The next year James K. Polk ran for President with the recognition of the Oregon country and the assumption of jurisdiction by the United States as a part of his platform.

Mr. TARVER. The gentleman may recall that a few moments ago, when a bill came up to commemorate the birthplace or residence of James K. Polk, objection was heard on the gentleman's side of the House.

Mr. MOTT. I certainly did not object.

Mr. TARVER. The objection was on the ground that this is not the time to engage in extraordinary expenditures for purposes of this kind. I think the purpose of the gentleman's bill is a worthy one and under ordinary circumstances I would not object, but I do not believe this is a time to begin the expenditure of comparatively large sums of money for purposes that might very well be deferred until a later date, so I shall be compelled to object.

Mr. MOTT. If the gentleman will withhold his objection a moment, the historical significance of this memorial has been recognized.

The regular order was demanded.

Mr. TARVER. I object, Mr. Speaker.

RELIEF OF UNEMPLOYMENT

The Clerk called the next bill, H. R. 12374, to amend the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933.

Mr. RICH. Mr. Speaker, reserving the right to object, let us have some explanation of this bill.

Mr. SCRUGHAM. This bill authorizes the employment by the relief organization of destitute prospectors. The Geological Survey sent out prospectors primarily to prospect for war minerals. This puts them on something they are familiar with and can do.

Mr. RICH. In other words, it is a P. W. A. activity hunting for more jobs.

Mr. WOLCOTT. Mr. Speaker, I suggest to the gentleman from Pennsylvania [Mr. RICH] that after carefully considering the bill I have come to the conclusion that it is a good bill. It does not cost the Government anything, and it merely helps them.

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 act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933, is amended by adding at the end thereof the following new section:

"SEC. 7 (a) The President is further authorized, under such rules and regulations as he may prescribe and through the agency of the Works Progress Administration, to provide for employing citizens of the United States who are unemployed in the discovery and development of the mineral resources of the United States and to provide for furnishing the persons so employed with a cash allowance of $1 per day and subsistence and necessary supplies at the rate of $1 per day, and such medical attendance and hospitalization as may be necessary, during the period they are so employed, and, in the discretion of the Administrator, to provide for the transportation of such persons to the places of employment.

"(b) For the purpose of this section the Director of the United States Geological Survey, under the direction of the President, shall designate such areas of the United States, to be known as prospecting areas, as he shall deem best suited to the operations contemplated under this section, having due regard to the geologic structure and the mineral-producing qualities of such lands, and shall supply to the Administrators of the Works Progress Administration such available technical advice as to occurrence and value of minerals as may best assist in directing this work into productive channels."

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.

AMENDING THE COMMUNICATIONS ACT

Mr. LEA of California. Mr. Speaker, I ask unanimous consent to return to Calendar No. 880, H. R. 12646, to amend section 318 of the Communications Act.

Mr. MONAGHAN. Mr. Speaker, I reserve the right to object. I objected to that bill when it was under consideration and I should like to offer an amendment to the bill.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent to return to Calendar 880. Is there objection?

Mr. COSTELLO. Mr. Speaker, I reserve the right to object. I believe it is bad policy for us, after passing a bill on the calendar, to return to it. I think the only fair thing to the other bills is to proceed with the calling of the calendar regularly, and much as I dislike to object to returning, I am obliged to do so.

The SPEAKER pro tempore. Objection is heard.

INTERNATIONAL CONVENTION FOR PROTECTION OF INDUSTRIAL PROPERTY

The Clerk called the bill (H. R. 5805) to effectuate certain provisions of the International Convention for the Protection of Industrial Property, as revised at The Hague on November 6, 1925.

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

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. I am frank to say that I do not understand the bill. I do not understand what jurisdiction The Hague has over industrial property in the United States.

Mr. DALY. The United States, in common with a number of European nations, agreed to an exchange of filing of certifications of copyrights and trade marks. In 1925 all of the nations got together and agreed to amend their rules, giving each nation the right to file within 6 months in any other country after the trade mark or copyright was registered within its own country. Every country did that with the exception of the United States. Our rule was 4 months, and this bill is to increase it to 6 months to make it uniform with the rules of the other countries.

Mr. WOLCOTT. That is, instead of having to do with industrial property, it has to do with industrial trade marks and copyrights.

Mr. DALY. That is all.

Mr. CHURCH. Mr. Speaker, I object.

NAVAL AIR BASE AT TONGUE POINT, OREG.

Mr. MOTT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 783, 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 request of the gentleman from Oregon?

Mr. COSTELLO. Mr. Speaker, in view of the fact that I objected to returning to Calendar No. 880, I am bound to object to this. If we go back to any one bill on the calendar, we may have to go back to every bill objected to.

Mr. MOTT. May I explain to the gentleman why I make this request?

Mr. COSTELLO. We are going to object to returning to any bill on the calendar.

Mr. TARVER. The gentleman who objected to the bill has left the hall.

Mr. MOTT. I know one of the gentlemen who objected to it did so inadvertently.

The SPEAKER pro tempore. Is there objection?

Mr. TARVER. I object.

Mr. MOTT. Will the gentleman object to returning at the end of the call?

Mr. COSTELLO. For the same reason I shall object.

INTERNATIONAL CONVENTION FOR THE PROTECTION OF INDUSTRIAL PROPERTY

The Clerk called the next bill, H. R. 5806, to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925.

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

Mr. CHURCH. Mr. Speaker, reserving the right to object, will someone explain the bill?

The SPEAKER pro tempore. Is there objection? The Chair hears none and the Clerk will report the bill.

Mr. CHURCH. Mr. Speaker, I object.

The SPEAKER pro tempore. The objection comes too late. The Clerk will report the bill.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That section 4887 of the Revised Statutes (U. S. C., title 35, sec. 32) be amended to read as follows:

"No person otherwise entitled thereto shall be debarred from receiving a patent for his invention or discovery, nor shall any patent be declared invalid by reason of its having been first patented or caused to be patented by the inventor or his legal representatives or assigns in a foreign country, unless the application for said foreign patent was filed more than 12 months, in cases within the provisions of section 4886 of the Revised Statutes, and 6 months in cases of designs, prior to the filing of the application in this country, in which case no patent shall be granted in this country.

"An application for patent for an invention or discovery or for a design filed in this country by any person who has previously regularly filed an application for a patent for the same invention, discovery, or design in a foreign country which, by treaty, convention, or law, affords similar privileges to citizens of the United States shall have the same force and effect as the same application would have if filed in this country on the date on which the application for patent for the same invention, discovery, or design was first filed in such foreign country, provided the application in this country is filed within 12 months in cases within the provisions of section 4886 of the Revised Statutes, and within 6 months in cases of designs, from the earliest date on which any such foreign application was filed. But no patent shall be granted on an application for patent for an invention or discovery or a design which had been patented or described in a printed publication in this or any foreign country more than 2 years before the date of the actual filing of the application in this country, or which had been in public use or on sale in this country for more than 2 years prior to such filing."

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 CIRCUIT JUDGE FOR THE THIRD CIRCUIT

The Clerk called the next bill, S. 4457, authorizing the appointment of an additional circuit judge for the third circuit.

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

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. WALTER. Will the gentleman withhold his request?

Mr. WOLCOTT. I will withhold the request.

Mr. WALTER. I do not know of any other circuit where there has been demonstrated greater need for a temporary judge. All the members of the bar in New Jersey, eastern Pennsylvania, and in Delaware have complained for many years, due to the inability of one of the judges to properly take care of the business. He is upward of 82 years of age. He has not been in court for nearly 2 years, with the result that the appellate list is crowded to the extent that it is impossible to have decisions handed down.

Mr. WOLCOTT. If the gentleman will have in mind, there were several bills on the calendar creating judgeships which the Committee on the Judiciary, because of the importance of the subject, saw fit to embody in an omnibus bill and bring them out, and they were considered on the floor and each was considered on its merits. We thought those bills were of such importance that they deserved some consideration on the floor. This is a bill providing for the appointment of a judge for even a higher court—the circuit court of appeals.

For the same reasons given when the bills were here to create district judgeships, I am constrained to object, so that we may have more time to consider the subject. I do not want to kill this bill. I realize we are doing things in the last days of the Congress that we might not otherwise do. Having in mind that the reason we are here tonight considering 100 bills on the Consent Calendar is because we have not had a Calendar Wednesday throughout this session, we cannot be blamed too much if we insist that some of these bills of major importance, such as this, be given some consideration so that the membership may assume their individual responsibility in voting for or against these bills.

Mr. WALTER. This bill was very carefully considered and it should have been included in the list of bills when we sought a rule for the district court judges. In some way it was overlooked. However, the need for this is greater than for any of the district court judges, with the possible exception of the one in New York. The gentleman must bear in mind this is a very large circuit. There are upward of 5,000,000 people in this circuit.

Mr. WOLCOTT. I am sympathetic with the condition, but I wish the gentleman would see the Speaker some time when suspensions are in order and move to suspend the rules so that we could at least give a little consideration to the merits of the bill.

Mr. WALTER. As far as the merits are concerned, I can only say there are two judges in one of the largest districts in the United States sitting. This bill was passed out of the committee by a unanimous vote. As a matter of fact, the gentleman from Pennsylvania [Mr. WILSON], a member of the gentleman's side of the House, has been most interested in the passage of this bill. It was he who urged the passage of the bill when it was considered by the committee.

Mr. WOLCOTT. Mr. Speaker, for the time being 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 Michigan?

Mr. LAMBERTSON. Mr. Speaker, I object.

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

Mr. WOLCOTT. Mr. Speaker, I object.

HURRICANE CONTROL IN GULF OF MEXICO

The Clerk called the next bill, H. R. 10313, to provide for hurricane control in the Gulf of Mexico and environs during the hurricane season.

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

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to substitute an identical Senate bill, S. 4734.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is that the same as the House bill as amended?

Mr. BLAND. This is the same as the House bill when amended.

The SPEAKER pro tempore. Is there objection to the substitution of the Senate bill?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That to the extent facilities of the Coast Guard will permit and within the limits of such appropriations as may be made for such purpose, which are hereby authorized, the Secretary of the Treasury when the Coast Guard is under the Treasury Department, and the Secretary of the Navy when the Coast Guard is a part of the Navy, are requested to patrol the Gulf of Mexico and environs for the purpose of cooperating with the Secretary of Agriculture in furnishing the Weather Bureau data to better enable such Bureau to forecast the size and course of tropical hurricanes.

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. 10313) was laid on the table.

PILCHARD INVESTIGATION BY BUREAU OF FISHERIES

The Clerk called the next business, House Joint Resolution 597, authorizing an investigation by the Bureau of Fisheries of the California sardine (pilchard) fishing industry.

The SPEAKER pro tempore. Is there objection to the present consideration of the House joint resolution?

Mr. RICH. Mr. Speaker, reserving the right to object, I should like to ask the gentleman what it is going to cost to make this investigation?

Mr. BLAND. It it impossible to tell just how far the investigation will have to go. I should say it would not be very expensive. The matter of appropriations will be entirely within the control of the Committee on Appropriations. The work is to be done not by a congressional commission but by an authorized bureau of the Government, the Bureau of Fisheries.

Mr. RICH. Has the gentleman some idea of the cost? Has he discussed this particular bill with the Bureau of Fisheries?

Mr. BLAND. I do not think they could possibly tell. They will take advantage of the studies that have been made by the California Fish and Game Commission, by Stanford University, and also other commissions, and they will make their own independent research.

Mr. RICH. This is the establishment of another bureau in the Department of Fisheries.

Mr. BLAND. It is not. It is the Bureau of Fisheries.

Mr. RICH. But some group of individuals will go out there to make this study.

Mr. BLAND. The Bureau of Fisheries will make the study. It will probably necessitate some additional help; but the fishing industry is one of the greatest industries in the United States. There is a serious question as to whether there is depletion and we want the question determined by the Federal Government for conservation purposes.

Mr. RICH. The Congress is not going to help the fishing interests of this country until it stops the importation of fish from foreign countries.

Mr. BLAND. I quite agree with the gentleman; I am willing to see it done.

The SPEAKER pro tempore. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the United States Bureau of Fisheries is authorized and directed to make a complete and scientific investigation of the pilchard (Sardinia caerulea) fisheries and fishing industry along the Pacific coast of the United States with a view

to determining the most appropriate method of regulating such industry in the public interest and providing for continuing conservation and wise utilization of the resource, and to report to the Congress the results of such investigation, together with its recommendations.

SEC. 2. In carrying out the purposes of this resolution, the United States Bureau of Fisheries is authorized to cooperate to the fullest practicable extent with the coastal States and other public or private agencies, and for such purpose is further authorized, with the consent of any such State, to utilize any services and facilities made available by such State.

SEC. 3. There is hereby authorized to be appropriated $10,000 for the fiscal year ending June 30, 1937, to begin the investigation herein authorized and directed, and there are hereby authorized to be appropriated such additional sums as may be necessary to carry out the purposes of this resolution.

With the following committee amendments:

Page 1, line 3, after "the" insert "United States".

Page 1, line 5, strike out "California sardine (pilchard)" and insert pilchard (Sardinia caerulea) fisheries and".

Page 2, line 4, after "the" insert "United States".

Page 2, line 12, after "directed" insert ", and there are hereby authorized to be appropriated such additional sums as may be necessary to carry out the purposes of this resolution".

The committee amendments were 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.

The title of the joint resolution was amended to read: "Joint resolution authorizing an investigation by the United States Bureau of Fisheries of the pilchard (Sardinia caerulea) fisheries and fishing industry along the Pacific coast of the United States."

FIRE PROTECTION EQUIPMENT, PASSENGER VESSELS

The Clerk called the next bill, S. 2127, to amend section 4471 of the Revised Statutes of the United States, as amended.

Mr. WHITE. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. RAMSPECK. Gladly. Mr. Speaker, this bill, as amended by the House committee, provides authority to the Bureau of Navigation and Steamboat Inspection to require sprinkler systems on passenger vessels having accommodations for 50 or more passengers. I have in my possession a letter from J. B. Weaver, Director of the Bureau, stating that as amended he approves the bill. This will be a contribution toward the safety of passenger vessels.

Mr. WHITE. Mr. Speaker, I withdraw my reservation of objection.

Mr. RAMSPECK. It is a safety measure.

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 section 4471 of the Revised Statutes of the United States, as amended (U. S. C., title 46, sec. 464), be, and the same is hereby, amended by adding thereto the following new paragraph:

"On and after July 1, 1936, every steamer permitted by her certificate of inspection to carry as many as 50 passengers or upward shall be equipped with an automatic sprinkler system, which shall be in addition to any other device or devices for fire protection. Such automatic sprinkler system shall consist of an arrangement of piping connecting one or more adequate supplies of water (which supplies shall be in addition to any other water supply of the vessel) with a distributing device which is so assembled and located as to discharge and diffuse automatically over all portions of the vessels accessible to passengers and/or crew (except cargo holds, machinery spaces, and when of fireproof construction, toilets and bathrooms) a spray of water which will be effective to extinguish fire. Such system shall be kept at all times in good working condition and ready for immediate use. The Bureau of Navigation and Steamboat Inspection shall cause to be made at least once in every 90 days such tests and inspections as insure the proper working of such automatic sprinkler systems. In carrying out the provisions of this paragraph the Bureau of Navigation and Steamboat Inspection is hereby authorized and directed to prescribe rules and regulations to govern the work of installing automatic sprinkler systems in steam vessels."

With the following committee amendment:

Strike out all of the language in the bill, commencing with line 7, page 1, and continuing through line 19, on the second page, and insert in lieu thereof the following:

"On and after July 1, 1937, every passenger vessel with berthed or stateroom accommodations for 50 or more passengers shall be equipped with an automatic sprinkler system which shall be, in addition to any other device or devices for fire protection, of a type prescribed by the Board of Supervising Inspectors and approved by the Secretary of Commerce. All enclosed portions of such vessels accessible to passengers or crew (except cargo holds, machinery spaces, and when of fire-resisting construction, toilets, bathrooms, and spaces of similar construction) shall be protected by an automatic sprinkler system: *Provided*, That if after investigation the Bureau of Navigation and Steamboat Inspection finds in the case of a particular vessel the application of this act is unnecessary to properly protect life on such vessel, an exception may be made. The Bureau of Navigation and Steamboat Inspection shall cause to be made suitable tests and inspections as will insure the proper working of such systems. In carrying out the provisions of this paragraph the Bureau of Navigation and Steamboat Inspection is hereby authorized and directed to prescribe the particular approved type, character, and manner of installation of systems be fitted. The term "type" as herein used shall be considered to mean any system which will give a prescribed or required efficiency and shall not mean some peculiar shape or design and shall not be confined to some brand or make."

The committee amendment was agreed to.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a letter from the Director of the Bureau of Navigation and Steamboat Inspection endorsing this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The letter referred to follows:

DEPARTMENT OF COMMERCE,
BUREAU OF NAVIGATION AND STEAMBOAT INSPECTION,
Washington, June 2, 1936.

Hon. ROBERT RAMSPECK,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN RAMSPECK: Referring to S. 2127, as amended by your committee, relative to the installation of sprinkler systems on board passenger vessels:

I have read the proposed amendment carefully and consider the act a good one, as amended, and feel that if the act is administered properly by this Bureau it will contribute to the safety of passenger vessels in no uncertain manner, and the latitude given the Bureau, if intelligently used, will prevent undue hardship on the industry without sacrificing the effectiveness of the object of the act.

Yours very truly,

J. B. WEAVER, *Director.*

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.

FEDERAL BUREAU OF INVESTIGATION

The Clerk called the next bill, H. R. 11152, to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation.

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 subdivision (b) of section 3 of the act approved July 3, 1926, chapter 801, as amended (U. S. C., title 5, sec. 693, subdivision (b)), be, and it is hereby, amended to read as follows:

"(b) Superintendents of United States national cemeteries, and such employees of the offices of solicitors of the several executive departments, of the Architect of the Capitol, of the Library of Congress, of the United States Botanic Garden, of the recorder of deeds and register of wills of the District of Columbia, of the United States Soldiers' Home, of the National Home for Disabled Volunteer Soldiers, of the State Department without the continental limits of the United States who are United States citizens and not within the Foreign Service as defined in the act of May 24, 1924, and amendments thereof, of the Indian Service at large whose tenure of employment is not intermittent nor of uncertain duration, and the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation of the Department of Justice."

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, my purpose in speaking at this point on this bill and in urging its passage is to refute certain unfair and improper criticisms recently made against the Federal Bureau of Investigation, and to let the American people know that those few criticisms do not represent the viewpoint of Members of Congress, despite the fact that one or two Members of one of the bodies have engaged in criticisms of one of the finest public officials we have in the Federal

governmental service, J. Edgar Hoover, Director of the Bureau of Investigation.

Mr. Hoover and his men have done wonderful work and have done it fearlessly. He has stamped out organized and syndicated crime; and the people of America are grateful to him and to the men under him for the character of service they have rendered. He could not do it alone if he did not have the right kind of men under him. While the names of those men are not carried in the press, they are, nevertheless, entitled to as much honor as is Mr. Hoover himself, and Mr. Hoover is the first man who gives to those employed in his Department the honor to which they are entitled and the tribute owed them by an appreciative people.

Criticism, unfair and unwarranted, as I have said, has been directed against him. A silent whispering campaign has been undertaken from some known sources, but the unanimous press of America have editorially commented upon the unfair criticism and have supported Mr. Hoover in the fearless character of work he and his men have performed.

The press of America have unanimously expressed appreciative sentiments of the American people for Director Hoover and the men of his Bureau for purging America of organized crime, of the thorough investigations made, of obtaining evidence necessary for a conviction, and of the arrests of the leaders of organized crime in criminal gangs in America.

There are no words of mine that could add to the praise already given to the men of the Federal Bureau of Investigation. However, what words I can utter in this connection are directed toward those who are engaged in unfair and unwarranted criticism of this fearless public official.

In connection with the able work of the Bureau of Investigation, I might also say that there is complete cooperation and coordination between all of the divisions and the various activities of the Department of Justice. Attorney General Cummings has established an organization in the Department of Justice which commands respect and attention, of which the American people may well be proud. There is complete and entire harmony existing in the entire Department of Justice under the able leadership of Attorney General Cummings, and that particularly applies to the harmony that exists between Attorney General Cummings and Director J. Edgar Hoover. To a great extent, the success of the Bureau of Investigation in its fearless work is due to the constant support given Mr. Hoover and his men by the Attorney General and his assistants.

I cannot let this occasion pass without complimenting all of the assistants of the Attorney General and praising them for the complete harmony which exists in the Department of Justice, and for the fine public service that they are rendering. It is impossible to name all of them, but there is one assistant to the Attorney General, Hon. Joseph B. Keenan, to whom I desire to pay special tribute at this time. Mr. Keenan for over 3 years had charge of all criminal prosecutions for the Department of Justice throughout the country, and he is now occupying the position of Assistant to the Attorney General, a much-deserved promotion in recognition of his able service. During the years he was in charge of the criminal prosecutions he fearlessly performed that work. There was complete harmony between Mr. Keenan and the other branches of the Department of Justice. Mr. Keenan has been succeeded as Assistant Attorney General in charge of criminal prosecutions by Mr. Brien McMahon, who is continuing the same character of work that Mr. Keenan so ably performed.

I am going to briefly refer to some of the accomplishments during the past few years of the Bureau of Investigation, the jurisdiction of which has been greatly enlarged during the past few years by the passage of a number of bills dealing with interstate crimes. The more prominent of these include the Federal kidnaping statute, laws relating to the robbery of banks, organized or operating under the laws of the United States, laws pertaining to the interstate transportation of stolen property, the extortion statutes, and the statute covering interstate flight to avoid prosecution or the giving of testimony in certain cases.

Let me call to your attention some of the accomplishments of the Bureau of Investigation under the leadership of Director Hoover. Since the Federal kidnaping statute was passed in June 1932 there have been 65 cases of kidnaping investigated by this Bureau, and every case has been solved. Literally hundreds of extortion cases have been concluded. During the fiscal year ended June 30, 1935, this Bureau spent a total of $4,626,000, and during that same period of time the savings and recoveries effected in cases investigated by the Bureau amounted to over $38,000,000. In other words, for every dollar spent, the Government and the taxpayers received in return approximately $9. Further, convictions were secured by this Bureau last year in 94 out of every 100 people who were brought to trial. This is an outstanding record of convictions, showing a thorough investigation of the evidence by the Bureau of Investigation and the able manner in which the cases were tried by legal representatives of the Department of Justice. During the fiscal year ended June 30, 1935, the records show 3,717 convictions were secured and over 5,400 fugitives from justice were apprehended as a result of the work of the Bureau of Investigation. As a result of the thorough investigations by this Bureau, covering the period from July 1, 1935, up to the present time, the legal representatives of the Department of Justice have obtained 3,070 convictions.

Among some of the outstanding cases handled during this period were the capture of Alvin Karpis and other dangerous members of the kidnaping gang, the kidnapers of Mr. Edward G. Bremer, of St. Paul; the apprehension and conviction of William Mahan, the kidnaper of that fine young boy, George Weyerhaueser; the capture and conviction of Thomas H. Robinson, Jr., who kidnaped Mrs. Berry Stoll, of Louisville, Ky.; and the capture and return to prison of Sam Coker, a notorious bank robber. As a result of this character of fearless work, organized kidnaping no longer exists.

However, kidnaping has existed since Biblical times, and we cannot be lulled into a feeling of security which will result in the Congress reducing its appropriation to this important activity.

In handling the bank-robbery cases which come within the jurisdiction of the Bureau of Investigation, the number of such robberies has been reduced from an average of 14 a month to about 4 a month. This has been brought about as a result of the prosecutions and convictions of members of organized gangs of bank robbers.

In every other activity that comes within the jurisdiction of the Bureau of Investigation, where violations of Federal laws were involved, the men of the Bureau of Investigation, under Mr. Hoover's leadership, have fearlessly performed the same character of public service.

It is a significant and pleasing fact to note that the Bureau of Investigation of the Department of Justice, enjoys the confidence, cooperation, and support of all of the police departments of the United States.

It is also pleasing to note the efficient manner in which the Department of Justice, under Attorney General Commings, is performing its various duties. It is particularly pleasing for me, in speaking in behalf of the pending bill, to provide for the extension of retirement privileges to the employees of the Bureau of Investigation, to compliment Director Hoover and those serving with him upon the great public service they are performing for the American people in enforcing the various laws under the jurisdiction of the Bureau, and especially for the great work they have done in the extermination of organized crime from America. [Applause.]

The pro-forma amendment was withdrawn.

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.

TRANSFER OF LANDS IN MONTGOMERY COUNTY, MD.

The Clerk called the next bill, H. R. 5168, authorizing the Secretary of Agriculture to convey certain lands to the

Maryland-National Capital Park and Planning Commission of Maryland, for park purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey by a good and sufficient deed to the Maryland National Capital Park and Planning Commission, a public agency created by the General Assembly of Maryland, chapter 448 of the laws of the 1927 session of said assembly, all of the following pieces or parcels of land situate, lying, and being in Montgomery County, in the State of Maryland, being a part of a tract of land called "Oatland", designated and described as follows: Beginning for the same at a point at the end of 631.62 feet measured on the last line of a conveyance made the 13th day of December 1855, by John Davidson and wife to James H. Davidson for 60 acres 1 rood and 23 square perches of land, more or less, a part of said tract, it being where said line is intersected by a line of fence running southward from said point and with the last line of the aforesaid conveyance north 87¼°, west 73.93 perches, to a large post and stone; thence with the first line of said conveyance with 3°35′ allowance for west variation and running with the fence south 40¼′, west 71.32 perches; thence with the second line with 3¼° allowance for west variation, running with the fence south 77°, east 26½ perches, to a stake; then north 3½°, west 28¾ perches to the division fence of the experimental station; thence with said fence south 87¼°, east 75.67 perches; then still with the line of fence north 3½° east 7.81 perches; thence to include a small piece of land running through a house and bisecting a pear tree south 87¼°, east 20.3 perches, to a stake in the first aforesaid line of fence running southward from the place of beginning; thence with said fence north 3°, west 26.15 perches, to the place of beginning, containing 20 acres of land, more or less, being all of the same land and premises described in and conveyed by deed from Henry Bradley Davidson and Mary S. P. Davidson to the United States of America, dated July 5, 1899, recorded July 7, 1899, among the land records for said Montgomery County in Liber T. D. No. 8, folio 429, and the following; also all that tract or part of tract of land situate in said Montgomery County called "Friendship", or by whatever name or names the same may be known, contained within the metes and bounds, courses, and distances following, to wit: Beginning for the same at a stone at the end of 1,432.67 feet on the twelfth line of a conveyance made the 10th day of February, in the year 1863, by William Peters to Allison Naylor for parts of tracts of land called "Pritchett's Purchase and Friendship", containing 161 acres, more or less, and running thence with the twelfth line of said conveyance south 2°3′, west 642.2 feet, to a stake on the east side of the branch; still with the outlines of said conveyance south 29°, east 227.7 feet, to a point where formerly stood a bounded white oak tree marked for Batemans corner in the division line of the land of John Davidson and the land formerly owned by Charles King; then with said division line reversed south 35°32′, west 1,419 feet, to the end of the seventeenth line of Friendship; then with said seventeenth line reversed north 23°25′, west 1,538.12 feet, to a stake; then leaving the outlines and running across said conveyance north 66°35′, east 1,469.58 feet, to the place of beginning, containing 34.09 acres of land; excepting, however, 4.09 acres of land heretofore conveyed to Elizabeth Jane Wilson and others to the Metropolitan Southern Railroad Co. on the 10th day of July, in the year 1890, by deed of that date recorded among the land records of Montgomery County, Md., in Liber J. A. No. 19, folio 450, and the following, leaving the quantity of land hereby intended to be conveyed to contain 30 acres of land, more or less, being all of the same land described in and conveyed by deed from Elizabeth J. Wilson, Robert Wilson, and others to the United States of America, dated August 11, 1902, recorded December 18, 1902, among the land records for said Montgomery County in Liber T. D. No. 24, folio 224, and the following to be used exclusively for public park purposes. If the said Maryland-National Capital Park and Planning Commission fails to use such lands for the purposes herein provided, or at any time discontinues the use of such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States of America.

With the following committee amendment:

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

"That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey, by a good and sufficient deed to the Maryland-National Capital Park and Planning Commission, a public agency created by the General Assembly of Maryland, chapter 448 of laws of the 1927 session of said assembly, all of that piece or parcel of land situate, lying, and being in Montgomery County, in the State of Maryland, being a part of the area comprising the Bethesda Experimental Station of the Bureau of Animal Industry, designated and described as the east 18 acres. This land is to be used exclusively for public park, parkway, or playground purposes; and if the said Maryland-National Capital Park and Planning Commission fails to use such lands for the purposes herein provided, or at any time discontinues the use of such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States of America. The control and supervision of this land shall remain in the Secretary of Agriculture until such time, after approval of this act, as will enable the Department of Agriculture to complete the transfer of the animal experimental station now located on the lands heretofore described to the new site at Beltsville, and to complete the emergency research studies now being conducted. The Secretary of Agriculture is further authorized, in his discretion to issue to the Maryland-National Capital Park and Planning Commission a revocable permit for the remaining 32 acres of the Bethesda Experimental Station of the Bureau of Animal Industry. The plans for development of these lands for park, parkway, or playground purposes shall be approved by the National Capital Park and Planning Commission.

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.

CLASSIFIED EXECUTIVE CIVIL SERVICE OF THE UNITED STATES

The Clerk called the next bill, H. R. 6679, extending the classified executive civil service of the United States.

Mr. LEHLBACH and Mr. McLEAN objected.

TRANSFER OF LANDS IN MONTGOMERY COUNTY, MD.

Mr. LEWIS of Maryland. Mr. Speaker, I was about to propound a unanimous-consent request with reference to the bill (H. R. 5168) authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission, of Maryland, for park, parkway, and playground purposes of Maryland for park purposes, but the services at the fire were a little quicker than my tongue.

I ask unanimous consent, Mr. Speaker, with reference to H. R. 5168, that the provisions of the House bill just passed be substituted for those of the bill (S. 4105) of like import and that the Senate bill be passed in lieu of the House bill, and that the action of the House in passing the House bill be vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The SPEAKER pro tempore. The House will return to the consideration of H. R. 5168, vacate the proceedings of the House in connection therewith, and substitute the Senate bill. Is there objection?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey by a good and sufficient deed to the Maryland-National Capital Park and Planning Commission, a public agency created by the General Assembly of Maryland, chapter 448 of the laws of the 1927 session of said assembly, all or such part or parts of the following pieces or parcels of land as may now or hereafter be designated by the National Capital Park and Planning Commission situate, lying, and being in Montgomery County, in the State of Maryland, being a part of a tract of land called Oatland, designated and described as follows: Beginning for the same at a point at the end of 631.62 feet measured on the last line of a conveyance made the 13th day of December 1855, by John Davidson and wife to James H. Davidson for 60 acres 1 rood and 23 square perches of land, more or less, a part of said tract, it being where said line is intersected by a line of fence running southward from said point and with the last line of the aforesaid conveyance north 87¼°, west 73.93 perches to a large post and stone; thence with the first line of said conveyance with 3°35′ allowances for west variation and running with the fence south 40¼′, west 71.32 perches; thence with the second line with 3¾° allowance for west variation, running with the fence south 77°, east 26½ perches, to a stake; then north 3½°, west 28¾ perches, to the division fence of the experimental station; thence with said fence south 87¼° east 75.67 perches; then still with the line of fence north 3½°, east 7.81 perches; thence to include a small piece of land running through a house and bisecting a pear tree south 87¼°, east 20.3 perches, to a stake in the first aforesaid line of fence running southward from the place of beginning; thence with said fence north 3°, west 26.15 perches, to the place of beginning, containing 20 acres of land, more or less, being all of the same land and premises described in and conveyed by deed from Henry Bradley Davidson and Mary S. P. Davidson to the United States of America, dated July 5, 1899, recorded July 7, 1899, among the land records for said Montgomery County in Liber T. D. No. 8, folio 429, and the following; also all that tract or part of tract of land situate in said Montgomery County called Friendship, or by whatever name or names the same may be known, contained within the metes and bounds, courses, and distances following, to wit: Beginning for the same at a stone at the end of 1,432.67 feet on the twelfth line of a conveyance made the 10th day of February in the year 1863 by William Peters to Allison Naylor for parts of tracts of land called Pritchett's Purchase and Friendship, containing 161 acres, more or less, and running

thence with the twelfth line of said conveyance south 2°3', west 642.2 feet, to a stake on the east side of the branch; still with the outlines of said conveyance south 29°, east 227.7 feet, to a point where formerly stood a bounded white oak tree marked for Batemans corner in the division line of the land of John Davidson and the land formerly owned by Charles King; then with said division line reversed south 35°32', west 1,419 feet, to the end of the seventeenth line of Friendship; then with said seventeenth line reversed north 23°25', west 1,538.12 feet, to a stake; then leaving the outlines and running across said conveyance north 66°35', east 1,469.58 feet, to the place of beginning, containing 34.09 acres of land; excepting, however, 4.09 acres of land heretofore conveyed by Elizabeth Jane Wilson and others to the Metropolitan Southern Railroad Co. on the 10th day of July in the year 1890 by deed of that date recorded among the land records of Montgomery County, Md., in Liber J. A. No. 19, folio 450, and the following, leaving the quantity of land hereby intended to be conveyed to contain 30 acres of land, more or less, being all of the same land described in and conveyed by deed from Elizabeth J. Wilson, Robert Wilson, and others to the United States of America, dated August 11, 1902, recorded December 18, 1902, among the land records for said Montgomery County in Liber T. D. No. 24, folio 224, and the following to be used exclusively for public-park, parkway, or playground purposes. If the said Maryland-National Capital Park and Planning Commission fails to use such lands for the purposes herein provided, or at any time discontinues the use of such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States of America.

With the following amendment:

Strike out all after the enacting clause and insert the following: "That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey, by a good and sufficient deed to the Maryland-National Capital Park and Planning Commission, a public agency created by the General Assembly of Maryland, chapter 448 of the laws of the 1927 session of said assembly, all of that piece or parcel of land situate, lying, and being in Montgomery County, in the State of Maryland, being a part of the area comprising the Bethesda Experimental Station of the Bureau of Animal Industry, designated and described as the east 18 acres. This land is to be used exclusively for public park, parkway, or playground purposes; and if the said Maryland-National Capital Park and Planning Commission fails to use such lands for the purposes herein provided, or at any time discontinue the use of such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States of America. The control and supervision of this land shall remain in the Secretary of Agriculture until such time, after approval of this act, as will enable the Department of Agriculture to complete the transfer of the animal experimental station now located on the lands heretofore described to the new site at Beltsville, and to complete the emergency research studies now being conducted. The Secretary of Agriculture is further authorized, in his discretion, to issue to the Maryland-National Capital Park and Planning Commission a revocable permit for the remaining 32 acres of the Bethesda Experimental Station of the Bureau of Animal Industry. The plans for development of these lands for park, parkway, or playground purposes shall be approved by the National Capital Park and Planning Commission."

The SPEAKER pro tempore. Does the Chair understand the gentleman from Maryland desires to strike out all after the enacting clause and substitute the House bill for the Senate bill?

Mr. LEWIS of Maryland. Yes.

The 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.

Mr. RAMSPECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RAMSPECK. Did the Clerk call H. R. 6679, extending the classified executive civil service of the United States?

The SPEAKER pro tempore. The Clerk called the bill and it was objected to, but in view of what happened, the Chair thinks it should be called again.

CLASSIFIED EXECUTIVE CIVIL SERVICE OF THE UNITED STATES

The Clerk called the bill (H. R. 6679) extending the classified executive civil service of the United States.

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

Mr. LEHLBACH. Mr. Speaker, I object.

Mr. RAMSPECK. Will the gentleman from New Jersey withhold his objection?

Mr. LEHLBACH. I withhold my objection.

Mr. RAMSPECK. Mr. Speaker, this bill gives discretionary authority, the gentleman understands, of course, to the President of the United States to bring into the civil service positions which he cannot now bring in by Executive order. This is certainly in line with the gentleman's party platform as adopted at Cleveland, and I hope he will withdraw his objection.

If he has noticed the bill, it provides for a competitive examination.

Mr. McLEAN. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from New Jersey.

Mr. McLEAN. This bill will give discretionary power to cover into the civil service all employees of Government corporations organized under the laws of the State of Delaware without any authority of the Congress; is that not true?

Mr. RAMSPECK. I do not know if there are any such corporations that have Federal employees working for them. It will give authority, of course, to the President of the United States.

Mr. WOLCOTT. There is the Commodity Credit Corporation, which is a Delaware corporation.

The regular order was demanded.

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

Mr. FADDIS. Mr. Speaker, I object.

CHOICE OF JOINT AND SURVIVORSHIP ANNUITY UPON RETIREMENT BY GOVERNMENT EMPLOYEES

The Clerk called the next bill, H. R. 12717, to provide for the right of election by employee, subject to the provisions of the Civil Service Retirement Act, of a joint and survivorship annuity upon retirement.

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 right of election cost the Treasury any more money?

Mr. RAMSPECK. I may say to the gentleman from New York it does not cost the Treasury any money except what little incidental expense there may be in connection with the administration of the law in figuring the different plans. There is a little expense of administration, as reported by the Civil Service Commission. This gives the option to the employee when he retires and, of course, it will be necessary to figure out what the retirement will be under the particular plan.

Mr. TABER. Under the actuarial tables the cost to the Government will be the same?

Mr. RAMSPECK. Exactly the same.

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 section 4 of the Civil Service Retirement Act of May 29, 1930, as amended (U. S. C., Supp. VII, title 5, sec. 694 (a)), is amended by striking out all of the second proviso of section 4 beginning with the words "*And provided further*" and ending with the words "multiple of twelve" and substituting the following in lieu thereof: "*Provided further*, That any employee at the time of his retirement may elect to receive, in lieu of the life annuity herein described, (1) an increased annuity of equivalent value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned; or (2) a joint and survivorship annuity of equivalent actuarial value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned but that such annuity shall be continued upon his death throughout the life of and paid to a beneficiary nominated by written designation duly executed and filed with the Civil Service Commission at the time of his retirement; or (3) a modified joint and survivorship annuity of equivalent actuarial value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned but that one-half of his annuity shall be continued upon his death throughout the life of and paid to a beneficiary nominated by written designation duly executed and filed with the Civil Service Commission at the time of his retirement; or (4) an annuity payable during his life which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned, with some other annuity payable after his death, provided the total value of the annuity during his life and of the succeeding annuity shall be computed to be of equivalent actuarial value to the annuity which he would have received on a single life plan and provided that this election shall be subject to the approval of the United States Civil Service Commission: *And provided further*, That no election of an annuity as set forth in items (2), (3), or (4) above shall

become effective in case a member dies from causes other than accidental within 30 days after the date on which such election is made, and in event of such death within this period such death shall be considered as a death in active service. For the purposes of this act all periods of service shall be computed in accordance with section 5 hereof, and the annuity shall be fixed at the nearest multiple of twelve."

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.

BUREAU OF ENGRAVING AND PRINTING

The Clerk called the next bill, S. 2712, to promote the efficiency of the Bureau of Engraving and Printing.

Mr. WHITE. Mr. Speaker, reserving the right to object, I would like to have the bill explained.

Mr. RAMSPECK. Mr. Speaker, the necessity for this bill grows out of the passage by a previous Congress of what is known as the Thomas amendment, giving the 40-hour week to certain employees in the Bureau of Engraving and Printing, which created a very severe administrative problem, because part of the employees did not get the 40-hour week and they have been working 44 hours while the people they are assisting work only 40 hours. They therefore have to stagger the hours. This measure is recommended by the Treasury Department and simply extends the 40-hour week to all employees in this Bureau, and is in line with what we did at the last session of Congress for the postal employees when we gave them a 40-hour week.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the adjustment of regular hours of duty of employees deemed necessary by the Secretary of the Treasury for the efficient administration of the Bureau of Engraving and Printing, the aggregate weekly earnings of employees of such Bureau whose compensation is fixed under the Classification Act of 1923, as amended, for full-time service, shall not be less by reason of such adjustment than the aggregate weekly earnings at basic salary rates for full-time service prior to March 28, 1934.

SEC. 2. For the purposes of this act, authority is hereby granted to the Secretary of the Treasury to adjust the hourly rates of compensation of employees of the Bureau of Engraving and Printing whose compensation is fixed under the Classification Act of 1923, as amended, to such extent as may be necessary to make the aggregate weekly compensation after such adjustment equal to the aggregate weekly compensation at basic salary rates for such employees for full-time service prior to March 28, 1934.

SEC. 3. This act shall take effect as of the 1st day of the first calendar month following the date of its enactment.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That section 23 of the Independent Offices Appropriation Act, 1935, is amended by adding at the end thereof the following new paragraph:

" 'Where the adjustment of regular hours of duty of employees subject to the provisions of the preceding paragraph requires the adjustment of regular hours of duty of any employee whose compensation is fixed under the Classification Act of 1923, as amended, the aggregate weekly earnings of such employee whose compensation is fixed under the Classification Act of 1923, as amended, for full-time service shall not be less by reason of such adjustment than his aggregate weekly earnings for full-time service prior to March 28, 1934. Full-time service within the meaning of this paragraph shall not be less than 40 hours per week. For the purposes of this paragraph, authority is hereby granted to adjust the hourly rates of compensation of employees whose compensation is fixed under the Classification Act of 1923, as amended, to such extent as may be necessary to make the aggregate compensation for a 40-hour week equal to the compensation for a full-time week prior to March 28, 1934.'

"SEC. 2. This act shall take effect as of the 1st day of the first calendar month following the date of its enactment."

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.

INDIANS ON THE BLACKFEET INDIAN RESERVATION, MONT.

The Clerk called House Joint Resolution 554, authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of the judgment rendered by the Court of Claims in their favor.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. MURDOCK. Mr. Speaker, there is on the Speaker's table Senate Joint Resolution 243, which was passed by the Senate on June 1, and which is identical with the House joint resolution, and at this time I ask unanimous consent that the Senate joint resolution may be substituted and considered in lieu of the House joint resolution.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is the Senate joint resolution identical with the House joint resolution as amended by the committee?

Mr. MURDOCK. It is. The joint resolution was introduced in the House by the gentleman from Montana [Mr. AYERS].

There being no objection, the Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 243

Resolved, etc., That the Secretary of the Interior is hereby authorized and directed to withdraw from the tribal fund of the Blackfeet, Blood, and Piegan Indians of the Blackfeet Reservation, Mont., credited or to be credited on the books of the Treasury under the act of March 13, 1924 (43 Stat. 21), a sufficient sum to make a per-capita distribution of $85 to each member of said tribes who was living and entitled to enrollment with said Indians on the date final judgment was rendered in their favor by the Court of Claims in the case Docket No. E–427; such per-capita distribution to be made under such rules and regulations as the Secretary of the Interior may prescribe.

SEC. 2. The balance remaining in the tribal fund of the Blackfeet, Blood, and Piegan Indians after the per-capita distribution herein authorized shall be available for disposition by the tribal council of said Indians, with the approval of the Secretary of the Interior, in accordance with the constitution and bylaws of the Blackfeet Tribe of the Blackfeet Indian Reservation.

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.

A similar House joint resolution was laid on the table.

GROS VENTRE INDIANS OF THE FORT BELKNAP RESERVATION, MONT.

The Clerk called House Joint Resolution 557, authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. MURDOCK. Mr. Speaker, there is now on the Speaker's table Senate Joint Resolution 245, which was passed by the Senate on June 1, and I ask unanimous consent that the Senate joint resolution may be substituted for the House joint resolution.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of the Interior is hereby authorized and directed to withdraw from the Treasury and to distribute per capita, as provided herein, to the Gros Ventre Indians of the Fort Belknap Resarvation, Mont., the sum arising from a judgment rendered in their favor by the Court of Claims in the case docketed as E–427, credited or to be credited to said Indians on the books of the Treasury under the act of March 13, 1924 (43 Stat. 21).

SEC. 2. That for the purpose of making the distribution herein authorized, the Secretary of the Interior shall cause a roll of said Indians to be prepared by a commission consisting of the Gros Ventre members of the Fort Belknap Community Council. In the preparation of said roll, those members of the Gros Ventre Tribe whose names appear on the allotment roll made pursuant to the act of March 3, 1921 (41 Stat. 1355), and who are alive on the date of approval of this resolution shall first be enrolled, to which number shall be added the names of all children of one-fourth or more Gros Ventre Indian blood born to all allotted Indians of the Fort Belknap Reservation, regardless of place of residence of such children or their parents: *Provided*, That all such children so enrolled shall be alive and in being on the date of approval of this resolution: *Provided further*, That there shall be added to and included in the roll herein authorized the names of George Gambler and Josephine Gambler White, two Gros Ventre Indians omitted from the Fort Belknap allotment roll due to absence from the reservation: *Provided, however*, That said George Gambler and Josephine Gambler White have not been enrolled with or participated in the benefits of any other tribe.

SEC. 3. When the roll herein provided for shall have been completed and approved by the Secretary of the Interior, he shall thereupon cause the per-capita share due each member of said Gros Ventre Tribe so enrolled to be credited to the individual Indian money account of such member for expenditure in accordance with the individual Indian money regulations.

The 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.

The similar House joint resolution was laid on the table.

EXTENDING NATURALIZATION PRIVILEGE TO CERTAIN WORLD WAR VETERANS

The Clerk called the bill (H. R. 12762) to extend the definition of an alien veteran, for naturalization purposes only, so as to include certain alien enemies and nationals of Turkey and Bulgaria who rendered active service in United States armed forces with personal record of loyalty to the United States, and for other purposes.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

DR. JOHN M'LOUGHLIN

The Clerk called the bill (H. R. 11536) to provide $25,000 for the restoring and preserving of the home of Dr. John McLoughlin at Oregon City, Oreg.

The SPEAKER pro tempore. Is there objection?

Mr. YOUNG. Mr. Speaker, I object.

INCREASING PENSION OF VETERANS IN REGULAR ESTABLISHMENTS

The Clerk called the bill (H. R. 12758) to increase the pension of certain veterans of the regular establishments on the rolls March 19, 1933.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, effective on the first day of the month following the month in which this act is enacted, any veteran who is entitled to pension for service-connected disability under Veterans' Regulation No. 1 (a), as amended, part II, promulgated under Public Law No. 2, Seventy-third Congress, and who was on March 19, 1933, in receipt of compensation under the World War Veterans' Act, 1924, as amended, or pension under the general pension law, for such service-connected disability, shall be entitled to receive pension at 75 percent of the compensation or the pension being paid on March 19, 1933, subject to the regulations issued under Public Law No. 2, Seventy-third Congress, pertaining to hospitalized and domiciled cases: *Provided*, That where the degree of such service-connected disability has increased or decreased since March 19, 1933, the percent limitation shall be determined on the basis of the rate of compensation or pension payable for such changed condition under the laws applied to such veteran in effect on March 19, 1933: *Provided further*, That in no event shall the rate of pension provided in this act exceed 75 percent of the rate of pension for similar disability under Veterans' Regulation No. 1 (a), as amended, part I.

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.

GEORGE WASHINGTON BICENTENNIAL COMMISSION

The Clerk called House Joint Resolution 606, amending section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1934.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. I wonder if some member of the Committee on the Library will explain this joint resolution.

Mr. BLOOM. This joint resolution merely extends the time of the George Washington Bicentennial Commission for 1 year, until December 31, 1937, in order to complete the publications, and so forth.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935, is hereby amended by striking out "December 31, 1936" and inserting in lieu thereof "December 31, 1937."

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 laid on the table.

TERMS OF COURT AT ORANGEBURG, S. C.

The Clerk called the bill (H. R. 12) to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the eastern district of South Carolina is divided into five divisions, to be known as the Aiken, Charleston, Columbia, Florence, and Orangeburg divisions. The Aiken division shall include the territory embraced in the counties of Aiken, Allendale, Barnwell, and Hampton. The Charleston division shall include the territory embraced in the counties of Beaufort, Berkeley, Charleston, Clarendon, Colleton, Dorchester, and Jasper. The Columbia division shall include the territory embraced in the counties of Kershaw, Lee, Lexington, Richland, and Sumter. The Florence division shall include the territory embraced in the counties of Chesterfield, Darlington, Dillon, Florence, Georgetown, Horry, Marion, Marlboro, and Williamsburg. The Orangeburg division shall include the territory embraced in the counties of Calhoun, Bamberg, and Orangeburg. The terms of the district court for the Aiken division shall be held at Aiken, for the Charleston division at Charleston, for the Columbia division at Columbia, for the Florence division at Florence, and for the Orangeburg division at Orangeburg.

SEC. 2. That the divisions of the western district of South Carolina, as now provided by law, shall remain unchanged and are not affected by this act, and all other provisions of the said act remain unchanged, as now provided by law.

SEC. 3. That the terms of the District Court for the Eastern District of South Carolina, in addition to the times and places now provided by law, shall be held at Orangeburg, in the county of Orangeburg, in the State of South Carolina, on the third Monday in November and the second Monday in April of each year hereafter.

With the following committee amendment:

Page 2, line 24, strike out the period and insert a colon and the following: "*Provided*, That facilities for holding court at Orangeburg are furnished free of expense to the United States."

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 was laid on the table.

EXPENSES OF COMMEMORATING ADMISSION OF STATE OF ARKANSAS INTO THE UNION

The Clerk called Senate Joint Resolution 229, providing for the contribution by the United States to the expense of the celebration by the State of Arkansas of its admission to the Federal Union.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. TABER. I object.

Mr. TERRY. Mr. Speaker, will the gentleman reserve his objection?

Mr. TABER. I do not see how I can. If we authorize the expenditure of $200,000 to celebrate the admission of every State into the Union, we will want to go right on down the line.

Mr. TERRY. May I suggest to the gentleman that this joint resolution does not authorize $200,000. This is an authorization for an appropriation of $150,000 by the Federal Government.

Mr. TABER. That is just as bad.

Mr. TERRY. This is something that is done in all the other centennials. We have voted for the San Diego and Chicago and various others and this is the smallest amount ever asked in the House.

Mr. TABER. I think I must object.

Mr. TERRY. I beg the gentleman not to object to this reasonable amount.

Mr. TABER. I feel I must object.

MODIFICATION OF CONTRACT LEASE, PORT OF NEW ORLEANS

The Clerk called the bill (S. 4252) to provide for the modification of the contract of lease entered into on June 12, 1922, between the United States and the Board of Commissioners of the Port of New Orleans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War, with the consent of the lessee, may, in his discretion, and in such manner as he may consider desirable, reduce the consideration of obligation, require repairs and maintenance, and otherwise modify the terms, consideration, and provisions of the lease entered into between the United States and the Board of Commissioners of the Port of New Orleans on June 12, 1922, as now or hereafter supplemented,

covering the New Orleans Army base or portions thereof, in the event it appears that full performance of the lessee's obligations under such lease will result in default by, or impose undue hardship upon, the lessee: *Provided*, That the rental shall not be made lower than the fair rental value to be determined by the Secretary of War from an appraisal by qualified disinterested appraisers, the cost of appraisal to be paid by the Secretary of War from the rental collected under the lease.

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.

FEDERAL-AID HIGHWAY FREE BRIDGES

The Clerk called the next bill, H. R. 12745, to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CARMICHAEL. Mr. Speaker, I ask unanimous consent that an identical Senate bill (S. 4658) be substituted.

The SPEAKER pro tempore. 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 in the case of any State or States or political subdivision or subdivisions thereof which, prior to the date of approval of this act, shall have constructed and shall have in operation any toll bridges on the approved system of Federal-aid highways within such State or States or political subdivision or subdivisions thereof, and which shall, prior to July 1, 1938, cause any such toll bridge, or toll bridges, to be made free, the Secretary of Agriculture shall be, and he is hereby, authorized to pay out of the Federal-aid road funds apportioned to the State not to exceed 50 percent of such amount as may be approved by the Secretary of Agriculture as the reasonable construction cost of any such toll bridge: *Provided*, That no payment of Federal funds shall be made on account of any such bridge which was not constructed in accordance with plans and specifications which would meet the standards required by the Secretary of Agriculture at the time such bridge was constructed, nor on account of any bridge the construction of which was commenced or completed prior to March 3, 1927: *And provided further*, That no such payment shall be made which will exceed 50 percent of the reasonable cost of the labor and materials which were actually incorporated in the construction of such bridge, excluding all costs of rights-of-way, property damages, and financing costs, and any amount so paid on account of any such bridge shall be used by the highway department of such State for matching unobligated Federal-aid road funds available to the State for expenditure in the improvement of highways on the system of Federal-aid highways.

Mr. RANDOLPH. Mr. Speaker, I move to strike out the last word.

I would like to ask the author of the bill, is this a bill that would let the Federal Government pay 50 percent of the cost of purchasing toll bridges to make them free?

Mr. CARMICHAEL. That is correct.

Mr. RANDOLPH. I want to say that is commendable legislation. We in West Virginia are faced with that very problem, and I commend the gentleman.

Mr. CARMICHAEL. I thank the gentleman.

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. 12745) was laid on the table.

CLAIMS ON BEHALF OF FOREIGN GOVERNMENTS AND THEIR NATIONALS

The Clerk called the next bill, H. R. 6612, authorizing the appropriation of funds for the payment of claims of certain foreign governments under the circumstances hereinafter enumerated.

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

Mr. WHITE. Reserving the right to object, I would like to have that bill explained.

Mr. FREY. Mr. Speaker, this bill has been recommended by the State Department. It represents claims of nationals of China, Chile, Nicaragua, and other small countries, none of which is indebted to our country. It has been recommended by the State Department and by the last three Presidents.

Mr. WHITE. Mr. Speaker, I will withdraw my reservation of objection.

Mr. YOUNG. Reserving the right to object, Mr. Speaker, does not this bill provide for payment to the Government of Austria of some money, and to the Government of Great Britain $24,920?

Mr. FREY. They were all withdrawn.

Mr. YOUNG. It is now on page 2 of this bill.

Mr. McREYNOLDS. There are just a few private claims that the Government is interested in getting settled.

Mr. YOUNG. None of the governments in default of payment of their just debts are beneficiaries under this bill?

Mr. McREYNOLDS. That is correct.

Mr. YOUNG. I have no objection.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for payment to the Governments of Austria, Canada, Chile, China, Dominican Republic, France, Germany, Great Britain, Japan, Mexico, Netherlands, Nicaragua, and Norway, respectively, for the purposes indicated, as an act of grace and without reference to the legal liability of the United States the following amounts, namely:

To the Government of Austria, $133.11; France, $2,265.01; Germany, $3,635.50; Great Britain, $24,920.92; Mexico, $12.50, in settlement of the claims of their nationals arising out of the occupation by the American forces of Vera Cruz, Mexico, in 1914.

To the Government of Canada for the account of Janet Hardcastle Ross, a citizen of Canada, in full settlement of all claims for personal injury resulting from the dropping of a dummy bomb by a United States Navy airplane near Coronado, Calif., on March 27, 1929, the sum of $920.45.

To the Government of Chile for the account of Enriqueta Koch V. de Jeanneret as complete indemnity for injuries to her daughter, Lucia de Jeanneret, of Valparaiso, Chile, occasioned by an assault at Valparaiso by Andrew Stanley Kondek, seaman, United States Navy, on February 4, 1921, and as reimbursement of all expenses caused thereby, the sum of $2,000.

To the Government of China for the account of Li Potien, a citizen of China, as compensation for personal injuries sustained as a result of an assault committed by Anthony R. Tofil, private, United States Marines, at Tientsin, China, on January 2, 1929, the sum of $300; for the account of Ling Mau Mau, a citizen of China, as full indemnity for the personal injuries received by him as the result of a collision between the junk of Wong Miao Fah and a United States naval vessel on the Whangpoo River, Shanghai, China, on May 20, 1930, and for medical expenses incurred by Ling Mau Mau in connection with his injuries, the sum of $1,500; for the account of Yao Ah-Ken, $1,500; Chiang Ah-erh (Tsiange Ah Erh), $1,500; the family of Ts'ao Jung-k'uan (Dzao Yong Kwer), $1,500, as full indemnity for losses sustained by Yao Ah-Ken, Chiang Ah-erh (Tsiange Ah Erh), and by the family of Ts'ao Jung-k'uan (Dzao Yong Kwer) as the result of a collision between United States Marine Corps truck numbered 1130 and tramcar numbered B. 168, owned by the Shanghai Electric Construction Co., Ltd., in Shanghai China, on November 29, 1929; for the account of the estate of Li Ying-ting (Li Ing Ding), a citizen of China, the sum of $1,500 as full indemnity for the deaths of Li Yuen Han (Li Yung-hang), Wang Sze (Li Hwang-shih), Chun Wo (Li Chen-Ho), and Foh Ling (Li Fu-lin), the son, daughter-in-law, grandson, and granddaughter, respectively, of Li Ying-ting (Li Ing Ding), resulting from a collision between the junk of Li Ying-ting (Li Ing Ding) and a United States naval vessel on the Yangtze River on July 3, 1925, and for medical and burial expenses incurred by Li Ying-ting (Li Ing Ding), as a result of the collision; for the account of the estate of Chang Hsi Ying, a citizen of China, in payment of all claims arising out of a collision in Chinese waters, on June 2, 1927, between the United States naval vessel *Bittern* and a Chinese junk, resulting in the drowning of Chang Hsi Ying, a member of the crew of the junk, the sum of $500; for the account of Ch'u Shih-hsiang (Cheu S. Ziang), a citizen of China, $300; and for the account of Ma Juihsiang (Mo Zung Poo), a citizen of China, $300, as full indemnity for personal injuries resulting from assaults committed upon them by members of the United States Marine Corps at Shanghai, China, on May 26, 1931; in all, $8,900.

To the Government of the Dominican Republic for the account of Mercedes Martinez Viuda de Sanchez, a Dominican subject, as a recognition by this Government of the meritorious services rendered by her late husband, Emeterio Sanchez, in rescuing certain members of the U. S. S. *Memphis* on August 29, 1916, and to relieve her present financial condition, the sum of $500.

To the French Government for the account of Henry Borday, a citizen of France, as compensation for personal injuries sustained by him due to an assault at his place of business at Port au Prince, Haiti, by two United States marines on October 3, 1916, the sum of $1,000, with simple interest at 6 percent per annum from October 3, 1916, until the date of payment.

To the Government of Great Britain for the account of N. J. Moosa, a British subject, as full indemnity for the personal injuries received by him as the result of a collision between a broker's trap in which he was riding and a United States Marine

Corps truck at Shanghai, China, on September 13, 1928, and for medical and hospital expenses incurred by him in connection with his injuries, the sum of $15.59; for the account of the Shanghai Electric Construction Co., Ltd., as full indemnity for losses sustained by the said company as the result of a collision between United States Marine Corps truck no. 1130 and tramcar no. B. 168 owned by the company in Shanghai, China, on November 29, 1929, the sum of (the equivalent of $157.20 Mexican) $78.60; for the account of the estate of Samuel Richardson as an indemnity for the death of Samuel Richardson, alleged to have been killed by United States marines at Consuelo, Dominican Republic, on May 1, 1921, the sum of $1,000.

To enable the Government of the United States to reimburse the Government of Great Britain in the sum of £32,859 17s. 5d., and the Government of Japan in the sum of yen 156,798.39, the amounts expended by these Governments on behalf of the United States, in pursuance of an understanding between the Governments of the United States, France, Great Britain, and Japan to share equally the expenses incident to an undertaking to deport enemy aliens from China to Australia during the World War, $240,000, or so much thereof as may be necessary to reimburse those Governments the amounts specified.

To the Government of the Netherlands for the account of the widow, Augusta Johnson Paula, and children of Miguel (Mengal Record) Paula, a native of the Netherlands (Dutch West Indies) and former messman of the S. S. *Montoso*, of the New York & Porto Rico Steamship Co. line, who died January 23, 1931, from cocaine poisoning while a patient at the United States Marine Hospital at New Orleans, La., the sum of $3,500.

To the Government of Nicaragua for the account of Mrs. Mercedes V. de Williams, a citizen of Nicaragua, as reimbursement for the deterioration of a boat said to have been owned by Mrs. Williams' husband, Fordyce (Frank) Williams, now deceased, and to have been loaned by him to individual members of the Marine Corps stationed at Prinzapolka, Nicaragua, for recreational purposes, and to have been used by them for such purposes in 1928 and 1929, the sum of $75; for the account of Raimunda Valladares de Calderon, the widow of Justo Calderon, and the children of Justo Calderon, a native of Nicaragua, who was shot to death by a member of the United States naval forces on January 30, 1930, the sum of $2,500; for the account of Demetrio Valle, a citizen of Nicaragua, as full indemnity for losses sustained by him as the result of a bombing operation by a United States Marine Corps airplane near Palsagua, Nicaragua, on or about April 12, 1929, the sum of $600; for the account of Salvador Buitrago Diaz, a Nicaraguan citizen, as full indemnity for damages alleged to have been done to his property by United States marines, on February 6, 1921, the sum of $1,500; for the account of the following-named families and individuals the sum of $11,700 as a total indemnity for losses sustained as a result of the death or personal injury of Manuel Gomez Molino and others during encounters with United States marines in December 1921 and January 1922:

(1) To the family of Manual Gomez Molino, who was killed December 8, 1921, $1,500; (2) to the family of Obdulio Gomez, who was killed December 8, 1921, $1,500; (3) to the family of Guadalupe Balverve (Valverde), who was killed December 8, 1921, $1,500; (4) to the family of Francisco Ramos, who was killed January 25, 1922, $1,500; (5) to the family of Estanislao Rocha, who was killed January 25, 1922, $1,500; (6) to the family of Julio Carballo, who was killed January 25, 1922, $1,500; (7) to the family of Manuel Hernandez, who was killed January 25, 1922, $1,500; (8) to Manuel Pineda, who was wounded December 8, 1921, $150; (9) to Alejandro Malespin, who was wounded December 8, 1921, $150; (10) to Ignacio Doña, who was wounded December 8, 1921, $150; (11) to Manuel Aburto, who was wounded January 25, 1922, $150; (12) to Teofilo Farcia (Teofilo Garcia), who was wounded January 25, 1922, $150; (13) to Pedro R. Vega, who was wounded January 25, 1922, $150; (14) to Gilberto Lopez, who was wounded January 25, 1922, $150; (15) to Juan Ortiz, who was wounded January 25, 1922, $150; or the account of Benjamin Gonzales, of the city of Managua, Nicaragua, as full indemnity for money expended by him because of his being wounded by shooting by Robert C. Lare, a private of the United States Marine Corps, while on police patrol in said city, the sum of $343.55; for the accounts of Drs. Enrique Klinghoffer and Br. Rappaccioli, of Diriamba, Nicaragua, in full satisfaction of all claims against the United States for professional services, medicines, etc., furnished on November 10 and 11, 1929, to the late Maj. Charles S. McReynolds, United States Marine Corps, who was suffering from numerous stab wounds, the sum of $250; for the account of Juan Francisco Rivas, a resident of Leon, Nicaragua, the sum of $38.50, of which $32.50 is to reimburse the said Rivas for the cost of medical services rendered to said Rivas and his family and made necessary by an attack upon said Rivas, his wife, and child, by two privates in the United States Marine Corps Expeditionary Brigade in Nicaragua, on June 5, 1927, and $6 of which is to reimburse the said Juan Francisco Rivas for clothing of his said wife, damaged during said assault; for the account of Horacio de Jesus Castillo, a citizen of Nicaragua, as full indemnity for personal injuries sustained by him as the result of an assault committed upon him by a member of the United States Marine Corps at Matagalpa, Nicaragua, on February 24, 1931, the sum of $1,000; for the account of Emelia Obando, a citizen of Nicaragua, as full compensation for personal injuries sustained as the result of an assault committed upon her by a member of the United States Marine Corps at Matagalpa, Nicaragua, on November 3, 1931, the sum of $100; for the account of the children of Jesus Diaz, a citizen of Nicaragua, as full indemnity for his death as the result of being struck by a sack of post-exchange supplies dropped from a United States Marine Corps airplane at Matagalpa, Nicaragua, on June 21, 1928, the sum of $300; for the account of Domingo Portillo, and others of Matagalpa, as reimbursement of such part of the expense of the funeral of Jesus Diaz as was paid by them, the sum of $21.50; and for the account of José Luis Mongrio, of Matagalpa, as reimbursement for the cost of repairs to the roof of his house in that city damaged by the dropping of a sack of post-exchange supplies from a United States Marine Corps airplane on June 21, 1928, the sum of $80 (payment of the last three preceding claims arising from the accident involving a United States Marine Corps airplane at Matagalpa on June 21, 1928, to be made through the American consular agent at Matagalpa); in all, $18,508.55.

To the Government of Norway in full and final settlement of all claims for reimbursement on account of losses sustained by the owner and crew of the Norwegian steamer Tampen by reason of the detention of the vessel by the United States Coast Guard during June 1925, the sum of $8,765.

With the following committee amendments:

Page 1, line 7, strike out the word "Japan."

Page 5, beginning in line 19, strike out the remainder of the page, and lines 1 to 6, inclusive, or page 6.

Page, 10, beginning with line 9, strike out all of lines 9, 10, 11, 12, 13, and 14.

Mr. LUNDEEN. Mr. Speaker, I want to inquire about these amendments. What were the amendments which were just now read? Did they strike out nations that are indebted to our country?

Mr. McREYNOLDS. The amendments strike out England and some other countries which we thought were indebted to us in a very large amount, something like $250,000.

Mr. LUNDEEN. If there is any nation in there that is indebted to us that has not been stricken out I would have to object, and that would be the first time I have objected on this floor during all these years.

EUROPEAN WAR DEBTS DUE TODAY

Today, June 15, 1936, we are notified by European nations of another series of defaults in their war debts to the United States. They balance their budgets, they increase their armies and navies for war, but they cannot pay America. I opposed these loans in 1917, 19 years ago. I was scoffed at by the so-called wise, but I was right, and here we are, millions of unemployed, millions on relief. We need this money now due us and they can pay. What are we going to do about it? I am willing to follow the course of Andrew Jackson, who compelled the French to pay their war debt to the United States more than 100 years ago. I commend his state papers to gentlemen of the House. In two speeches in the Seventy-third and Seventy-fourth Congresses I reviewed his manner of compelling payment of war debts. We need more Jackson Americans in America.

Mr. McREYNOLDS. I think the gentleman would be a little late in objecting, but the gentleman from Pennsylvania [Mr. FREY], who is on the subcommittee, says there is none. I have not examined the bill.

Mr. FREY. All of them were stricken out where payments were to the Government itself. The only payments in here are to nationals.

Mr. McREYNOLDS. I hope the gentleman gets the distinction.

The SPEAKER pro tempore. The question is on the committee amendments.

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.

PAYMENTS TO THE AMERICAN WAR MOTHERS, INC.

The Clerk called the next bill, S. 3296, to authorize certain payments to the American War Mothers, Inc.

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

Mr. COSTELLO. Mr. Speaker, I object.

DIVISION OF COURT AT THOMASVILLE, GA.

The Clerk called the next bill, H. R. 11614, to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsections (d) and (e) of section 77 of the Judicial Code, as amended (U. S. C., 1934 edition, title 28, sec. 150), is amended as follows:

"(d) The middle district shall include seven divisions, constituted as follows: The Athens division, which shall include the territory embraced on January 1, 1925, in the counties of Clarke, Elbert, Franklin, Greene, Hart, Madison, Morgan, Oconee, Oglethorpe, and Walton; the Macon division, which shall include the territory embraced on such date in the counties of Baldwin, Bibb, Bleckley, Butts, Crawford, Hancock, Houston, Jasper, Jones, Lamar, Monroe, Peach, Pulaski, Putnam, Twiggs, Upson, Washington, and Wilkinson; the Columbus division, which shall include the territory embraced on such date in the counties of Chattahoochee, Clay, Harris, Marion, Meriwether, Muscogee, Quitman, Randolph, Stewart, Talbot, and Taylor; the Americus division, which shall include the territory embraced on such date in the counties of Crisp, Dooly, Lee, Macon, Schley, Sumter, Terrell, Webster, and Wilcox; the Albany division, which shall include the territory embraced on such date in the counties of Baker, Calhoun, Dougherty, Early, Miller, Mitchell, Turner, and Worth; the Valdosta division, which shall include the territory embraced on such date in the counties of Berrien, Cook, Echols, Irwin, Lanier, Lowndes, and Tift; and the Thomasville division, which shall include the territory embraced on such date in the counties of Thomas, Brooks, Colquitt, Grady, Decatur, and Seminole.

"(e) The terms of the district court for the Athens division shall be held at Athens on the first Mondays in June and December; for the Macon division at Macon on the first Mondays in May and November; for the Columbus division at Columbus on the first Mondays in March and September; for the Americus division at Americus on the second Mondays in February and June: *Provided*, That suitable rooms and accommodations are furnished for holding court at Americus free of cost to the Government until a public building shall have been erected or put into proper condition for such purpose in said city; for the Albany division at Albany on the first Mondays in April and October; for the Valdosta division at Valdosta on the third Mondays in March and September; and for the Thomasville division on the third Mondays in May and November: *Provided*, That suitable rooms and accommodations are furnished for holding court thereat free of cost to the Government at Thomasville."

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 JUDGE OF DISTRICT COURT FOR EASTERN, MIDDLE, AND WESTERN DISTRICTS OF TENNESSEE

The Clerk called the next bill, S. 3179, to appoint one additional judge of the District Court of the United States for the Eastern, Middle, and Western Districts of Tennessee.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, for the reasons I have given in other cases of this kind, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NORTHERN MONTANA AGRICULTURAL AND MANUAL TRAINING SCHOOL

The Clerk called the next bill, S. 1871, granting certain public lands to the State of Montana for the use and benefit of the Northern Montana Agricultural and Manual Training School.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this bill authorizes the conveyance of 500,000 acres of land to the State of Montana for the purpose of establishing a land-grant college. It would seem to me that if we are to authorize the conveyance of half a million acres of land we should give some consideration to it. I ask unanimous consent, therefore, that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DEATH VALLEY MONUMENT, CALIFORNIA

The Clerk called the next bill, H. R. 4024, to amend an act of Congress approved June 13, 1933 (48 Stat. 139), entitled "An act to extend the mining laws of the United States to the Death Valley Monument in California."

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, it is impossible to tell from the report on this bill how extensive the bill is. I wish the sponsor of the bill would explain what is intended to be done.

Mr. Speaker, in the absence of anyone to explain the bill, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SARATOGA NATIONAL HISTORICAL PARK, N. Y.

The Clerk called the next bill, S. 32, to provide for the creation of the Saratoga National Historical Park in the State of New York, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, we have been consistently opposed to the creation of new national parks because of the tremendous expense involved in their maintenance. I think further consideration should be given to this bill.

Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GOVERNMENT FREE BATHHOUSE, HOT SPRINGS, ARK.

The Clerk called the next bill, H. R. 11176, increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark.

Mr. BURDICK. Mr. Speaker, reserving the right to object, I wish someone would explain the bill. If there is to be a penalty on bathing, I want to know it.

Mr. DRIVER. Mr. Speaker, replying to the inquiry of the gentleman from North Dakota, I may say that this is purely a measure to provide against the perpetration of fraud on the Government in the operation of a free bathhouse in the city of Hot Springs.

Mr. BURDICK. Mr. Speaker, I have no objection.

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 the act entitled "An act limiting the privileges of the Government free bathhouse on the public reservation at Hot Springs, Ark., to persons who are without and unable to obtain the means to pay for baths", approved March 2, 1911 (U. S. C., 1934 ed., title 16, sec. 371), is hereby amended to read as follows:

"That only persons who are without and unable to obtain the means to pay for baths and are suffering from ailments for which bathing in the water of the Hot Springs Reservation will afford relief or effect a cure shall be permitted to bathe at the free bathhouse on the public reservation at Hot Springs, Ark., and before any person shall be permitted to bathe at the free bathhouse on the reservation he shall be required to make oath, before such officer duly authorized to administer oaths for general purposes as the superintendent of the Hot Springs Reservation shall designate, that he is without and unable to obtain the means to pay for baths, and any person desiring to bathe at the free bathhouse on the Hot Springs Reservation making a false oath as to his financial condition shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not less than $25 nor more than $300 and be imprisoned for not less than 5 days nor more than 60 days."

With the following committee amendment:

Page 2, line 15, strike out "less than 5 days nor".

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.

GENERAL LAND OFFICE

The Clerk called the next bill, H. R. 12426, authorizing the payment of certain salaries and expenses of employees of the General Land Office.

Mr. WHITE. Mr. Speaker, reserving the right to object, I would like to have the bill explained.

Mr. DEROUEN. Mr. Speaker, I shall move to substitute a Senate bill for the House bill.

Mr. WHITE. Mr. Speaker, I would like to know something about the situation. We have passed the Taylor Grazing Act and cut down the work of the General Land

Office. I do not know why we should increase their salaries or personnel.

Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

MEMORIAL TO DR. SAMUEL ALEXANDER MUDD

The Clerk called House Joint Resolution 496, for the erection of a memorial to Dr. Samuel Alexander Mudd.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that this joint resolution may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CALIFORNIA STATE PARK SYSTEM

The Clerk called the next bill, H. R. 1994, to provide for the selection of certain lands in the State of California for the use of the California State park system.

Mr. GRISWOLD. Mr. Speaker, reserving the right to object, I wish somebody would explain the bill. I would like to know something about this exchange, this giving of national lands to a State park system.

Mr. BURNHAM. Mr. Speaker, this is desert land in the Imperial Valley on the edge of the mountain side covered with desert growth. The State of California and the State Park Commission of California are willing to take it over, and build trails through it, and so and so forth at the expense of the State. The Secretary of the Interior not only has made a favorable report, but recommends the legislation. There is no cost to the Government.

Mr. GRISWOLD. Do I understand that this is now Federal land?

Mr. BURNHAM. Yes.

Mr. GRISWOLD. And title to it will be transferred to the State of California?

Mr. BURNHAM. To the California State Park Commission; but if they do not use the land within a year the title will revert to the Federal Government.

Mr. GRISWOLD. What does the Federal Government receive for transferring these national lands to the State of California?

Mr. BURNHAM. The lands remain there. We do not take a thing away from the Government. The State of California only makes it possible for tourists and others to visit this land.

Mr. GRISWOLD. As I understand the bill, it transfers the title to this land, and that is what I am interested in.

Mr. BURNHAM. Yes.

Mr. GRISWOLD. It transfers title from the Federal Government to the State of California.

Mr. BURNHAM. Reserving to the Government all mineral rights. There is a reversion clause in there also, so that if the lands are not used for State park purposes they revert to the Federal Government.

Mr. GRISWOLD. Whether they will be used for park purposes or not, we are giving some land belonging to the Federal Government to the State of California as a gift.

Mr. BURNHAM. The land has no value for agricultural purposes. It is desert land without any agricultural value. There is desert growth upon these lands and there is fossil remaining thereon that the State of California would like to protect and perpetuate. It is not protected now.

Mr. DOCKWEILER. The State wants to protect and perpetuate the desert foliage and plant life. There are many visitors who come to this desert land, which belongs to the Government, and they take the varieties of cacti off this land and bring it home because they are nice in home gardens. This is making a great inroad on the typical desert plant life of California. The State of California will preserve it because in connection with the desert lands now owned by the State of California, the State has passed laws forbidding gardeners, individuals, and various other people who are interested in plant life, from taking it off the land. We are trying to preserve this growth. There are hundreds of varieties of plant life out there.

Mr. GRISWOLD. I am not objecting to the State of California desiring to preserve that plant life.

Mr. DOCKWEILER. I wish the gentleman would not object.

The regular order was demanded.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. GRISWOLD. Mr. Speaker, I object.

SELECTION OF CERTAIN LANDS IN THE STATE OF CALIFORNIA FOR USE OF THE CALIFORNIA PARK SYSTEM

The Clerk called the next bill, H. R. 1995, to provide for the selection of certain lands in the State of California for the use of the California State park system.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subject to valid rights existing on the date of this act, the State of California may within 5 years select for State park purposes by legal subdivisions all or any portion of the public land not reserved for public purposes in the following townships:

Township 9 south, range 9 east; township 9 south, range 10 east; township 10 south, range 9 east; township 10 south, range 10 east; township 10 south, range 11 east; township 11 south, range 9 east; township 11 south, range 10 east; and township 11 south, range 11 east, San Bernardino meridian.

Upon the submission of satisfactory proof that the land selected contains characteristic desert growth and scenic or other natural features which it is desirable to preserve as a part of the California State park system the Secretary of the Interior shall cause patents to issue therefor: *Provided*, That there shall be reserved to the United States all coal, oil, gas, or other, mineral contained in such lands, together with the right to prospect for, mine, and remove the same at such times and under such conditions as the Secretary of the Interior may prescribe: *Provided further*, That any patent so issued shall contain a provision reserving to the United States for the use of the United States and its permittees, including Imperial irrigation district, the perpetual right to flow or permit water to flow over or pond or permit water to be ponded upon any part of the lands so patented with right to go upon same and to locate, relocate, construct, reconstruct, and maintain any works necessary or convenient to the full use thereof, including telephone and electrical transmission lines, and shall also contain provision for reversion of title to the United States upon a finding by the Secretary of the Interior that for a period of more than 1 year the land has not been used by the State for park purposes: *And provided further*, That in order to consolidate park areas or to eliminate private holdings therefrom lands patented hereunder may be exchanged with the approval of and under rules prescribed by the Secretary of the Interior for privately owned lands in the area hereinbefore described of approximately equal value containing the natural features sought to be preserved hereby. The lands so acquired to be subject to all conditions and reservations prescribed by this act, including the reversionary clause hereinbefore set out.

With the following committee amendment:

Page 2, line 21, after the word "thereof", insert "including telephone and electrical transmission lines."

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.

TRANSFER OF FAYETTE COUNTY, TEX., FROM THE SOUTHERN JUDICIAL DISTRICT OF TEXAS TO THE WESTERN JUDICIAL DISTRICT OF TEXAS

The Clerk called the next bill, H. R. 12737, to transfer Fayette County, Tex., from the southern judicial district of Texas to the western judicial district of Texas.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

INCREASE OF EFFICIENCY OF THE MEDICAL CORPS OF THE REGULAR ARMY

The Clerk called the next bill, H. R. 8874, to increase the efficiency of the Medical Corps of the Regular Army.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of promotion there shall be credited to officers of the Medical Corps all active service as officers of the Medical Reserve Corps rendered by them between April 23, 1908, and April 6, 1917.

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 BENTON, ILL.

The Clerk called the next bill, H. R. 12557, to provide for a term of court at Benton, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the last two sentences of section 79 of the Judicial Code (U. S. C., 1934 ed., title 28, sec. 152) are amended to read as follows: "Terms of the district court for the eastern district shall be held at Danville on the first Mondays in March and September; at Cairo, on the first Mondays in April and October; at East St. Louis, on the first Mondays in May and November; and at Benton, on the first Mondays in June and December. The clerk of the court for the eastern district shall maintain an office in charge of himself or a deputy at Danville, at Cairo, at East St. Louis, and at Benton, which shall be kept open at all times for the transaction of the business of the court, and shall there keep the records, files, and documents pertaining to the court at that place."

With the following committee amendment:

Page 1, line 10, after the word "December", insert a colon and the following proviso: "*Provided*, That facilities for holding court at Benton are furnished free of expense to the United States."

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.

EXTENSION OF BOUNDARIES OF THE FORT PULASKI NATIONAL MONUMENT, GEORGIA

The Clerk called the next bill, H. R. 11180, to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the boundaries of the Fort Pulaski National Monument on Cockspur Island,, Ga., be, and they are hereby, extended to include all of the lands on said island now or formerly under the jurisdiction of the Secretary of War.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to accept in behalf of the United States, lands, interest in lands, easements, and improvements located on McQueens and Tybee Islands, in Chatham County, Ga., as may be donated for an addition to the Fort Pulaski National Monument, and upon acceptance thereof the same shall be a part of said monument, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized to construct, or cause to be constructed, in connection with and as a part of the road system of Fort Pulaski National Monument, a bridge or causeway and approaches thereto across the South Channel of the Savannah River from Cockspur Island to McQueens Island in Chatham County, Ga., at a point which he may designate as most suitable to the interests of the Federal Government.

SEC. 4. That the administration, protection, and development of the aforesaid national monument as extended by this act 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": *Provided*, That the Secretary of the Interior may authorize the use of lands therein by other Federal agencies when deemed by him not detrimental to the purposes of said national monument.

With the following committee amendment:

On page 2, line 19, after the word "provided", strike out the remainder of line 19 and all of lines 20, 21, and 22 and insert: "That there is permanently reserved for the unlimited use of the Corps of Engineers, United States Army, for deposit of dredging materials and other purposes, a strip of land along the north shore of Cockspur Island extending shoreward 200 feet from the present high-water line: *And provided further*, That the portion of Cockspur Island bounded on the east by a north and south line across the island, and distant 2,900 feet west from the northwesterly salient angle of Fort Pulaski, and extending from Savannah River on the north to the South Channel on the south; on the west by a north and south line, parallel with said east boundary, distant 1,700 feet therefrom, and likewise extending from the Savannah River on the north to the South Channel on the south, is reserved to the Treasury Department for use for a quarantine station."

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.

PRELIMINARY EXAMINATION OF THE SAGINAW RIVER AND ITS TRIBUTARIES, MICH.

The Clerk called the next bill, H. R. 9092, to provide for the preliminary examination of the Saginaw River and its tributaries in Saginaw County, Mich., with a view to the controlling of floods.

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 Saginaw River and its tributaries in Saginaw County, Mich., with a view to improvements for the control of floods and navigation, in accordance with the provisions of section 3 of an 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, the cost thereof to be paid from the appropriations heretofore or hereafter made for examination, 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.

AMENDMENT OF THE WORLD WAR ADJUSTED-COMPENSATION ACT

The Clerk called the next bill, S. 3257, to amend the World War Adjusted Compensation Act.

Mr. TABER. Mr. Speaker, reserving the right to object, I wonder if there is anyone present who can explain this bill.

Mr. THOMPSON. Mr. Speaker, I believe I can explain the bill.

The purpose of this bill is to amend the Adjusted Compensation Act so as to apply to some 2,500 provisional officers under the grade of major who were exempted from the original act.

In the Army there were about 2,250 of these men and in the Marine Corps about 60 or 70 and in the Navy about 200. These men were taken into the Army, Navy, and Marine Corps, some from the ranks and some from the training camps, without waiting for their commissions to go through in the regular course.

The committee held extensive hearings on this bill and came to the conclusion that this group was seriously discriminated against in the original adjusted-compensation act, and I may say to the gentleman from New York that there is considerable interest among various Members on both sides of the aisle in this particular bill in their desire to correct this very apparent discrimination against a small group of men who constituted some of the best officers who served the United States during the World War.

Mr. McCORMACK. Mr. Speaker, if the gentleman will yield further, the gentleman from Tennessee [Mr. REECE] is very much interested in this bill and made a very able presentation of the matter before the committee. The committee was unanimously convinced that the bill should be reported out, and while I can give an explanation I think the gentleman from Tennessee would make a more thorough explanation because of his profound knowledge of the bill, and I think my friend from New York would be pleased to hear from him, and I know he will assist the gentleman in making up his mind with respect to the measure.

Mr. REECE. Mr. Speaker, if the gentleman will permit, I think this was a very unfair discrimination against this group of service men, and in going over the records in the case I found that when the question was up for consideration before the Ways and Means Committee back in 1922 Gen. P. C. Harris at that time appeared before the committee and used this language:

> It is unfair to a great many men; and while it is true they were in the permanent establishment and in for the period of the war, a great many of them resigned immediately afterward. They went to the training camps and selected the Regular Army, because they thought they would get to France quicker, and then immediately resigned when they returned from France. I think that should be changed to include them.

They were in the same category as the other officers who were accorded the benefits of the adjusted-compensation act. They were in the service for the period of the emergency only and while they held this temporary, provisional commission, I think in a majority of the cases they accepted

these provisional commissions because they thought it gave them an opportunity to get to the front earlier, and they never had any intention of remaining in the Regular Establishment and did not remain in the Regular Establishment, and later on for all practical purposes they were in the great category of officers of the National Army, and I hope the gentleman will permit the bill to go through.

Mr. RANKIN. Mr. Speaker, I hope the gentleman will not object. This is a very meritorious proposition.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. KNUTSON. I may say to the gentleman that I was a member of the subcommittee that considered this measure, and we heard a number of representatives from veterans' organizations, all of whom were unanimously of the opinion that the enactment of this legislation would correct an injustice that has been done to a small group of very worthy officers in the World War.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. WOLCOTT. I remember very distinctly one morning in training camp the top sergeant yelling out, "All of you fellows who want provisional commissions in the United States Army and want immediately to go overseas, take two paces forward."

About two-thirds of the company did so, and a few of them got commissions. A few of us who were not quite so courageous as the others, but who at that time had the same status, later on were given the advantages of this act. Those who were courageous enough to take the two paces forward and were sent overseas immediately were denied the right to compensation.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsection (b), section 202, of the World War Adjusted Compensation Act is amended to read as follows:

"(b) Any individual holding a permanent or provisional commission or permanent or acting warrant in any branch of the military or naval forces, or (while holding such commission or warrant) serving under a temporary commission in a higher grade—in each case for the period of service under such commission or warrant or in such higher grade after the accrual of the right to pay thereunder. This subdivision shall not apply to any noncommissioned officer, nor to any provisional officer of the Army under the grade of major, who was honorably separated from the military service prior to January 1, 1922: *Provided*, That applications under this act must be made within 1 year from the date of enactment."

With the following committee amendment:

Page 1, strike out all of line 12, and on page 2 all of lines 1, 2, and 3 and insert in lieu thereof the following: "This subdivision shall not apply to any noncommissioned officer nor to any provisional, probationary, or temporary officer of the military or naval forces under the grade of major or lieutenant commander, who was honorably separated from the military or naval service prior to January 1, 1922."

The committee amendment was agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

THREE HUNDREDTH ANNIVERSARY OF THE FOUNDING OF YORK COUNTY, MAINE

The Clerk called the bill (H. R. 12677) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of York County, Maine.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I object.

TERCENTENARY CELEBRATION, RHODE ISLAND

The Clerk called House Joint Resolution 566, providing for the contribution by the United States to the expense of the tercentenary celebration by the State of Rhode Island.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I object.

BRIDGE ACROSS THE STRAITS OF MACKINAC

The Clerk called the bill (H. R. 12898) granting the consent of Congress to the Mackinac Straits Bridge Authority to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the Lower Peninsula of Michigan.

The SPEAKER pro tempore. Is there objection?

Mr. MARCANTONIO. Mr. Speaker, I object.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice for the purpose of giving further consideration to the advisability of enacting it.

The SPEAKER pro tempore. Is there objection?

Mr. YOUNG. Mr. Speaker, I object.

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

Mr. MARCANTONIO. Mr. Speaker, I object.

BRIDGE ACROSS MISSOURI RIVER, BROWNVILLE, NEBR.

The Clerk called the bill (S. 4461) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River at or near Brownville, Nebr., authorized to be built by the county of Atchison, State of Missouri, and the county of Nemaha, State of Nebraska, singly or jointly, by section 18 of the act of Congress approved August 30, 1935, are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

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

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.

BRIDGE ACROSS MISSOURI RIVER, DECATUR, NEBR.

The Clerk called the bill (S. 4462) to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River, between the towns of Decatur, Nebr., and Onawa, Iowa, authorized to be built by the county of Burt, State of Nevada, by section 29 of the act of Congress approved August 30, 1935, are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

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

With the following committee amendments:

Page 1, line 6, strike out "State of Nevada" and insert "State of Nebraska."

Page 1, line 9, strike out "the date of approval hereof" and insert "August 30, 1936."

The committee amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSOURI RIVER, SOUTH SIOUX CITY, NEBR.

The Clerk called the bill (S. 4463) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River, at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa, authorized to be built by the county of Dakota, State of Nebraska, by section 30 of the act of Congress approved August 30, 1935, are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

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

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.

BRIDGE ACROSS MISSISSIPPI RIVER AT BATON ROUGE, LA.

The Clerk called the bill (S. 4618) granting the consent of Congress to the Louisiana Highway Commission to con-

struct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto across the Mississippi River at or near Baton Rouge, La.

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

Mr. YOUNG. Mr. Speaker, I object.

Mr. DEROUEN. Mr. Speaker, will the gentleman reserve his objection?

Mr. YOUNG. Yes.

Mr. DEROUEN. This is an important bill. It is an extension of the same law that we had, which expired. The State has provided the money. It is a free bridge. The bill was unanimously reported by the Interstate Commerce Committee of the House and has already passed the Senate and is now reported back to the House.

Mr. YOUNG. The title of the bill refers to a free or toll bill.

Mr. DEROUEN. It is a free bridge.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

Mr. DEROUEN. Mr. Speaker, will the gentleman let me explain the bill? That is usual in all those bills. It is a bill that takes care of all of the railroads west of the Mississippi River. It is the form that has been adopted and used all the way through, but it is a free toll bridge. It is similar to the prior law which expired, and so we are asking to be put back where we were before.

Mr. YOUNG. I offer an amendment to strike out the words "or toll" in the title and in the bill.

Mr. DEROUEN. I accept that amendment, insofar as it applies to the title, and no further.

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

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Louisiana Highway Commission, an administrative body created and acting under the constitution and laws of the State of Louisiana, to construct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Baton Rouge, in the State of Louisiana, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. YOUNG. Mr. Speaker, I offer an amendment to strike out the words "or toll" in the title and in the bill wherever they appear.

The Clerk read as follows:

Amendment offered by Mr. YOUNG: Strike out the words "or toll" wherever they occur in the title or in the bill.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WOLCOTT. That leaves this bill in a terrible condition. The whole of section 2 has to do with the raising of revenue for the retiring of bonds out of tolls. I think it is a rather poor way to legislate. Frankly, I do not know what the bill will read like if we strike out those two words wherever they occur in the bill.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. O'CONNOR. Of course, that is a pernicious way to amend any bill, to strike out the words "or toll" wherever they appear. That is no way to amend the bill. The way to handle that situation is to vote down the amendment.

Mr. YOUNG. I agree with the gentleman that that is no way to amend a bill, but I will also say it is no way to legislate, to bring in, during the closing hours of a session of Congress, at a night session, a bill to impose toll bridges upon people traveling upon the highways of this country.

Mr. JENKINS of Ohio. Mr. Speaker, I move to strike out the last word.

I appreciate the fight the gentleman is seeking to make, but I wonder if he has understood this. The gentleman's fight has been against privately owned toll bridges. This is not the case. This is a State agency. It is seeking the construction of a bridge that is both a highway bridge and a railroad bridge. Somebody has to pay for it. Of course, the railroads should pay for it. If the gentleman wants to strike out the words "or toll", he should strike them out only as to the highway part of the bridge. I think if the gentleman will consider that this is a publicly owned agency and that they will surely take care of their own people down there, the gentleman could well afford to withdraw his objection and still be consistent with his former position.

Mr. WOLCOTT. Mr. Speaker, I rise in opposition to the amendment.

I quite agree with the gentleman from New York [Mr. O'CONNOR], that the proper way to handle this situation now would be to vote down the amendment.

May I observe also that we should not always be opposed to toll bridges, merely because they are toll bridges. Frequently bridges would never be built if it were not for the fact that anticipatory bonds are issued against tolls. In about 50 percent of the bills which have passed this Congress in the last 6 years, we have provided that tolls shall be collected and that the bonds shall be retired out of the tolls collected. I have in mind at least a dozen bridges that are today giving service over navigable streams which would not have been built were it not for the fact that tolls were charged. We are following exactly the same principle in the collection of gasoline taxes in the several States.

That tax is collected upon this basis—that those who use the highways shall pay the tax. Toll bridges are constructed upon the same theory. We authorize the construction of toll bridges on the same theory—that the people who use the bridges pay for the bridge—instead of providing that the State shall build the bridge and tax all of the people generally for that purpose. There are occasions, and I think probably this is one of them, in which a toll is justified. This is not a private toll bridge. This is a bridge to be constructed by the Louisiana Highway Commission, a commission authorized by the State Legislature of the State of Louisiana to supervise the construction of bridges and for the retirement of bonds from the revenues collected.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. YOUNG].

The amendment was rejected.

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.

BRIDGE ACROSS MISSISSIPPI RIVER AT LA CROSSE, WIS.

The Clerk called the next bill, H. R. 12843, authorizing the State of Wisconsin to construct, maintain, and operate a free highway bridge across the Mississippi River at or near La Crosse, La Crosse County, Wis.

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

There was no objection.

Mr. WITHROW. Mr. Speaker, I ask unanimous consent to substitute the bill S. 4680 for the House bill. It is an identical Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State of Wisconsin be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near La Crosse, La Crosse County, Wis., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the State of Wisconsin all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

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. 12843) was laid on the table.

BRIDGE ACROSS DELAWARE RIVER BETWEEN HANCOCK, N. Y., AND BUCKINGHAM, PA.

The Clerk called the next bill, H. R. 12850, authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the West Branch of the Delaware River between a point in the vicinity of the village of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa.

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

There was no objection.

Mr. GOODWIN. Mr. Speaker, I ask unanimous consent to substitute Senate 4710 for consideration at this time, the bill being identical to the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania be, and is hereby, authorized to reconstruct, maintain, and operate a free highway bridge and approaches thereto across the West Branch of the Delaware River, at a point suitable to the interests of navigation, at or near the vicinity of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa., in accordance with the provisions of the act entitled, "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

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 similar House bill (H. R. 12850) was laid on the table.

BRIDGE ACROSS DELAWARE RIVER, BARRYVILLE, N. Y.

The Clerk called the next bill, H. R. 12851, authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

Mr. GOODWIN. Mr. Speaker, I ask unanimous consent to substitute S. 4709 in place of the bill H. R. 12851 for consideration at this time, both bills being identical.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania be, and is hereby, authorized to reconstruct, maintain, and operate a free highway bridge and approaches thereto across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

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.

BRIDGE ACROSS HUDSON RIVER, FIFTY-SEVENTH STREET, NEW YORK

The Clerk called the next bill, S. 1645, to provide for the creation of a commission to examine into and report the clear height above the water of the bridge authorized to be constructed over the Hudson River from Fifty-seventh Street, New York, to New Jersey, and for other purposes.

Mr. PEYSER. Mr. Speaker, I object.

Mr. O'CONNOR. Mr. Speaker, will not the gentleman withhold his objection?

Mr. PEYSER. Mr. Speaker, I withhold my objection to permit the gentleman to make a statement.

Mr. O'CONNOR. All this bill does is to authorize an investigation of the height of this bridge at Fifty-seventh Street across the Hudson River. It is a matter which has been pending here for years. It would bring into New York all the railroads which serve New York. The only opposition to it is from the New York Central Railroad, and a vice president of the New York Central, named Mr. Dougherty, has been very active, lobbying against this bill.

Everybody in New York who is concerned with the west side of Manhattan along Eleventh Avenue is interested in this bill. It would bring into New York the B. & O., which has no access; the Lackawanna, the Erie, and the Lehigh, which have been denied access to New York City because of this railroad combination and the opposition of years which comes solely from the New York Central.

Mr. PEYSER. Mr. Speaker, answering the gentleman from New York, I may say, quoting from the New York Times of June 3 of this year, that there are other objectors than the New York Central. The New York State Legislature has passed a resolution in opposition to this bill. The New York Chamber of Commerce, the Regional Planning Association, the Fifth Avenue Association, the Secretary of War and the Secretary of the Navy, and the Department of Commerce are opposed to the bill. Mr. Speaker, I object.

Mr. KENNEY. Will not the gentleman further withhold his objection?

Mr. PEYSER. Certainly.

Mr. KENNEY. Mr. Speaker, it seems that the only Member of this House in opposition to the bill is the gentleman from New York [Mr. PEYSER].

Mr. PEYSER. I beg the gentleman's pardon. There is a minority report on the bill signed by other Members.

Mr. KENNEY. Other New York newspapers have recommended this bridge. The New York Sun has recommended it. The bridge will furnish a terminal in New York for railroads that now have their terminii in New Jersey. It was part of the original plan of the Port of New York Authority. It is vital to the entire Nation that this railroad bridge should be built across the Hudson River.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. KENNEY. Yes.

Mr. O'CONNOR. The opposition from the New York Legislature and the organizations to which the gentleman referred came years ago, not recently.

Mr. KENNEY. Absolutely. They tried to get the Legislature of the State of New Jersey to memorialize Congress to repeal the charter of the bridge, but the Legislature of New Jersey refused to do so.

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

Mr. PEYSER. Mr. Speaker, I object.

SIXTH WORLD'S POULTRY CONGRESS

The Clerk called the joint resolution (S. J. Res. 235) authorizing the Secretary of Agriculture to expend funds of the Agricultural Adjustment Administration for participation by the United States in the 1936 Sixth World's Poultry Congress.

The SPEAKER pro tempore. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the sum of $25,000, or such sum thereof as may be necessary, may be expended by the Secretary of Agriculture from the unexpended funds of the Agricultural Adjustment Administration, with a view to expanding the foreign demand for American-bred poultry through participation in the 1936 Sixth World's Poultry Congress, such funds to be used for staging a live-bird and educational exhibit and for the expenses of delegates of the United States to this conference: *Provided*, That of this sum a sum of $10,000 is hereby made immediately available for assembling, preparing, and shipping the live-bird exhibit and material showing poultry-husbandry methods followed in the United States: *Provided further*, That no part of the sum authorized to be expended by this resolution shall be used for the payment of expenses of delegates to such conference other than Government and State agriculture college officials.

SEC. 2. The President is hereby authorized and requested to extend to the World's Poultry Science Association an invitation to hold the Seventh World's Poultry Congress in the United States in 1939, and to extend an invitation to foreign governments to participate in and be represented by delegates and exhibits in such congress.

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.

AMENDMENT OF BANKRUPTCY ACT

The Clerk called the next 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.

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 (1) the last three sentences of the second paragraph of subsection (e) of section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, are hereby further amended to read as follows: "If the United States of America, or any agency thereof, or any corporation (other than the Reconstruction Finance Corporation) the majority of the stock of which is owned by the United States of America, is a creditor or stockholder, the interests or claims thereof shall be deemed to be effected by the plan, and the President of the United States, or any officer or agency he may designate, is hereby authorized to act in respect of the interests or claims of the United States or of such agency or other corporation. The expense of such submission shall be certified by the Commission and shall be borne by the debtor's estate. The Commission shall certify to the judge the results of such submission."

(2) That the first sentence of the third paragraph of said subsection (e) of said section 77 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: *Provided further*, That if, in any reorganization proceeding under this section, the United States is a creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against, the debtor, as creditor or stockholder), no plan which does not provide for the payment thereof shall be confirmed by the judge except upon the acceptance, certified to the court, of a lesser amount by the President of the United States or the officer or agency designated by him pursuant to the provisions of the preceding paragraph hereof: *Provided further*, That if the President of the United States or such officer or agency shall fail to accept or reject such lesser amount for more than 90 days after receipt of written notice so to do from the court, accompanied by a certified copy of the plan, the consent of the United States insofar as its claims for taxes or customs duties are concerned shall be conclusively presumed."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That subsection (e) of section 77 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 is hereby, amended to read as follows:

"(e) Upon the certification of a plan by the Commission to the court, the court shall give due notice to all parties in interest of the time within which such parties may file with the court their objections to such plan, and such parties shall file, within such time as may be fixed in said notice, detailed and specific objections in writing to the plan and their claims for equitable treatment. The judge shall, after notice in such manner as he may determine to the debtor, its trustee or trustees, stockholders, creditors, and the Commission, hear all parties in interest in support of, and in opposition to, such objections to the plan and such claims for equitable treatment. After such hearing, and without any hearing if no objections are filed, the judge shall approve the plan if satisfied that: (1) It complies with the provisions of subsection (b) of this section, is fair and equitable, affords due recognition to the rights of each class of creditors and stockholders, does not discriminate unfairly in favor of any class of creditors or stockholders, and will conform to the requirements of the law of the land regarding the participation of the various classes of creditors and stockholders; (2) the approximate amounts to be paid by the debtor, or by any corporation or corporations acquiring the debtor's assets, for expenses and fees incident to the reorganization, have been fully disclosed so far as they can be ascertained at the date of such hearing, are reasonable, are within such maximum limits as are fixed by the Commission, and are within such maximum limits to be subject to the approval of the judge; (3) the plan provides for the payment of all costs of administration and all other allowances made or to be made by the judge, except that allowances provided for in subsection (c), paragraph (12) of this section, may be paid in securities provided for in the plan if those entitled thereto will accept such payment, and the judge is hereby given power to approve the same.

"If the judge shall not approve the plan, he shall file an opinion, stating his conclusions and the reason therefor, and he shall enter an order in which he may either dismiss the proceedings, or in his discretion and on motion of any party in interest refer the proceedings back to the Commission for further action, in which event he shall transmit to the Commission a copy of any evidence received. If the proceedings are referred back to the Commission, it shall proceed to a reconsideration of the proceedings under the provisions of subsection (d) hereof. If the judge shall approve the plan, he shall file an opinion, stating his conclusions and the reasons therefor, and enter an order to that effect, and shall send a certified copy of such opinion and order to the Commission. The plan shall then be submitted by the Commission to the creditors of each class whose claims have been filed and allowed in accordance with the requirements of subsection (c) hereof, and to the stockholders of each class, and/or to the committees or other representatives thereof, for acceptance or rejection, within such time as the Commission shall specify, together with the report or reports of the Commission thereon or such a summarization thereof as the Commission may approve, and the opinion and order of the judge: *Provided*, That submission to any class of stockholders shall not be necessary if the Commission shall have found, and the judge shall have affirmed the finding, (a) that at the time of the finding the corporation is insolvent, or that at the time of the finding the equity of such class of stockholders has no value, or that the plan provides for the payment in cash to such class of stockholders of an amount not less than the value of their equity, if any, or (b) that the interests of such class of stockholders will not be adversely and materially affected by the plan, or (c) that the debtor has pursuant to authorized corporate action accepted the plan and its stockholders are bound by such acceptance: *Provided further*, That submission to any class of creditors shall not be necessary if the Commission shall have found, and the judge shall have affirmed

the finding, that the interests of such class of creditors will not be adversely and materially affected by the plan, or that at the time of the finding the interests of such class of creditors have no value, or that the plan provides for the payment in cash to such class of creditors of an amount not less than the value of their interests. For the purpose of this section the acceptance or rejection by any creditor or stockholder shall be in writing, executed by him or by his duly authorized attorney, committee, or representative. If the United States of America, or any agency thereof, or any corporation (other than the Reconstruction Finance Corporation) the majority of the stock of which is owned by the United States of America is a creditor or stockholder, the interests or claims thereof shall be deemed to be affected by the plan and the President of the United States, or any officer he may designate is hereby authorized to act in respect of the interests or claims of the United States or of such agency or other corporation. The expense of such submission shall be certified by the Commission and shall be borne by the debtor's estate. The Commission shall certify to the judge the results of such submission.

"Upon receipt of such certification, the judge shall confirm the plan if satisfied that it has been accepted by or on behalf of creditors of each class to which submission is required under this subsection holding more than two-thirds in amount of the total of the allowed claims of such class which have been reported in said submission as voting on said plan, and by or on behalf of stockholders of each class to which submission is required under this subsection holding more than two-thirds of the stock of such class which has been reported in said submission as voting on said plan; and that such acceptances have not been made or procured by any means forbidden by law: *Provided*, That, if the plan has not been so accepted by the creditors and stockholders, the judge may nevertheless confirm the plan if he is satisfied and finds, after hearing, that it makes adequate provision for fair and equitable treatment for the interests or claims of those rejecting it; that such rejection is not reasonably justified in the light of the respective rights and interests of those rejecting it and all the relevant facts; and that the plan conforms to the requirements of clauses (1) to (3), inclusive, of the first paragraph of this subsection (e): *Provided further*, That if, in any reorganization proceeding under this section, the United States is a creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against, the debtor, as creditor or stockholder), no plan which does not provide for the payment thereof shall be confirmed by the judge except upon the acceptance, certified to the court, of a lesser amount by the President of the United States or the officer or agency designated by him pursuant to the provisions of the preceding paragraph hereof: *Provided further*, That if the President of the United States or such officer or agency shall fail to accept or reject such lesser amount for more than 90 days after receipt of written notice so to do from the court, accompanied by a certified copy of the plan, the consent of the United States insofar as its claims for taxes or customs duties are concerned shall be conclusively presumed. If the judge shall confirm the plan, he shall enter an order and file an opinion with a statement of his conclusions and his reasons therefor. If the judge shall not confirm the plan, he shall file an opinion, with a statement of his conclusions and his reasons therefor, and enter an order in which he shall either dismiss the proceedings, or, in his discretion and on the motion of any party in interest, refer the case back to the Commission for further proceedings, including the consideration of modifications of the plan or the proposed new plans. In the event of such a reference back to the Commission, the proceedings with respect to any modified or new plan shall be governed by the provisions of this section in like manner as in an original proceeding hereunder.

"If it shall be necessary to determine the value of any property for any purpose under this section, the Commission shall determine such value and certify the same to the court in its report on the plan. The value of any property used in railroad operation shall be determined on a basis which will give due consideration to the earning power of the property, past, present, and prospective, and all other relevant facts. In determining such value only such effect shall be given to the present cost of reproduction new and less depreciation and original cost of the property, and the actual investment therein, as may be required under the law of the land, in light of its earning power and all other relevant facts."

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.

WALKER RIVER INDIAN RESERVATION

The Clerk called the next bill, S. 3805, to authorize the Secretary of the Interior to reserve certain lands on the public domain in Nevada for addition to the Walker River Indian Reservation.

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 the Secretary of the Interior be, and he is hereby, authorized to set aside not to exceed 175,200 acres, or so much thereof as he may deem advisable, of the public-domain lands in townships 11, 12, 13, 14, and 15 north, ranges 27, 28, 29, 30, and 31 east, Mount Diablo meridian, Nevada, as an addition to the Walker River Indian Reservation: *Provided*, That the said withdrawal shall not affect any valid rights initiated prior to the approval hereof: *Provided further*, That the Secretary of the Interior shall arrange, either by the maintenance of existing stock driveways or otherwise, to permit stock owned by others than Indians to cross the reservation at designated points. Executive order of November 26, 1934, temporarily withdrawing public-domain lands for classification, etc., under the Taylor Grazing Act of June 28, 1934 (ch. 865, 48 Stat. L. 1269), is hereby revoked as to such of the above-described lands as may be designated by the Secretary of the Interior for addition to the said Walker River Indian Reservation.

SEC. 2. Title to all minerals in said lands is hereby reserved to the United States and shall be subject to all forms of mineral entry or claim under the public land mining laws: *Provided*, That the Paiute Indians of the Walker River Reservation shall be paid by mineral claimants for the loss of any improvements on any lands located or withdrawn for mining purposes under rules and regulations to be prescribed by the Secretary of the Interior: *And provided further*, That an annual rental of not less than 5 cents per acre shall be paid to the superintendent of the reservation to be deposited to the credit of the tribe as compensation for loss of use or occupancy of any lands withdrawn for mining purposes or mineral entry. No mineral patent shall be granted to any applicant who is delinquent in the payment of rental or in the payment of any damages due the tribe under the provisions of this 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.

ACCEPTANCE OF CERTAIN LANDS IN THE CITY OF SAN DIEGO, CALIF.

The Clerk called the next bill, H. R. 12328, to authorize the acceptance of certain lands in the city of San Diego, Calif., by the United States and the transfer by the Secretary of the Navy of certain other lands to said city of San Diego.

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

Mr. BURDICK. Mr. Speaker, reserving the right to object, what is this bill all about?

Mr. BURNHAM. I may say to the gentleman this bill provides for the exchange of lands by the United States and the city of San Diego. The Federal Government transfers to the city of San Diego some 60 acres of submerged land adjoining the municipal airport which the city of San Diego originally gave to the Government a few years ago. In consideration of this the city of San Diego deeds to the Navy Department of the Federal Government 5 acres adjoining the marine base and 544 acres just back of La Jolla, fine land, which is being used as a rifle range, and it is very urgently needed by the Navy Department. They are very anxious that this bill be passed.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized on behalf of the United States to accept from the city of San Diego, Calif., free from all encumbrances and without cost to the United States, all right, title, and interest in and to the lands contained with the following-described area: Beginning at the intersection of the southeasterly line of Harasthy Street with the mean high-tide line of the bay of San Diego, as said mean high-tide line was established by that certain superior court action no. 35473; thence southwesterly along the southwesterly prolongation of the southeasterly line of Harasthy Street a distance of 159.66 feet to an intersection with the northeasterly Marine Base boundary line; thence north 60°34'59" west along the said Marine Base boundary line a distance of 1929.11 feet to its intersection with the said mean high-tide line of the bay of San Diego; thence in a general southeasterly direction, following along the said mean high-tide line to the point or place of beginning, containing 5.2474 acres of land; also approximately 544 acres of pueblo lands, owned by the city of San Diego more particularly described as follows: The easterly half of pueblo lot of 1300; all of pueblo lot 1309; all of pueblo lot 1310; all of that portion of pueblo lot 1311 lying easterly of Pacific Highway and southerly of Miramar Road; all of that portion of pueblo lot 1314 lying southerly of Miramar Road; all of that portion of pueblo lot 1315 lying southerly of Miramar Road; all of that portion of the westerly half of pueblo lot 1316 lying southerly of Miramar Road; said pueblo lands being according to the map thereof made by James Pascoe in 1870, a certified copy of which map is filed as miscellaneous map no. 36 in the office of the county recorder of San Diego County, Calif.; said lands being desired by the Navy Department for national defense, and particularly for the purpose of establishing and maintaining thereon a rifle range, together with barracks and other structures incident thereto.

The said Secretary of the Navy is also authorized hereby to transfer to the city of San Diego, Calif., free from all encumbrances and without cost to said city of San Diego, all rights,

title, and interest of the United States in and to the lands contained within that part of the Marine Corps Base, San Diego, Calif., containing 60.1605 acres, more particularly described as follows: Beginning at the point of intersection of the southwesterly prolongation of the northwesterly line of Bean Street with the combined United States pierhead and bulkhead line, as said combined United States pierhead and bulkhead line was established in 1928; thence north 83° west, a distance of 729.62 feet along the said combined pierhead and bulkhead line to an intersection with the southwesterly prolongation of the southeasterly line of Harasthy Street; thence north 28°49'40" east along the southwesterly prolongation of the southeasterly line of Harasthy Street, a distance of 4,008.27 feet to an intersection with the existing Marine Base boundary line; thence south 60°34'59" east along the said Marine Base boundary line, a distance of 677.88 feet to an intersection with the southwesterly prolongation of the northwesterly line of Bean Street; thence south 28°50'10" west along the southwesterly prolongation of the northwesterly line of Bean Street, a distance of 3,730.02 feet to the point or place of beginning, containing 60.1605 acres of bay area.

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.

ENTRY UNDER BOND OF EXHIBITS OF ARTS, SCIENCES, AND INDUSTRIES

The Clerk called the bill (H. R. 11767) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, we have had several bills of this nature up for consideration which specifically authorized the entry of these products for exposition purposes. If I understand the present bill correctly, it is a sort of blanket bill which takes in all of these expositions so that henceforth it will not be necessary to give specific authorization for each exposition.

Mr. CELLER. It is limited, of course, to the New York Port Authority. The New York Port Authority, as is known, is an entity set up by State compact between the States of New Jersey and New York with Government approval, the Government having approved the setting up of this port authority. This remains in the building of the port authority, and the exhibitions are to be conducted in the interest of the commerce of the two States. Every safeguard is thrown around the exhibition so as to prevent any miscarriage by way of goods entering without the proper payment of duty.

Mr. WOLCOTT. If the products of the exposition in Arkansas and the exposition in Texas come in through the port of New York they would come under this act?

Mr. CELLER. No. This refers only to the New York Port Authority building and is limited exclusively to that.

Mr. WOLCOTT. I have no objection, and I thank the gentleman for his explanation.

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

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the bill S. 3843, an identical bill, be substituted for the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That as used in this act:

(a) The term "exhibition" means any permanent exhibition or exhibitions, expositions, fairs, or any temporary exhibition or exhibitions, expositions or fairs of the arts, sciences, and industries, or of the products of the soil, mine, and sea, or of any hobby, or other like pursuits.

(b) The "Port Authority" means the Port of New York Authority, a municipal corporate instrumentality organized pursuant to a compact entered into on April 30, 1921, between the States of New York and New Jersey, and consented to by the Congress of the United States (ch. 77, U. S. Stat. L., vol. 42, pt. I, p. 174), and designated as the municipal corporate instrumentality of the said States for the purpose of effectuating said compact.

SEC. 2. All articles which shall be imported from foreign countries for the purpose of exhibit or display at an exhibition to be held at any time and from time to time by the Port Authority or by its tenants or licensees in the building known as the Port Authority Commerce Building, located on the block bounded by Eighth and Ninth Avenues, Fifteenth and Sixteenth Streets, Borough of Manhattan, city and State of New York, upon which articles there shall be a tariff, or customs duty, shall be admitted free of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful, at any time during or at the close of any exhibition, exposition, or fair held pursuant to this act to sell for delivery at the close thereof any goods or property imported for and actually displayed at such exhibition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when sold or withdrawn for consumption or use in the United States, shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal and to the requirements of the tariff laws in effect at such date: *Provided further*, That the Port Authority shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for articles imported under the provisions of this act, shall be reimbursed by the Port Authority to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524, Tariff Act of 1930: *Provided further*, That all such articles shall, at the expiration of 2 years, be subject to the import duty then in force, unless the same shall have been sold or exported from this country prior to that time: *And provided further*, That nothing in this act contained shall be construed as an invitation, express or implied, from the Government of the United States to any foreign government, State, municipality, corporation, partnership, or individual to import any articles for the purpose of exhibition at the said exhibitions.

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. 11767) was laid on the table.

AUTHORIZATION OF SECRETARY OF WAR TO LEND WAR DEPARTMENT EQUIPMENT FOR USE AT THE EIGHTEENTH NATIONAL CONVENTION OF THE AMERICAN LEGION AT CLEVELAND, OHIO

The Clerk called the next bill, H. R. 11075, to authorize the Secretary of War to lend War Department equipment for use at the Eighteenth National Convention of the American Legion at Cleveland, Ohio, during the month of September 1936.

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

There was no objection.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that the bill S. 3997, an identical bill, be substituted for the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized to lend, at his discretion, to the American Legion 1936 Convention Corporation, for use at the Eighteenth National Convention of the American Legion to be held at Cleveland, Ohio, in the month of September 1936, such tents, cots, and blankets, and other available stock out of the Army and National Guard supplies as such corporation may require to house properly Legionnaires attending such convention: *Provided*, That no expense shall be caused the United States Government by the delivery and return of such property, the same to be delivered at such time prior to the holding of such convention as may be agreed upon by the Secretary of War and the American Legion 1936 Convention Corporation: *Provided further*, That the Secretary of War, before delivering such property, shall take from such corporation a good and sufficient bond for the safe return of such property in good order and condition, and the whole without expense to the United States.

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. 11075) was laid on the table.

AUTHORIZATION OF ACQUISITION OF LANDS IN THE VICINITY OF JACKSONVILLE, FLA., AS A SITE FOR A NAVAL AIR STATION

The Clerk called the next bill, H. R. 11501, 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.

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

Mr. UMSTEAD. Mr. Speaker, reserving the right to object, may I inquire the estimated cost of the authorization carried in this bill?

Mr. SEARS. This bill does not carry an appropriation of one single dollar. The city of Jacksonville gives to the Government 1,400 acres of land, and if it is not used by the Government in 5 years this land reverts back to the city.

Mr. UMSTEAD. Along with the authority to acquire the land it authorizes the installation of a naval air station there. What will the naval air station cost?

Mr. SEARS. It will not cost a thing unless approved by Congress.

Mr. UMSTEAD. I know that.

Mr. SEARS. Usually they put in there $5,000,000 or more shall be spent, but nothing can be spent on this unless the Congress authorizes the expenditure.

Mr. UMSTEAD. Of course, I know that an appropriation will have to be passed including this money.

Mr. SEARS. I doubt if it will cost anything.

Mr. UMSTEAD. May I ask the gentleman from Florida if this is not an authorization for the establishment of another naval air base in the State of Florida?

Mr. SEARS. Only if the Navy Department authorizes it.

Mr. UMSTEAD. Has the Navy Department approved this site as a proper one for the location of a Navy air station?

Mr. SEARS. I may say this was unanimously reported by the Naval Affairs Committee.

Mr. UMSTEAD. Has it been approved by the Navy Department?

Mr. SEARS. It has not been approved directly by the Navy Department. I hope my colleague will not object.

Mr. UMSTEAD. In view of the statement just made by the gentleman, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

COAST GUARD STATION ON LAKE ST. CLAIR, MICH.

The Clerk called the next bill, H. R. 12494, to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized to establish a Coast Guard station on Lake St. Clair, Mich., at such point as the Commandant of the Coast Guard may recommend.

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.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, ladies and gentlemen of the House, the establishment of a Coast Guard station on Lake St. Clair, Mich., has not only the recommendation of the Acting Secretary of the Treasury but also such legislation is in accord with the program of the President.

A distance of 25 miles spaces the nearest temporary Coast Guard station at Trenton, Mich. Detroit, with a population of 1,750,000, is second only in size as a Great Lake city to that of Chicago, which latter city has three life-saving stations, while Buffalo and Cleveland each have one.

Adjoining Detroit to the east are the four beautiful residential villages of Grosse Pointe, Park City, Farms, and Shores, which, together with the village of St. Clair Shores, have a combined lake-shore line of 15 miles. The United States customs office indicate a boat registration out of Detroit and this aforesaid district in the neighborhood of 15,000, and the necessity for such a station is readily apparent.

The Detroit River and Lake St. Clair are a recreational center for lovers of water sports, and the records of drownings since 1931 are in excess of 60 persons. The passage of this legislation will be most deeply appreciated by the people of the fourth largest city in the Nation.

GENERAL PULASKI'S MEMORIAL DAY

The Clerk called House Joint Resolution 114 directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent that Senate Joint Resolution 187, which is similar to the House joint resolution, be substituted for the House joint resolution.

There being no objection, the Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 187

Resolved, etc., That the President of the United States is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11, 1936, and inviting the people of the United States to observe the day in schools and churches or other suitable places, with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski.

The 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.

The House joint resolution (H. J. Res. 114) was laid on the table.

GEN. CASIMIR PULASKI AND OTHER POLISH PATRIOTS WHO FOUGHT FOR AMERICA

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, the pages of American history are replete with the names of illustrious patriots of Polish extraction who came to the New World and joined in the struggle for the development of a new and picturesque nation.

Capt. John Smith, who founded the early English colony at Jamestown, Va., recorded that of his group the most courageous and the hardest working were the Poles. The Dutch, who colonized Manhattan in 1659, brought a young Polish schoolmaster to teach their children. Intelligent, resourceful, diligent, the Polish immigrants in the early days of our country played a definite part in promoting the civilization which we enjoy today.

The Polish stock honored their nationality and served their adopted country with distinction during the Revolutionary War, when the independence of the Thirteen Original Colonies was at stake. The same patriotic fighting blood that raced through the veins of the revolutionary heroes flowed with equal vigor in the veins of their relatives in the wars to follow in which the United States found itself engaged. Americanism of the unselfish, sacrificing, uncompromising strain has been exemplified in Polish heroes in every war of this Republic. This is a nation explored and civilized by and constituted of foreigners. Into this "melting pot" of humanity came no sturdier element than the Polish people. Their contributions to Americanism are legion. The ancestors of living American Poles earned through valor and determination their enviable place in our history. Their names are enshrined in the hearts of those who love their country, for they were fighting men who fought not for personal glory but to achieve for their fellow men and for future Americans the establishment of a new and better Republic, where national

animosity would cease to exist and where individual opportunity and freedom would be manifest.

GEN. CASIMIR PULASKI

The impressiveness of the contributions made to America by the early Polish patriots is often brought into just prominence. Particularly, however, this Government has been setting aside one especial day, this year October 11, on which we honor the memory of Gen. Casimir Pulaski, who, by virtue of a magnificent military career in the War for Independence, seems to lead the lists of the hundreds of his fellow Poles who have distinguished themselves for extraordinary leadership.

Congress approves a special resolution this year directing the President to proclaim October 11 as a memorial day commemorating the life and the military achievements of General Pulaski.

Count Casimir Pulaski was born in Poland in 1747. He was in his early twenties when his native country was beset by three great European nations who were determined to seize Poland and divide it among themselves. Young Pulaski, already well schooled in military affairs, joined his father, who was a chief magistrate and a member of the nobility, and his two brothers in the war for Poland's independence. Upon the death of his father and one brother and the capture by the enemy of the second, he became commander of the insurgent army. The odds were unconquerable, however, and with the war lost and Poland partitioned, the youthful commander became an outlaw and sought refuge in France. It was there he met Benjamin Franklin, who spun for him the tale of a new country with all that it promised in glamour, adventure, and opportunity, and who described the struggle for independence being made by the colonists. Pulaski needed slight encouragement for his sympathies, for the oppressed and the struggling were inherent. He arrived in 1777 and joined the American forces as a volunteer.

Pulaski and Lafayette fought their first American battle together at Brandywine—Pulaski as a volunteer without command; Lafayette as a general. With General Washington's forces being steadily repulsed, Pulaski asked for 30 horses and 30 men. With this small detachment he rode into the face of the British and saved the day. Four days later Washington appointed him the first general of American Cavalry.

General Pulaski's legion made American history and contributed mightily to the winning of the Revolution. He is known as the father of the American Cavalry. He fought in the thick of the battle at the head of his men, inspired with the cause of American liberty.

On October 11, 1779, General Pulaski's body was lowered to a watery grave after he had succumbed to a bullet wound suffered at the siege of Savannah. He died on the brig *Wasp* after medical attention failed to rally his courageous body. He fought 2 brilliant years for this Nation, and he died at the age of 31. But no American can forget the service he rendered nor the qualities he represented in true patriotic zeal.

From birth to death, Casimir Pulaski fought for the right of liberty and independence. He rebelled against dictatorial authority. He characterized unrelenting patriotism. It is fitting that Congress recognize the service he rendered, and none of us can afford to forget the principles for which he fought and died.

GEN. THADDEUS KOSCIUSKO

Even the briefest review of famous Polish military figures in American history would be woefully incomplete without the mention of Gen. Thaddeus Kosciusko, who fought for 6 long years with the colonists' forces in wresting independence from England.

Unlike Pulaski, who fought colorfully in the midst of battle, Kosciusko primarily contributed strategy and engineering skill. At Washington's direction, he laid the plans of battle and the fortifications for the war in the North during the early years of the conflict. His defense along the Hudson and the victory at Saratoga marked the turning point of the war. Upon Burgoyne's defeat, the colonists took new courage and with Kosciusko's cunning and brilliance in maneuvers, the road to victory became apparent. Before the war ended he left for the South, where he fought as a soldier as well as an engineer. In 1782 he led his forces in conquering Charleston, S. C. Shortly thereafter he returned to Europe, where he aided his countrymen in fighting their enemies—Russia and Prussia. He was imprisoned by the Czar, but 2 years later released. Following his release, he came again to America, where he was received with great honor. Congress then belatedly awarded him a pension and properly acclaimed his services during the Revolution.

Thaddeus Kosciusko was born in Poland and came to America for the express purpose of converting his military genius and engineering skill to the advantage of the colonists. Inbred in his courageous nature was the love of liberty and the persistent opposition to all that savored of tryanny. America's fight became his personal fight, for here were another people like his own for generations past, struggling to be self-contained and self-governed.

Kosciusko died in Europe under less dramatic circumstances than Pulaski, but like his fellow countryman, he fought a hard fight for a good cause. His name long will be revered.

OTHER POLISH MILITARY LEADERS IN AMERICA

While Pulaski and Kosciusko head the list of Polish patriots who fought in the American cause, Poland gave scores of other notable soldiers who deserve to be remembered for their courage in battle and in many cases for their very lives sacrificed that this Nation might be established.

Capt. Joseph Baldeski served as an original member of Pulaski's Legion, where he acquitted himself creditably. He likewise served as a paymaster during the Revolution.

Maurice August Beniowski likewise joined Pulaski's forces, although only shortly before the general's unfortunate death.

The names of Polish military figures dot the entire history of the Revolutionary War: Col. Michael Kowacz, Lieutenant Colonel Botzen, Maj. John Jolereski, M. Kotkowski, Maciej Rogowski, John Zielinski, John K. Mieszkowski, Lt. August Krystyn, Lt. George Elholm, Michael Grabowski, George Uzdowski, Corp. Robert Pesko, Sgt. Donder Rozanowski, Capt. Andrew Malick, Sgt. Simon Balyca, Capt. Peter Bakut, Lt. Joseph Dolo, and Joseph Gabriel are included among the Army's courageous. In the Navy during the Revolution, the records reveal an abundance of Polish-born sea fighters, such as Felix Miklaszewicz and Samuel Hrabowski.

During the Civil War 5,000 Poles participated. This represented about one-sixth of the Polish population in the United States. Four thousand fought with the Union forces, but on both sides is recorded the exceptional valor of the Polish soldiers. Capt. Konstanty Bledowski was the first Union man to fall in line of battle. Gen. Wlodzimierz Krzyzanowski advanced from the ranks to his high position and fought in the Battles of Bull Run and Chancellorsville and with General Meade at Gettysburg. He is credited with stopping Gen. Stonewall Jackson and is undoubtedly the outstanding Polish hero of the Civil War. Other Poles who distinguished themselves in that bloody conflict were Cavalry Capt. Joseph Karge, Capt. Alexander Bielaski, Capt. Joseph Gloskowski, Lt. Julius S. Krzywoszynski, Capt. W. Kossak, Col. George Sokalski, Capt. Louis Zychlinski, Capt. Maurice Kraszynski, and Adj. Wladyslaw Leski, all of whom served with the Union forces. With the Confederacy fought Gen. Kaspar Tochmann, Col. Vincent Sulakowski, Capt. Peter K. Stankiewicz, Capt. Leon Jastrzembski, Col. Arthur Grabowski, and many others.

Forty thousand Poles fought with the American doughboys in France during the World War. To recount the Polish heroes of that war would fill volumes.

There are today approximately 4,000,000 Poles in America. Their forbears helped to settle America, fought for America, and died with honor on the battlefields of a new and great nation. The blood of many nationalities has been shed upon this land, but none has more nobly and unselfishly been given than that of the great Polish patriots.

EMPLOYMENT IN THE DISTRICT OF COLUMBIA

The Clerk called House Joint Resolution 612, for the purpose of increasing and financing employment in the District of Columbia.

Mr. TABER. Mr. Speaker, I feel obliged to object.

YAKIMA INDIAN RESERVATION

The Clerk called the next bill, H. R. 11800, to reimpose a trust on certain lands allotted on the Yakima Indian Reservation.

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That there is hereby imposed on the lands allotted on the Yakima Indian Reservation on which the trust expired December 17, 1928, a trust for a period of 10 years from the date of enactment of this act, but otherwise on the same terms and conditions and subject to the same provisions and limitations as that which so expired.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the period of trust on lands patented to Indians of the Yakima Reservation, Wash., upon which the said trust was inadvertently permitted to expire December 17, 1928, or at any other time prior to the approval of this act, is hereby reimposed and extended to July 9, 1942: *Provided*, That further extension of the period of trust may be made by the President, in his discretion, as provided by section 5 of the act of February 8, 1887 (24 Stat. L. 388), and the act of June 21, 1906 (34 Stat. L. 326)."

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.

PRODUCTION TAX ON LEAD AND ZINC

The Clerk called the next bill, H. R. 11221, to amend the last two provisos, section 26, act of Congress approved March 3, 1921 (41 Stat. L. 1225–1248).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the last two provisos in section 26 of the act of Congress approved March 3, 1921 (41 Stat. L. 1225–1248), be, and the same are hereby, amended to read as follows: "That the State of Oklahoma is authorized, from and after the passage of this amendment, to levy and collect a gross production tax upon all lead and zinc produced on said lands in an amount not to exceed the present rate of three-fourths of 1 percent on the gross value thereof. In accordance with the uniform policy of the United States Government to hold the lands of the Quapaw Indians while restricted and the income therefrom free from taxation of whatsoever nature, except as said immunity is expressly waived, and, in pursuance of said fixed policy, it is herein expressly provided that the waiver of tax immunity herein provided shall be in lieu of all other taxes of whatsoever nature on said restricted lands or the income therefrom, and the Secretary of the Interior is hereby authorized and directed to cause to be paid out of the individual Indian funds held under his supervision, belonging to the Indian owner of the land, the gross production tax so assessed against the royalty interests of the respective Indian owner in an amount not to exceed the rate hereinabove set forth: *Provided, however*, That such tax shall not become a lien or charge of any kind or character against the land or other property of said Indian owner."

With the following committee amendments:

Page 2, line 3, after word "from", insert the word "State".

Page 2, line 7, after the word "other", insert the word "State".

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 TERRITORY OF ALASKA

The Clerk called the next bill, S. 3784, to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following acts, to wit, an act entitled "An act to provide for an increased annual appropriation for agriculture experiment stations and regulating the expenditure thereof", approved March 16, 1906, and known as the Adams Act; an act entitled "An act to authorize the more complete endowment of agricultural experiment stations, and for other purposes", approved February 24, 1925, and known as the Purnell Act; and an act entitled "An act to provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefit of the act entitled 'An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts', approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture", approved May 22, 1928, and known as the Capper-Ketcham Act, be, and the same are hereby, extended to the Territory of Alaska.

SEC. 2. To carry into effect the above provisions for extending to the Territory of Alaska to the extent herein provided the benefits of the said Adams Act and the said Purnell Act, the following sums are hereby authorized to be appropriated: For the fiscal year ending June 30, 1937, $5,000; for the fiscal year ending June 30, 1938, $7,500; for the fiscal year ending June 30, 1939, $10,000; for the fiscal year ending June 30, 1940, $12,500; for the fiscal year ending June 30, 1941, $15,000; for the fiscal year ending June 30, 1942, $17,500; for the fiscal year ending June 30, 1943, $20,000; for the fiscal year ending June 30, 1944, $22,500; for the fiscal year ending June 30, 1945, $27,500; for the fiscal year ending June 30, 1946, $32,500; for the fiscal year ending June 30, 1947, $37,500; and thereafter a sum equal to one-half of that provided for each State and Territory under the said Adams Act and the said Purnell Act: *Provided*, That no appropriations shall be made under this act until annually estimated as to funds and amounts by the Secretary of Agriculture, the estimates to be based upon his determination of the ability of the Territory of Alaska to make effective use of the funds in maintaining agricultural experiment stations.

SEC. 3. To carry into effect the above provisions for extending to the Territory of Alaska, to the extent herein provided, the benefits of the said Capper-Ketcham Act the following sums are hereby authorized to be appropriated: For the fiscal year ending June 30, 1937, $2,500; for the fiscal year ending June 30, 1938, $5,000; for the fiscal year ending June 30, 1939, $7,500; for the fiscal year ending June 30, 1940, and annually thereafter, $10,000: *Provided*, That no appropriations shall be made under this act until annually estimated as to funds and amounts by the Secretary of Agriculture, the estimates to be based upon his determination of the ability of the Territory of Alaska to make effective use of the funds: *And provided further*, That whereas the said Capper-Ketcham Act provides that "at least 80 percent of all appropriations under this act shall be utilized for the payment of salaries of extension agents in counties of the several States to further develop the cooperative extension system in agriculture and home economics with men, women, boys, and girls", the several established judicial divisions of the Territory of Alaska, as the same shall exist from time to time, shall be considered as counties for the purpose of complying with the provisions of this act until a subdivision of the Territory of Alaska into counties is effected.

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.

COAT OF ARMS OF SWISS CONFEDERATION

The Clerk called the bill (S. 4667) to prohibit the commercial use of the coat of arms of the Swiss Confederation pursuant to the obligation of the Government of the United States under article 28 of the Red Cross Convention, signed at Geneva July 27, 1929.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That it shall be unlawful for any person, partnership, incorporated or unincorporated company, or association within the jurisdiction of the United States to use, whether as a trade mark, commercial label, or portion thereof, or as an advertisement or insignia for any business or organization or for any trade or commercial purpose, the coat of arms of the Swiss Confederation, consisting of an upright white cross with equal arms and lines on a red ground, or any simulation thereof: *Provided*, That no person, corporation, or association that actually used or whose assignors actually used a design or insignia identical with or similar to that described herein for any lawful purpose for 10 years next preceding the effective date of this act shall be deemed forbidden to continue the use thereof for the same purpose.

SEC. 2. Any person who willfully violates the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction shall be liable to a fine of not exceeding $500 or imprisonment for a term not exceeding one year, or both.

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.

CANAL ACROSS FLORIDA

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. GREEN. Mr. Speaker and my colleagues, it is expected that the House will on tomorrow or Wednesday vote on the conference report on the deficiency bill. In this item

will probably be included a vote to appoint a special board to make further examination of the canal across Florida. The Senate added an amendment to the deficiency bill which authorizes the President to appoint a special board of disinterested engineers to further examine and report on the project. If the report is favorable, then the President is authorized to make expenditures of relief funds, not to exceed $10,000,000, to carry on the work on the Florida canal.

The President began the Florida ship canal because he undoubtedly believed it to be a great project, justified on all grounds. It was recommended to him by a special board comprising both Army engineers and engineers of the Public Works Administration. The project is sound and is worthy in itself of your support.

Great progress is being made by the Board of Army Engineers on this project. About $6,000,000 has been allocated and expended from relief funds on it. You will find in the Speaker's lobby adjacent to the House floor several photographs and drawings clearly showing the great achievement which is being made by the Army engineers in the prosecution of this great project. I invite your attention to these pictures and drawings and urge each of you to study them before the vote is taken.

When completed one ship every 48 minutes throughout the year will pass through the canal. Average transit per year will be 11,000 ships. Dead-weight tonnage per year will be 90,000,000. Average saving per voyage: (a) Coastwise, 2 days; (b) foreign, one-third day. Only ships which would use the Canal are considered and indicated. This traffic is approximately twice the traffic of the Suez Canal and one and one-third times the traffic of the Panama Canal. The great benefits to all America are obvious.

I introduced the survey bills which began the project, and have labored earnestly for it during the 12 years which I have served here. The more I learn of it, the more I am convinced that it is the most important project before the American people today, and will carry lasting benefits to the citizens of every State in the Union. The benefits which will accrue from it to the American people exceed by far the $125,000,000 or $130,000,000 which will be required to complete it.

The canal will be completed. It is my purpose to discuss it at greater length when the amendment reaches the floor of the House; therefore, I shall not take much of your time today.

PROTECTION OF INDUSTRIAL PROPERTY

Mr. DALY. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which the bill H. R. 5806, to effectuate certain provisions of the International Convention for the Protection of Industrial Property, as revised at The Hague on November 6, 1925, Calendar No. 900, was passed this evening and at the same time immediate consideration of the bill S. 1795, a similar Senate bill.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent to vacate the proceedings by which the bill H. R. 5806 was passed and to substitute therefor the bill S. 1795, a similar Senate bill. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That section 4887 of the Revised Statutes (U. S. C., title 35, sec. 32) be amended to read as follows:

"No person otherwise entitled thereto shall be debarred from receiving a patent for his invention or discovery, nor shall any patent be declared invalid by reason of its having been first patented or caused to be patented by the inventor or his legal representatives or assigns in a foreign country, unless the application for said foreign patent was filed more than 12 months, in cases within the provisions of section 4886 of the Revised Statutes, and 6 months in cases of designs, prior to the filing of the application in this country, in which case no patent shall be granted in this country.

"An application for patent for an invention or discovery or for a design filed in this country by any person who has previously regularly filed an application for a patent for the same invention, discovery, or design in a foreign country which, by treaty, convention, or law, affords similar privileges to citizens of the United States shall have the same force and effect as the same application would have if filed in this country on the date on which the application for patent for the same invention, discovery, or design was first filed in such foreign country: *Provided*, That the application in this country is filed within 12 months in cases within the provisions of section 4886 of the Revised Statutes, and within 6 months in cases of designs, from the earliest date on which any such foreign application was filed. But no patent shall be granted on an application for patent for an invention or discovery or a design which had been patented or described in a printed publication in this or any foreign country more than 2 years before the date of the actual filing of the application in this country, or which had been in public use or on sale in this country for more than 2 years prior to such filing."

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.

INTEREST PAYMENT ON AMERICAN EMBASSY DRAFTS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to return to Calendar 879, S. 1896, to provide for the interest payments on American Embassy drafts.

The SPEAKER pro tempore. Is there objection?

Mr. LAMNECK. Mr. Speaker, I object.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BOEHNE, for 3 days, on account of important business.

To Mr. DEEN, indefinitely, on account of illness.

To Mr. HIGGINS of Massachusetts, indefinitely, on account of illness.

EXTENSION OF REMARKS

JO BYRNS—A FRIEND OF MAN

Mr. LUDLOW. Mr. Speaker, there is an indefinable loneliness about this historic chamber these days. Those of us who have sat here day after day through the rigors of winter and the heat of summer attending to the duties of legislation are stunned and saddened by a poignant realization that one around whom all of our affections were entwined has suddenly gone away, leaving a tremendous vacuum. The House of Representatives plods wearily on, but its dramatis personae has been weakened by the loss of its principal actor. The House in action nowadays is like the play of Hamlet, with Hamlet omitted.

As a member of the press gallery and a Representative in the Congress it was my good fortune to know JO BYRNS for 28 years. Our acquaintanceship began when he first entered Congress and it developed into the warmest affection. Soon after I became a Member of the House I learned that with characteristic devotion he was reaching out to find ways to help me.

When the committees were reorganized at the beginning of my second term he conferred with Speaker John N. Garner in regard to my committee assignment. When I heard that such a conference was taking place I knew I was "in the hands of my friends", to use a trite political phrase. The outcome was that he found an opening for me on the great Committee on Appropriations and, to make my cup of happiness full and overflowing, he placed me on the subcommittee of which he himself was chairman—the one having jurisdiction over appropriations for the Treasury and Post Office Departments.

When he informed me that I had been selected to go on the Appropriations Committee and on his own subcommittee (of which I have since become chairman by operation of the law of seniority) I responded with a sincere, though, I fear, somewhat profuse expression of my gratitude, closing with the statement:

I want you to know how much I appreciate the opportunity to serve under you on your great committee.

He stopped me, very gently—

You are not going to serve under me.

He said—

You are going to serve with me. We are all equals on this committee.

It seemed to me that was about the finest exhibition of noblesse oblige I had ever known, and it was so genuinely

characteristic of Mr. BYRNS. He was singularly gifted with the common touch. Not only did his heart beat in rhythm with the heartbeats of 125,000,000 people but, as we look backward in intimate perspective on the life of this good man, we cannot fail to be impressed how kind and thoughtful he always was in trying to be of service to Members of this House. Some Speakers have been called czars. He was not a czar but a comrade. It seems to me that he was a sort of father confessor to all of us. We could go to him with our little personal problems and he was always sympathetically interested. He had the welfare of every one of us on his mind and heart, and that gripped us to him with hoops of steel. It was as if at yonder rostrum, where he presided, there was always spread a feast of love and the invitation was—

Whosoever will, may come.

His attachments knew no dividing "center aisle." Republicans as well as Democrats enjoyed the warmth of his true affection. I do not think he had an enemy on earth. Unlike other Speakers, he had the peculiar gift of being able to quell partisan ebullitions without leaving a sting. All of us have seen this trait exemplified time and time again. Mr. RICH, the good, honest, hard-fisted, forthright, fighting gentleman from Pennsylvania would jump to his feet, let us say during consideration of the Post Office appropriation bill.

"For what purpose does the gentleman from Pennsylvania arise?" the Speaker would inquire.

I arise to ask the distinguished gentleman from Alabama, the majority leader, whether Jim Farley can tell us where we are going to get the money to pay all these bills.

By the time he reached the phrase "where we are going to get the money" the voice of the gentleman from Pennsylvania would mount to high crescendo. Mr. BANKHEAD, the Democratic leader, not being able to read Jim Farley's mind, especially at long range, would observe discreet silence and let the Speaker handle the situation.

The Speaker would bring down his gavel with a bang that would wake up all the babies in the galleries and would dispose of Mr. RICH in summary order by saying with determination:

The gentleman is not recognized for that purpose. The gentleman will take his seat.

The unrecognized but triumphant Mr. RICH would take his seat, having got in his shot without recognition. Likely as not the two would be seen later in the lobby with the Speaker's arm around his militant friend from Pennsylvania, for, despite their political differences, Mr. RICH was his friend, holding him in the highest respect. And so, too, was BERT SNELL the Speaker's friend, and JOHN TABER and ALLEN TREADWAY and JOHN ROBSION and JOE MARTIN and CARL MAPES, and all the other big men on the Republican side of the chamber. They knew Speaker BYRNS as a real man, with a great big heart, and were glad and proud to be included in his encircling friendship.

I believe the last person to be received by Speaker BYRNS was a constituent of mine—Rev. Carleton W. Atwater, pastor of the great congregation of the First Baptist Church of Indianapolis. I shall never forget that visit. On the afternoon of the day the Speaker died the distinguished minister, on a flying trip to Washington, called at my office and some unexplainable urge prompted me to suggest that we go over to the Speaker's office to pay our respects to Mr. BYRNS.

A cheery "Come over" was the response I received over the telephone, and soon we found ourselves being entertained by Speaker and Mrs. Byrns at the Speaker's private office, just off of the Capitol rotunda. The Speaker and Mr. Atwater talked for a long time, and very pleasantly, about religious matters and with special reference to a mutual acquaintance, Dr. W. F. Powell, a Baptist minister of Nashville, to whom the Speaker referred in terms of genuine affection. If we could have known at that moment that within 72 hours Dr. Powell would be preaching Mr. BYRNS' funeral sermon, how shocked we would have been.

Suddenly during the conversation the Speaker took my hand and said to the minister from my home city:

I want you to know that I love your Congressman.

When finally he escorted us to the door he was still holding my hand. We went from the Speaker's office straightway to the Senate Chamber and as we passed the huge grandfather clock that stands like a sentinel at the entrance of the Senate wing I noticed that the hands pointed to 4:30. An hour later the Speaker was fatally stricken at his apartment in the Mayflower Hotel.

I cannot bring myself to a realization that Jo BYRNS is dead. Rather does it seem to me that the beautiful verse of our Hoosier poet, James Whitcomb Riley, applies with special appropriateness to our friend who has gone before us:

I cannot say and I will not say that he is dead—he is just away;
With a cheery smile and a wave of the hand, he has vanished into an unknown land.

His call from Earth to the higher and better life was tragically sudden, but for one of such nobility of character whose days were crowded with good deeds, as his had been, it was a beautiful way to die. He did not need any time to wrap the draperies of his spirit about him before he entered the presence of the Great King. May the Lord temper our grief and give us vision to see the stars shine through our cypress trees. Good-bye, old friend. Our simple faith tells us that we will know you and love you again after we have crossed the borders of the blessed summerland. Until then God bless you and keep you.

OMNIBUS CLAIMS BILLS

Mr. COCHRAN. Mr. Speaker, it was announced today that tomorrow, Tuesday evening, the House will consider the Private Calendar. The first bills to be called are the omnibus claims bills.

Had it not been for the death of our beloved Speaker these bills would have been called Thursday evening, June 4.

In anticipation of the call on that day I placed in the RECORD a brief statement in reference to some of the bills we will be asked to pass tomorrow, Tuesday evening.

The purpose of my remarks is to call to the attention of the Members to my extension of June 3.

On page 8874 of the RECORD of that date Members will find a brief analysis of 25 bills. When I point out that probably several million dollars are involved in those bills surely Members will agree that they are worthy of more than ordinary consideration.

I express the hope that the Members will read my remarks of June 3. It will be a few moments well spent and be beneficial to the taxpayers of your district, who must pay their share of every private claims bill we pass.

OUR AGRICULTURAL PROBLEM

Mr. LUCKEY. Mr. Speaker and colleagues of the House, beclouding issues and misleading people are easy tasks. This is especially true when the problems are of a complex economic and social character. The complexity of our agricultural problems has made it easy for those who have personal or political ends in view to carry on a campaign raising false issues and disseminating insidious misinformation. These carping critics have taken and are taking full opportunity to "farm the American farmers."

A farmer, in the ordinary sense of the word, is one who cultivates the land to produce real and needed products for man's consumption.

But who are these "farmers of the farmer"? What are their methods, and what are their objectives? They need no tools of agriculture, but only the spoken and written word, a seed supply of false information, and a keen desire for personal or political capital. They carefully cultivate each sprouting seed of distrust, fear, and hatred which they have

planted within the minds of those whom they profess to champion. Their objective is plain; those false prophets hope that in so doing they can again "reman the citadels."

Nebraska is almost entirely an agricultural State, a typical prairie State. All my life I have been engaged in farming. I know and all Nebraska farmers know that the future of agricultural and general American prosperity depends upon the establishment of agriculture on a basis of equality with industry. The 30,000,000 of our farm population constitute the largest single group in the United States. Not only are they the producers of foodstuffs, but they are also the largest single group consuming the products of labor and industry. Without restored and maintained agricultural purchasing power there can be no national prosperity. The realization of this truth has brought about, since March 1933, the first honest and extensive program for the betterment of agriculture that has ever been attempted by this Government. Much has been accomplished and much remains to be done. The advances have not been without a struggle. Opposition has been incessant and will continue.

Since 1900 agriculture has swept through an almost complete cycle in its development. During this same period the United States has witnessed a complete change in its national economy. We have seen the rise and fall of world markets and our transition from a debtor to a creditor nation. In 1900 there were 5,737,372 farms with an acreage of 838,592,000 acres. In 1930 there were 6,371,640 farms with an acreage of 986,771,000 acres. In 1900 Nebraska had 29,912,000 acres in farm land and in 1930 she had 44,709,000 acres, or an increase of nearly 50 percent.

Throughout and shortly following the World War our farmers found an adequate market for their goods. This was due to a dislocation of production in war-torn Europe and to the huge loans made by our Government to foreign powers, thus enabling them to buy on the American market. This temporarily stimulated foreign market, together with increased domestic consumption during the boom days, enabled the farmers to increase production and acreage planting. Some 5,000,000 acres of virgin prairie first felt the plow during this era. Farm production soared. Take the case of wheat, for example. From 1901 to 1905 our average wheat production was 630,354,000 bushels. From 1926 to 1930 it was 866,624,000 bushels, and in 1931 it was 932,221,000 bushels. Gross farm income, one of the best barometers of farm prosperity, shows a 1909 income of $6,000,000,000 and an average from 1923 to 1930 of eleven and a half billion dollars.

Thus far, we have looked at what are called those good old days prior to the depression. It was a period when the frail ship of our national economy rode rapidly toward the falls without any attempt to guide the craft into safer and less spectacular water. With careless hands on the wheel, our boat plunged over the falls—crumbling like the paper profits of Wall Street and scattering the occupants over the shoals of depression. Those 12 long years from 1921 to 1933 were the days of the "forgotten man", and the "forgotten man" was the American farmer. Agriculture led the way into the abyss, pulling after it the entire economic structure. Let us observe the process and its results and bear in mind that during those last 4 long years every blow fell without any attempt upon the part of the administration to check the course of ruin or to avert the mad stampede.

Several primary factors, each influencing the other, vitally affect agriculture. They are the barometers of agricultural economics, and even the least schooled can see the full significance of the facts.

We all know the story of falling farm prices when wheat tumbled from $1.58 to 31 cents, corn from $1.02 to 19 cents, rye from 98 to 21 cents, oats from 62 to 13 cents, cotton from 23 to 5 cents, hogs from $12 to $2.68, and cattle from $9.75 to $3.28. Those falling farm prices brought ruin to our farmers and forced them to sell their products at far below cost of production, yet not one effective move was made to prevent this condition. I mention this now lest we forget.

Falling farm prices produced falling gross farm incomes. These figures speak for themselves:

	United States	Nebraska
1929	$11,941,000,000	$451,841,000
1930	9,454,000,000	381,809,000
1931	6,968,000,000	248,176,000
1932	5,324,000,000	166,905,000

This decrease of 50 percent in the income of our largest consuming group brought an inevitable decrease in demand for industrial products, because the margin available after taxes and interest were paid was cut down still more. It meant farm mortgage foreclosures, increased bank failures, and increased unemployment.

Let us now see what was happening to our foreign markets during these years. Here again the cold figures tell the story of the dropping barometer of prosperity. They tell the story of vanishing foreign markets while an administration stood idle, making no effort to stop the fall or restore the losses.

	Exports of domestic agricultural products	Imports of competitive agricultural products for domestic consumption
1928	$1,863,000,000	$961,000,000
1929	1,693,000,000	1,017,000,000
1930	1,201,000,000	699,000,000
1931	821,000,000	446,000,000
1932	662,000,000	296,000,000

Prepared by Foreign Agricultural Service Division. Compiled from Foreign Commerce and Navigation and official records of the Bureau of Foreign and Domestic Commerce.

Now let us turn to two very important factors which largely resulted from the causes shown and which in themselves intensified the general collapse. They are farm-mortgage foreclosures and bank failures.

	Farm mortgage foreclosures per each 1,000 farms	Bank failures
1929	15.7	71
1930	18.7	88
1931	28.4	357
1932	38.8	322
1933 (January and February)	(1)	[2] 435

[1] No accurate figures; estimates for 1932 are approximately correct for these months.
[2] Prior to bank holiday.

We have observed falling farm prices, falling farm income, falling foreign markets, increased farm foreclosures, and increased bank failures during those 12 years. Let us now observe the trend in agricultural and industrial production for those same years:

	Agricultural production	Industrial production
1928	104	112
1929	101	119
1930	101	95
1931	107	80
1932	100	63
1933 (January and February)	97	62

To those who bewail any attempt upon the part of the farmer to regulate supply and demand, these figures should be illuminating. They show that agriculture, despite falling demands and below-cost-of-production prices, made no attempt to adjust supply with demand by curtailing production. The farmer could not increase consumption because he was already selling for far below what it cost to raise his

products. On the other hand, industry reduced its production 50 percent from 1928 to 1933, plowing under industrial products and plowing labor out into the ranks of the unemployed. I have heard many persons complain that the curtailment of crops was a sin against God, a deprivation of the necessities of life from those who are unemployed, and the supreme example of false economic doctrine. I have never heard those charges made against industry, yet the reduction in industry was four times as great as that in agriculture under the A. A. A. Mr. Ford would not make a car to sell at $500 if it cost him $700 to make it; the same is true of every other industrial leader, no matter how badly the goods he produces might be needed.

We have surveyed the period of despair, the period of inactivity, and the period which brought about the greatest peacetime catastrophe ever faced by our country.

On March 3, 1933, the hesitation and inaction was dropped. The problems were squarely faced, and a drive against the forces of depression was started. There were three primary challenges relating to agricultural recovery: (1) To increase farm purchasing power through increased farm prices; (2) to strengthen and restore the domestic and foreign market for American farm products; (3) to prevent farm foreclosures and preserve farm homes for farm families.

On every front great advances have been made. Direct action replaced hesitation and indecision. It is true that not every step taken has produced a forward march. Mistakes have been made; some have been corrected and others remain to be corrected. Perfection—that goal of all advance—comes slowly and could not be expected to rise like Phoenix from the ashes of a complete economic break-down. Let us see how far we have come in 3 short years.

To get a complete and fair picture of the results of the last 3 short years we need only compare the readings of our prosperity barometers with those of 1932. Let us see what happened to farm prices.

	Average price paid to the producer in 1932	Average price paid to the producer in 1935
Wheat	$0.388 per bushel	$0.864 per bushel.
Corn	$0.281 per bushel	$0.774 per bushel.
Rye	$0.286 per bushel	$0.518 per bushel.
Oats	$0.182 per bushel	$0.393 per bushel.
Cotton	$0.058 per pound	$0.116 per pound.
Cattle	$4.07 per hundredweight	$6.24 per hundredweight.
Hogs	$3.72 per hundredweight	$8.50 per hundredweight.

Those prices speak for themselves, and in spite of the worst drought in history, followed by a short crop, gross farm income has been increased every year under the present administration. Only a small part of the increase has been due to rental and benefit payments. In the drought areas particularly those payments represented the difference between a total loss and a bare living. Increased farm prices produced increased gross farm income.

Gross farm income

	United States total	Rental and benefit payments	Nebraska, total	Rental and benefit payments in Nebraska
1932	$5,324,000,000		$166,905,000	
1933	6,256,000,000	$271,000,000	184,636,000	$5,944,000
1934	7,266,000,000	594,000,000	194,545,000	38,232,000
1935	8,110,000,000	480,000,000	(1)	(1)

[1] No official figures available; unofficial estimate for Nebraska total is $250,000,000.

The gross farm income gains shown in those figures for the last 3 years represent an increase of approximately $3,000,000,000, or 52 percent, over that of 1932.

With the utmost frankness and honesty, let us see what has happened to our foreign trade in agricultural products during the past 3 years. In order to place the full facts before you I wish to insert two brief charts from which we can draw the essential information:

CHART I

	Exports of domestic agricultural products	Imports of competitive agricultural products for domestic consumption
1932	$662,000,000	$296,000,000
1933	694,000,000	377,000,000
1934	734,000,000	450,000,000
1935	748,000,000	623,000,000

CHART II.—*Agricultural imports*

	Total	Noncompetitive	Competitive [1]	Sugar	Competitive minus sugar
1929	$2,218,000,000	$1,201,000,000	$1,017,000,000	$209,000,000	$808,000,000
1930	1,468,000,000	769,000,000	699,000,000	130,000,000	569,000,000
1931	1,007,000,000	561,000,000	446,000,000	113,000,000	333,000,000
1932	668,000,000	372,000,000	296,000,000	97,000,000	199,000,000
1933	743,000,000	366,000,000	377,000,000	108,000,000	269,000,000
1934	858,000,000	408,000,000	450,000,000	118,000,000	332,000,000
1935	1,106,000,000	483,000,000	623,000,000	134,000,000	489,000,000

[1] Competitive agricultural imports include imports similar to agricultural products commercially produced in the United States or directly substituted to a significant extent for domestic agricultural products.

Foreign Agricultural Service Division. Compiled from Foreign Commerce and Navigation of the United States and official records of the Bureau of Foreign and Domestic Commerce.

One could talk all day on the subject of foreign trade. The statistics have been given in the charts, and it is only necessary here to point out three or four striking facts which can readily be seen. From chart I it is evident that every year since this administration took office our agricultural exports have increased. Chart II illustrates three fundamental facts: (1) Decreased exports are found in the same years as decreased imports; (2) increased exports occur in the same years that our imports increase; (3) in years of greater farm prosperity our imports of agricultural products are greater than in years of adversity.

The present administration has inaugurated the policy of making reciprocal-trade agreements. Only one of these agreements has been effective long enough to justify either criticism or praise. If those agreements produce benefits, they can and should be continued; if they produce economic disadvantages, they can and should be repealed. They represent an attempt to stimulate our foreign trade. Persons who are so prone to criticize at this early date are very much like those who laughed at Fulton's steamboat, Wright's airplane, and who predicted that the horseless buggy would never run.

The expansion of our foreign trade has long been a subject of study and heated dispute. There are many possibilities in the export-subsidy plan, and every one of them should be accepted. The theory that subsidies are the final solution is open to grave doubt. No country which establishes or has established a quota on American goods will allow one more bushel of our produce to enter her boundaries than is allowed by her quota restriction. We could subsidize to the point of giving our goods away and not be able to export more than our quota. Right now trade agreements appear to be the only method of removing those quota and preference restrictions. Knowing our own objections to having foreigners "dump" on our markets, we cannot expect them to look with favor toward our dumping on their markets.

Let us now see what has happened to the twin barometers of farm mortgage foreclosures and bank failures in the last 3 short years.

	Farm mortgage foreclosures per 1,000 farms	Bank failures
1932	38.8	[1]77
1933	28.0	3
1934	21.0	1
1935	19.0	4

[1] Including January and February, 1933.

These figures are amazing. They represent thousands of farm homes saved for American farm families. They represent safety for the small savings of millions of laborers, as well as safety for the investments of our more economically prosperous classes.

Advances have been made on every front during 3 short years. We have come a long way, and we will go further. Constructive criticism leads to progress; destructive criticism leads only to indecision and retreat. The absurdity and untruths of the false prophets should be made clear to everyone. You cannot build on such a foundation.

Regimentation of the farmers has been repeatedly cited as a criticism of the farm program. As one of those supposedly regimented, let me give my personal reaction, as a farmer, to this charge. A contract was offered me for my consideration. There was no compulsion, as I was given the opportunity to sign or reject the contract. Like all other contracts, it specified that I should perform certain acts to meet its terms. The Government contracted to make payment upon proof of my having complied with the terms imposed on me by the contract. Every farmer was given the same opportunity. Those who signed did so in good faith, and the Government carried out its part of the contract in good faith. If that voluntary cooperation is regimentation, then industry and labor have been regimented since the dawn of the contract system.

Changed conditions have produced a need for a forward-looking policy. Carping critics who advocate a return to conditions which no longer exist are simply "farming the American farmer" to promote and advance their personal, selfish interests. The effects of the war, scientific and "technolitical" advancements, intense nationalism resulting in increased trade barriers—these and many other factors have brought about changes which we must face. We cannot hope to regain our foreign markets by discriminating against our potential customers. We cannot restore purchasing power by enslaving agriculture. A complete and full accord, based upon understanding and trust, between our Government, the farmers, the laborers, and the industrialists is necessary. We cannot retreat! We must go forward if agriculture is to be given equality and if depression is to be banished from our land.

JOSEPH WELLINGTON BYRNS

Mr. SNYDER of Pennsylvania. Mr. Speaker, JOSEPH WELLINGTON BYRNS, a Christian gentleman and a statesman extraordinary. We may truly say of him that he was a man of the people and for the people. A man in whom "the elements were so mixed" that he was not only kind, courteous, sincere, and efficient, but broad and deep and sound in all his deliberations.

It was my privilege to know JOE BYRNS as a colleague and as Speaker of the House of Representatives. To know JOE BYRNS was not only to like him but to admire him for his fine qualities. One of these fine qualities that radiated from his personality is expressed in Banks' stanza:

I live for those who love me,
And for those who know me true;
For the heavens that shine above me,
And the good that I can do.

Mr. BYRNS gave his first address after he had announced himself officially as a candidate for Speaker of the House in Washington Square, Perryopolis, Pa., my home town, at 11 a. m. September 20, 1934. Although he was in my town less than 2 hours, yet he made a lasting and favorable impression upon the hundreds who gathered there to hear him.

JOE BYRNS was a big man with a big soul. We read in history how Washington at Valley Forge was found praying for the success of the Continental troops. It is also recorded that Abraham Lincoln walked the floor for hours, appealing to his Lord and Master for guidance in the Civil War struggle. But we have it from the lips of his beloved wife, Mrs. Julia Woodard Byrns, that for 38 years every night before retiring he asked his Lord and Master for strength and guidance. No wonder JOE BYRNS is mourned by the whole Nation.

OLD-AGE PENSION

Mr. LEMKE. Mr. Speaker, old-age pension should be called "old-age compensation", because any person who has worked at a useful occupation from the age of 20 to the age of 60 has produced enough wealth to take care of himself or herself for the rest of his or her life. If such a person finds himself or herself in financial distress and without the means of a comfortable livelihood, then it is because someone appropriated this wealth, or rather misappropriated it.

We have now arrived at a stage in our civilization where we realize that as a Nation we can safely restore to the aged part of the wealth which they created—part of the wealth taken from them by overzealous individuals and corporations. This is not a pension, it is not charity—it is a compensation for useful labor performed or for wealth actually created or produced.

While our Federal Government and the various States now realize that it is for the best interests, peace, and security that the aged be comfortably provided for, yet whenever this question comes up before the National Congress or the various State legislatures, it has been niggardly dealt with, dealt with as if it were a charity to unworthy people rather than compensation for services rendered.

In fact, the Federal Government, as well as the States, require a pauper's oath from the aged in order to give them just a dribbling of that which is theirs, which they are entitled to, and which they themselves have created or produced, but which under our financial system has been taken from them, generally without their consent and without fault on their part.

In the distant past, as well as more recently, the combined energies of the world were required to produce the necessities of life. Nations became great because of an abundance of raw materials and sufficient labor to change these raw materials into finished products, but even then there was usually a scarcity of some of the necessities. Saving and thrift became the watchword of the day.

Now, however, owing to machines, to mechanical inventions, and chemical discoveries, all this has been changed. We suddenly find that we have an abundance for all. Our problem no longer is how to produce more nor fear that the morrow may not bring plenty, but rather how to distribute the things that we have and that are essential to our well being.

According to the Department of Agriculture in Washington, we have too much of everything. We have too much to eat, and too much cotton and wool for clothing. Too much leather for shoes, and too much sugar and coffee. We have so much of everything that that Department entered upon its mad orgy of destroying and restricting the production of these essentials of life in the midst of hunger, want, and rags. The bureaucrats in the Department of Agriculture believe in the doctrine of scarcity. They believe that there is an overproduction, while intelligent people know that there never was an overproduction, but that our trouble is underconsumption and maldistribution.

In fact, there is an overproduction of just one thing, and that is an overproduction of ignorance. We are afflicted at present with national insanity. So that I may not be misunderstood when I use the word insanity, I mean just plain, ordinary craziness—a national mental disease—a mental defectiveness. That kind of a national mental condition that will permit the destruction and curtailment of food and clothing when we still have millions who could use that food and that clothing—when thousands are gradually dying from malnutrition.

In place of destroying this food and clothing and other essentials of life, why not distribute it to those who helped to create it and need it? Why does Congress not pass a decent and intelligent old-age-pension bill, which is the Townsend plan reduced to writing? Such bill would provide the machinery for the distribution of our so-called surplus and overproduction. It would compensate the aged for part of the wealth they have created. Such a bill would make it

unnecessary for the aged to continue in industrial competition with the youth of this Nation. It would to a large extent solve our unemployment problem. It would give to those who have toiled for 40 years a needed and deserved rest for the remainder of their life. It would add to the health and well-being of the Nation. It would give peace and contentment where now all is doubt, uncertainty, insecurity, and mental suffering.

We all know that this Nation is still in agony. We all know that we still have some 20,000,000 on a disguised dole system. We all know that in spite of all the statements to the contrary by politicians for political reasons that mortgage foreclosures on city and farm homes are continuing and that thousands are being evicted from their homes. We all know that there are still 12,000,000 unemployed, whose condition is becoming more wretched and pitiful every day. This situation could be remedied if Congress were not hamstrung by the "gag and shackle rule" which the Members have not yet seen fit to blot out and abolish.

I regret to say that official Washington does not know what is going on in this Nation. It seems deaf and blind to the appeals of the men and women who have made this Nation what it is. The trouble is not with Members of Congress but with the bureaucrats in charge of this Government. These do not understand and cannot be made to understand the situation as it exists. The trouble is that Washington is too close to Wall Street—too intimately associated in the past with the special privileged, selected few who have amassed the greater part of the wealth of this Nation in their hands.

I know that if Congress were left free to act, that a majority could and would get together and put an end to hunger, want, and rags in the midst of plenty. Unfortunately, however, under the "gag and shackle rule" the majority are not permitted to and cannot function as they should. Unfortunately, because of the corroded patronage system, the majority are kept from doing that which they in their hearts know they ought to do.

MISSISSIPPI AND THE NEW DEAL

Mr. COLMER. Mr. Speaker, the Seventy-fourth Congress is rapidly drawing to a close. With it the first term of the Roosevelt administration likewise ends. Since I took the oath of office with the advent of this Democratic administration, I hope that it may not be considered inappropriate to briefly call attention to some of the outstanding achievements of the Roosevelt administration, and with particular reference to its effect upon the great State of Mississippi and the Sixth Congressional District, which I, through the indulgence of my people, have had the honor to represent. My desire to point out the accomplishments of this administration, together with its beneficent benefits to my own people, is accentuated by the fact that my service in the House has been contemporaneous with that of that great leader of the country and of Democracy, President Franklin D. Roosevelt, and the further fact that this great leader goes to the people of this country this fall, asking for a vote of confidence.

CONTRAST OF CONDITIONS IN 1932 AND 1936

Mr. Speaker, I realize that the Democratic administration of the affairs of this Government during the past 3½ years has in nowise been perfect. I am fully aware, moreover, of the fact that some mistakes have been made, that some things have been done that should not have been done, and that other measures for the common weal could possibly have been enacted into law that were not enacted. But I have long since learned that mortal men do not model perfectly. I have observed in the years that have gone by that the lot of man is to expect much more than he receives. It has been my observation that when man accomplishes one-half or more of what he undertakes to accomplish his efforts indeed have been worth while. Progress, like distance, beauty, knowledge, or any other abstract substance, is a comparative thing. Therefore, if one would appraise the 3½ years of the Democratic administration, he must do it by comparison. The natural thing to do in this instance is to compare this administration with the preceding one.

In 1932 it appeared that the whole economic structure of this country had collapsed. There were in excess of 14,000,000 people out of gainful employment. Business houses of long-established reputation were daily entering the bankrupt court. Banks were failing in alarming numbers because of lack of confidence. Credit was unobtainable. Farm produce was not bringing the cost of production. Cotton had declined 61 percent to 5.9 cents per pound. Wheat had declined 59 percent to 48 cents per bushel. Homes and farms were falling under foreclosure and the auctioneer's hammer. Confidence was destroyed. Hunger was rampant. Our people were desperate.

This was the picture of the United States in 1932 when the people went to the polls and by an overwhelming vote selected Franklin D. Roosevelt to lead them out of the slough of depression.

Today, after almost superhuman efforts through 3½ years of labor on the part of the President and of a sympathetic Congress, a new picture presents itself to the American people. Today unemployment has decreased sharply, and employment is continuing to increase. The demand for agricultural products has increased, and the farmer is receiving around 11 cents for his cotton and 84 cents for his wheat. Industry is reaching a new peak. Credit is becoming easier. Money is cheaper. The banks are stabilized. Confidence has been restored. The average American citizen can face the future with renewed hope and determination.

Despite the critics of President Roosevelt, the Congress, and the New Deal, the country is making progress. My own native State and my own congressional district have prospered under the New Deal administration. With your indulgence I should like to cite some statistics, which I have caused to be compiled, reflecting the substantial and concrete benefits derived by the people of my district and State, from the Federal Government under this administration and during my brief tenure in office, with the hope that they may prove enlightening and beneficial.

Table showing Federal funds allocated and expended in Mississippi and the Sixth Congressional District under New Deal administration up to Jan. 1, 1936

County	Federal Housing Administration	Home Owners' Loan Corporation	Rental and benefit payments (A. A. A.)	Adjusted-service certificates	Emergency crop and feed loans	Resettlement Administration	Civil Works Administration	Federal Emergency Relief Administration	Works Progress Administration	Farm Credit Administration	Total
Covington	$9,009.40	$45,786	$334,068.58	$144,449.14	$115,275	$59,609.53	$68,289	$269,921	$70,312	$233,225	$1,349,944.65
Forrest	55,290.82	883,896	63,735.90	289,465.38	33,146	37,392.12 73,224.02	242,722	606,629	288,137	57,625	2,631,263.24
George	4,772.00	30,752	55,295.63	72,311.08	34,545	24,992.03	28,341	155,091	56,612	50,875	513,586.74
Greene	778.94	13,758	37,674.15	102,310.13	33,352	41,887.22	43,459	218,986	52,633	59,975	604,813.44
Hancock	24,711.16	198,983	77.00	109,720.98	7,690	18,384.00	68,920	311,163	114,559	9,575	863,783.14
Harrison	69,658.68	1,001,708	240.30	424,302.52	11,610	18,370.75	440,018	262,595	507,741	14,550	2,750,794.25
Jackson	23,414.88	108,943	1,254.06	153,532.48	10,276	14,447.05	121,906	1,308,094	135,732	16,300	1,893,899.47
Jefferson Davis	3,767.96	17,248	361,235.28	137,268.98	183,510	54,739.70	61,812	222,215	83,897	174,225	1,299,918.92
Jones	42,486.59	580,497	355,490.24	398,821.11	79,446	60,726.85	329,328	887,706	265,025	420,375	3,419,901.79
Lamar	7,134.73	33,612	100,732.88	123,454.98	49,367	32,542.29	47,284	245,211	110,471	124,600	874,409.88
Lawrence	10,072.00	15,993	252,767.84	119,871.26	73,861	37,236.40	33,061	165,125	51,071	126,875	885,933.50
Marion	15,708.58	83,589	322,131.39	191,499.88	50,060	95,722.09	95,811	310,297	115,671	316,000	1,596,489.94
Pearl River	28,173.94	101,510	16,113.99	186,520.86	26,961	68,900.67	83,466	348,146	190,036	78,900	1,128,728.45
Perry	4,308.42	19,218	50,863.24	78,789.57	28,280	41,896.62 59,612.23	48,291	207,742	120,633	42,125	701,759.08
Stone	6,574.06	10,466	6,993.16	56,826.85	17,525	47,658.23	39,870	157,902	35,703	16,250	395,768.30
Wayne	4,698.01	45,679	156,688.80	147,025.54	125,337	65,853.66	54,501	256,490	84,860	98,675	1,039,803.01
Total, district	310,560.17	3,191,638	2,115,357.44	2,736,170.74	880,241	853,195.46	1,807,079	5,933,313	2,283,093	1,840,150	21,950,797.81
Total, State	2,155,325.24	16,457,361	34,379,868.30	19,308,411.76	2,758,727	3,542,175.27	9,809,233	28,977,592	10,211,531	14,956,050	142,556,274.57

And in addition to the expenditures and benefits listed in the foregoing table, an appropriation for $65,000 has been made available and the contract has been let for a new Federal building at Pascagoula, Miss. We have every assurance that an approximately similar amount will be made available within the next few days for a Federal building at Picayune, Miss. I might also add that the Soil Conservation Service established a joint soil-conservation project in Covington and Jones Counties, Miss., at a cost of $64,287.12 to the Federal Government.

This table does not give many other benefits received which might also be mentioned. For instance, the Federal Government under the Roosevelt administration has expended in the State of Mississippi through the Civilian Conservation Corps, $22,286,000; through the National Youth Administration, $427,500; through the Social Security Board, since enacted in February of this year, $224,926; through the Veterans' Administration in disability compensation and insurance, $26,422,409. An enormous sum was also apportioned to Mississippi out of the Federal highway funds.

SEA-FOOD INSPECTION

Moreover, in the past 3 years the sea-food industry of the country, which is a substantial industry on the Mississippi Gulf coast, has been increased. Under a law passed in the Seventy-third Congress and as amended in the Seventy-fourth Congress, the sea-food industry has been placed on a parity with the meat industry. And henceforth the Federal Government will supervise the packing of sea foods, furnishing inspection service for that purpose. This means not only the saving of many thousands of dollars per annum by the Mississippi sea-food industry for inspection service, but it means also that the consumption of sea food by the public will be increased and these delicacies will be popularized among the consuming public.

STARCH PLANT

Under this administration a starch plant for the production of commercial starch from sweetpotatoes has been established in Jones County, Miss. This is the only factory of its kind in the United States and is the only venture of its kind that has ever been sponsored by the Federal Government. Millions of bushels of sweetpotatoes can be produced in South Mississippi annually. If the plant at Laurel, Miss., produces the starch commercially at a price that is profitable to both the producer of the potatoes and the industry, it means that the farmers of South Mississippi will have another cash crop in addition to cotton. It holds untold possibilities for the development of our cut-over lands and the improvement in living conditions in our rural communities. It means, of course, that if the plant can be operated profitably by the Government, private industry will take up its development and these plants will be located wherever potatoes can be grown profitably. The Federal Government up to this date has expended approximately $200,000 on this project.

COAST GUARD ACTIVITIES

In addition to maintaining Coast Guard craft along the Mississippi coast line at Pascagoula, Biloxi, and Gulfport for the protection of life, shipping, and property, the Federal Government has established a Coast Guard air base at Biloxi, Miss., the hangar for which cost $119,200. Suitable barracks at a cost of $120,000 are now under construction. To maintain this Coast Guard service off the Mississippi coast cost $498,416.97 in 1933; $349,584.06 in 1934; $305,649.19 in 1935; and for the first 9 months of the fiscal year 1936, $217,675.30.

HATTIESBURG COURT DISTRICT

Realizing the inconvenience caused many of the citizens of the northern part of the Sixth Congressional District in attending Federal court, when business required their attendance, this administration has established a special division of the southern Federal court district of Mississippi, to be known as the Hattiesburg district. It comprises the following counties: Covington, Forrest, Greene, Jefferson Davis, Jones, Lamar, Lawrence, Marion, Perry, and Walthall.

SOCIAL SECURITY

Time will not permit a discussion of all of the major benefits derived from this administration or the laws enacted, but there is one outstanding piece of legislation to which I desire to call particular attention. Many of us have been, and are still, keenly interested in the subject of old-age pensions and general social security. During this Congress, a law known as the Social Security Act was passed, providing for assistance to the aged and the crippled. The law is in no sense what we wanted, but it was the best we could get under all of the circumstances. Under its provisions it will be necessary for the State of Mississippi to match dollar for dollar the Federal Government's appropriation before the people of Mississippi can come under its provisions. I have always thought that this was wrong, and that the question of pensions for the aged should be considered as a national problem. My fight was made on the floor of the House and before the committee to this end. It is my thought that eventually this contention will prevail and an adequate pension system for the aged of the country will be worked out.

EMERGENCY APPROPRIATIONS

No one realizes or appreciates more than I the fact that in order for the country to have made the progress that it has made, in order for my native State and my congressional district to have received the benefits that they have received, an enormous amount of money has had to be appropriated during the 3½ years of this administration. The critics of this administration point out with alarm that these tremendous expenditures call for tremendous appropriations. But it must be borne in mind that this administration, as was pointed out in the premises of this statement, found the country in the depths of an economic morass. It must be borne in mind that this administration has been fighting a war against depression. And it likewise must be remembered that wars cost money. During the late World War the United States did not count the cost of the war. The one purpose was to win the war and save the country and its institutions. The cost of the war was secondary. Billions were spent to win that war. That was a war of destruction waged by the immortal Woodrow Wilson against the enemies of democracy. This is and has been a war of construction waged by the great humanitarian, Franklin Roosevelt. It must likewise be remembered that Federal revenue is easily found under prosperous conditions; and if we are successful in winning this war as we were in the last one, the increased revenues from the increased production and business will soon retire the deficit incurred.

It might not be amiss in this connection to point out that Mississippi pays but an infinitesimal part of the Federal taxes. For instance, the Government statistics show that in the matter of the Agricultural Adjustment Administration taxes and benefit payments, Mississippi paid $619,172.96; Mississippi received in rental and benefit payments under the same program $34,379,868.30. To put it differently, for every dollar the processors of Mississippi paid into the Government Treasury the farmers of Mississippi received in return approximately $35. The manufacturing States paid the taxes—the agricultural States received the benefits. Again, most of the Federal revenue that is derived comes from imports, excise duties, and income taxes. Of the former, Mississippi pays practically nothing, and of the latter, she pays seven-tenths of 1 percent.

This steady flow of revenue from the Federal Government to the State of Mississippi and my congressional district represents the largest amount of Federal funds that has ever come to Mississippi in any like period of time. In fact, in the past 3½ years, I am sure that the figures will bear me out that there has been more money sent into the Sixth Congressional District from the Federal Treasury than has come to that district in the whole time that Mississippi has been a State.

CONCLUSION

This, Mr. Speaker, presents a brief but substantial picture of what the Democratic administration has meant to the country, to the State of Mississippi, and particularly to the

people of the district which has given me the privilege of representing them during the past 3½ years. It is not a perfect picture, because Franklin Roosevelt is not a perfect man, because the administration of his measures, enacted at his suggestion by a cooperative Congress, has not been perfect. Unfortunately the constructive and humanitarian measures enacted by the Congress under his leadership have had to be administered by human beings subject to all of the frailties of greed, partisanship, and petty politics. Too often these agencies have become so politicalized that many of these measures enacted for the relief of the people have in many instances largely failed because of the unpatriotic desire of those entrusted with their administration to play politics with human misery. It is not a perfect picture, but it is a picture in contrast.

It presents the difference between chaos and hopelessness in 1932 as compared with reasonable prosperity, hope, and justifiable confidence in the future now. President Roosevelt and the Democratic administration are entitled to the confidence of the people of this country. Surely the masses of the American people never had a truer friend in the White House than the present occupant of that historic mansion. Certainly the State of Mississippi never experienced a more beneficial administration than that which has been in power since 1933. In the years to come, history will record for the benefit of posterity the achievements of this truly great friend of the people and this administration. Monuments of granite and stone will be erected to Franklin D. Roosevelt in every State in the Union. But all of this will not compare with the monuments which a grateful American people have erected to him in their own appreciative hearts. I am happy indeed that back in the dark days of March 1933, when the Republic was facing its greatest crisis since the Civil War, my path led to Washington as a Representative in the administration of recovery. As arduous as has been the task, it has indeed been a distinct pleasure and a gratifying privilege to have been a part of this history-making administration and to play a humble part in its brilliant record of achievements.

CASH PAYMENT OF BONUS AN ACCOMPLISHED FACT

Mr. WOLVERTON. Mr. Speaker and Members of the House, the long and hard fight for payment of adjusted-service compensation to the World War veterans comes to an end tonight.

They deserve all the credit in the world for the courageous, up-hill fight they have carried on these many years.

They have had arrayed against them powerful influences that have utilized every conceivable means to defeat the claim of our veterans and deny to them the justice to which they are entitled. For years the opponents of immediate cash payment have conducted campaigns well organized and financed. By speech, mail, radio, and publicity of every kind and character they sent unfair and untrue propaganda throughout the Nation. They sought by every means possible to make what was right seem wrong. They pictured a just demand as a "Treasury raid." They painted a picture of financial despair and distress to create fear among the timid. They sought to discount and discredit the patriotism of our ex-service men. They adopted slogans that were mean and offensive. No stone was left unturned in their effort to find every possible means of creating an unfavorable attitude toward veterans. These forces were relentless and vigorous in their opposition.

All of this was often carried on by individuals who had given no service during the war and in many instances financed by those who had profited most as a result of the war.

It was a combination of wealth, power, and influence that the veterans were called upon to face and battle with in order that the right, truth, and justice of their cause might prevail. They met unequal conditions and surmounted them. With the sword of truth they challenged and conquered. Tonight they are privileged to reap the rewards of their triumphant victory.

On December 30 last it was my privilege to meet in the broadcasting station in Camden, N. J., a large and representative group of veterans and members of auxiliaries connected with veteran organizations. They represented the American Legion, Veterans of Foreign Wars, Disabled Veterans, Spanish-American War Veterans, and the auxiliaries of each of these organizations. We met together on that occasion to advance the cause of immediate payment of adjusted-service certificates and procure payment legislation at this session of Congress. Tonight they meet in celebration of the accomplishment of that purpose. And I assure you it is a distinct pleasure for me, as one who by spoken word and vote in Congress has always acknowledged the justice of their cause, to join with veterans tonight in their victory celebration. I know of nothing in my whole congressional career that has given me such genuine pleasure as the opportunity I have had to cast my vote in favor of the necessary legislation every time it came before the House and then to see it finally triumph, even over a Presidential veto.

And in this connection I wish to pay a deserved tribute to the veteran organizations and their auxiliaries for the fine, courageous, and intelligent manner in which they and their national organizations have fought unfalteringly, never despairing in the hour of defeat, but ever pushing onward until victory was obtained. There is a debt of gratitude due to these veteran organizations by every ex-service man who will tonight benefit by the payment he will receive. It represents unrelentless toil upon their part over a period of many years, and I am of the opinion that every ex-service man who is not a member of these organizations should show his appreciation of what they have done in his behalf by joining such at the earliest possible day.

What these organizations have already done is but an indication of what can be done in the days to come in behalf of disabled veterans and the widows and orphans of deceased veterans. As veterans value the future welfare of their dependents, they should join and work with these organizations in their effort to care for all such.

I wish I could picture the good that will result from the payment of the bonus. Distress will be relieved; wishes and desires for things long denied will be satisfied; homes will be saved from foreclosure, new homes built, or improvements made to provide a more pleasant place in which to live; relief from debts that have burdened and distressed; opportunities for education will be opened for the ambitious youth within the veteran's home; medical treatments long denied will be supplied; new clothes will appear in place of those now shabby and worn. In fact, the good that will result it is impossible to describe. In a myriad of ways the moneys now received will bring happiness and satisfaction to the recipients and their families.

It will bring benefits not merely to approximately 4,000,000 ex-service men, but to their families as well, and will thereby touch directly 20,000,000, or one-sixth of our entire population. And the benefits will not stop even there. The money will go into every nook and corner of our great country. It will be utilized to pay debts long past due, stop foreclosures, and provide health and the necessities of life for millions. In the expenditure of these funds the merchants, the banks, and small-business men in every community will feel its beneficial effects.

It will mean the expenditure in the First Congressional District of New Jersey, which I have the honor to represent, of almost $7,000,000. Of this amount, the veterans of Camden County will receive $4,826,728.56, and there will be paid to the veterans of Gloucester County $1,354,442.26, and to those of Salem County $704,634.42, making a grand total of $6,885,805.24 that will enter into the channels of trade of the three counties comprising the First Congressional District of New Jersey.

Thus, the immediate payment of the adjusted-service compensation certificates, instead of being for the benefit of a favored few, will result in beneficial effects that cannot be estimated, and that will touch directly or indirectly practically our entire citizenship.

I deeply regret to learn through the newspapers that the Emergency Relief Administration in many sections is reported to have issued orders to take from relief rolls all veterans who receive payment of their bonus certificates. To me it seems cruel and heartless to strip these veterans and their families of these benefits. The meager amount allowed to those on relief for the bare necessities of life does not provide anything for the comfort and enjoyment of life. The bonus money received by the veterans would help supply some of those things that have long been denied, and yet the Relief Administration issues orders that will take all such chance away. Furthermore, it is reported that a warning has also been issued to the veterans by the Relief Administration that before they can hereafter claim any help from relief sources they must be prepared to show how they have expended their bonus cash. In other words, the Relief Administration wants to supervise how the veterans spend their money. No such supervision has been placed over others and there should be no discrimination against veterans. It is our duty to see that the orders of the Relief Administration in these respects are rescinded so that veterans who have long been denied what was due them can supply their families with the worth-while things to be purchased by the use of their bonus cash without fear of losing their relief status.

In conclusion permit me to again express my happiness in the successful termination of the long and hard fight to bring about cash payment of adjusted-service certificates, and also an assurance of a continuing desire to render every service within my power to all disabled veterans and the dependents of deceased veterans to the end that they also may have the justice that is due them.

PUBLIC DEBT

Mr. BACON. Mr. Speaker, I hold in my hand an analysis of the public debt of the United States. It is a very illuminating statement of the circumstances and conditions surrounding our Government's financial position. It is more than that, Mr. Speaker, for it shows exactly what the public debt of our Nation means to every man, woman, and child of our people.

I offer this analysis for various reasons, but I am most concerned with the facts herein disclosed for the reason I do not believe that many of our people realize what a gigantic debt has been piled up against us by the waste and cockeyed policies of the Roosevelt administration. These facts the people ought to know before they go to the polls to vote in November.

In presenting this document, Mr. Speaker, I cannot refrain from calling attention to certain statements that have been made by the President in connection with the public debt. Most of us recall how he said in a speech at Atlanta, Ga., that our Nation could stand a public debt of 50 or 60 or even 75 billions. It is recalled as well how he said he made that statement after conferring with some "great bankers." But, Mr. Speaker, he never told us who those bankers were—and he never will because such bankers do not live.

I am reminded further of the shameless attempt made by Franklin Delano Roosevelt to compare himself to Andrew Jackson. You will recall that fifty-dollar-a-plate dinner at the Mayflower Hotel here—that famous Jackson Day dinner. It was there that Franklin Delano Roosevelt attempted to tell the country what a great man he was by paralleling his course and his problems as President with those of President Jackson.

But, Mr. Speaker, Franklin Roosevelt omitted in that speech to recall to his audience of claquers how Andrew Jackson considered our public debt. Andrew Jackson always maintained that a nation, like an individual, should keep out of debt so far as it was possible. Consequently, at the end of Andrew Jackson's administration in 1837, for the first and only time in our history, our Nation had practically no public debt.

It was Andrew Jackson's idea and it is the idea of every sound-thinking person that waste and extravagance by the Government is just as much of a sin as waste and extravagance by an individual. Each must be ready to meet emergencies, and each must be prepared for the time when income falls and expenses go on.

What has Mr. Roosevelt done for us in this regard? I will tell you. He has left this Nation in a position where, if a new emergency arises, and emergencies may arise, our Nation may have extreme difficulty in financing itself.

The outlook for future generations, Mr. Speaker, is not pleasant because of the perfidy of this Roosevelt administration. They face taxes never before known in this country—and the end is not yet because this administration is continuing to spend; continuing to build up political machines in every State and every county of the Union.

It is time to call a halt. The only way that we can call a halt is to get rid of the man who is responsible—Franklin Roosevelt.

I should like to ask this question of every citizen of the United States:

In counting up the money you owe, do you include your share of the public debt? Or is the public debt to you, as it is to many people, merely a sum of money so large as to be incomprehensible, and certainly in no way connected with your individual finances? If you fall into this latter category, you probably will be shocked to learn that, in addition to the obligations you have personally contracted, a debt has been piling up against you of which you have no knowledge, over which you have been afforded no control, and which takes precedence over all other debts. I refer to the $245 which is each citizen's share of the Federal Government's debt.

You have probably been told or have read that the public debt is the highest it has ever been in the history of our country—thirty-one and one-half billion dollars—but has it ever occurred to you that this is your debt? Not, of course, the whole amount, but you, along with every other citizen, must bear your proportionate share. Have you realized that eventually this debt must be paid, and that the only means of paying it is by your money?

Looking at that vague and shadowy term, "the public debt", in this light, you realize that it is not just a term read in the newspapers but that it has a very real and personal meaning to you as an individual. That enormous sum of thirty-one and one-half billion dollars must be collected in some way, and the only way collection is possible is by increasing the share of Government expense which you are bearing.

A PUBLIC-DEBT ANALYSIS

In 1857 the public debt was $28,700,000. In that year each person's share was only $1.01. With the advent of the Civil War the Government naturally was in need of additional funds, and the borrowing necessitated by the war caused the debt to increase many times, until in 1866 it reached the sum of $2,750,000,000. At that time each person's share was $77.69. Then followed a period of retrenchment and a gradual decrease in the debt, with the result that, during the early 1900's, it had been more than halved, and each person's share ranged between $12 and $17. This honest effort of the Government to reduce its indebtedness was interrupted by the World War.

The enormous scale on which the World War was conducted led the Government deeper and deeper into debt until on August 19, 1919, the total debt was $26,594,000,000.

At this time the Government was in the same position as an individual who has had an unexpected illness or some similar emergency, and whose first action on recovering is an attempt to pay his bills and regain a firm financial footing. The same thing is true in the case of governments, for, after all, governments' finances are no different from those of the individual, except in amounts. To the government war can be compared to the unexpected illness or operation, and every honest government follows the same policy as the individual—it attempts to pay its bills and be ready for future emergencies. This policy has been consistently followed by our Government in the past, and it is due to this fact alone that the country has been in a position to weather the crises that have arisen.

No more earnest effort was made in this direction than during the period following the World War. The expenses of conducting the war had been the heaviest in our history, and at its conclusion the public debt was greater than it had ever been up to that time. Those in control of the Government wisely began a program, the primary object of which was to return the country to financial soundness. In 1921 the debt was approximately $24,000,000,000. In 1922 it was reduced a billion dollars. Between 1922 and 1930 almost $8,000,000,000 additional were paid off.

But was this policy continued by President Roosevelt? The facts speak for themselves. In approximately 3 years President Roosevelt has not only undone the work of 11 years of consistent reduction but he has added another ten and one-half billion dollars to the debt. When President Roosevelt took office on March 4, 1933, the debt was $20,937,350,964. By June of 1933, when he had been in office only 4 months, the debt had increased almost $2,000,000,000. In the following fiscal year he added four and one-half billion and in 1935 a billion seven hundred million. From March 4, 1933, to May 15, 1936, there has been a total increase of $10,600,000,000. The debt is now $31,541,000,000, and each person's share is $245.

Nor is this the end. Although the debt is now $5,000,000,000 greater than it has ever been in the history of our country, the spending continues and we are promised a further increase of $3,000,000,000 by June 30, 1936, which will mean a total debt of $34,500,000,000. On that date the Government will owe more than the value of all the farm property in the United States. Can any nation, even one with the resources of the United States, carry such a burden?

Which is the wiser policy—to prepare for future emergencies or to indulge in reckless spending with no thought beyond the present? The Roosevelt administration has followed the latter course and has plunged the country so deeply into debt that should an emergency arise at the present time the country would be in no position to cope with it, and the result might be so serious as to permanently cripple our financial structure. It should be apparent to every thinking man that we cannot continue in this fashion. To do so must lead to ruin and present policies are carrying us far along that road.

To the individual citizen the Roosevelt administration means that between March 4, 1933, and June 30, 1936, his share of the national debt has increased from $167 to $269, and his family's share from $673 to $1,068. In addition to this, he has been helping to pay interest during these years. The interest alone on a debt of this size is over $700,000,000 a year—only $200,000,000 less than the total debt in 1916. As long as the Government continues to spend almost double the revenue it collects, someone must pay the bills. This can be done either by additional taxes now, or by borrowing, which must be repaid through the collection of additional revenue at a later date. In either event, each citizen will ultimately be called upon to pay.

When our citizens fully realize the relation of the national debt to them as individuals—that it is their pocket out of which it must be paid; that they and their families will be deprived of something in order to meet this obligation—then, and then only, will they demand that governmental extravagance stop.

How can Government extravagance be stopped? By demanding that expenditures be reduced and enforcing this demand by placing in office men who will handle Government money, which is in reality the people's money, with the same regard and care they would their own.

REPLY OF HON. JOHN J. M'GRATH TO A RADIO SPEECH BY HON. FLORENCE P. KAHN ON RECIPROCAL-TRADE AGREEMENTS

Mr. McGRATH. Mr. Speaker, the Hon. FLORENCE P. KAHN, Congresswoman from California, made a radio speech on April 16, 1936 (duly reprinted in the CONGRESSIONAL RECORD for Apr. 20), in which the dust-laden bogey of foreign competition was again paraded before the weary electorate.

Mrs. KAHN is stunned at the increase in importations of agricultural products into the United States, but carefully bases her phobia on statistics most convenient for her purpose—those for January 1936. By implication, the Representative from San Francisco ascribes the dreaded inundation of foreign products to the reciprocal trade agreement policy which the United States has actively pursued since 1934.

Let us examine this most-favored-nation policy of reciprocal foreign trade and see whether it is as heretical as the widow of the late Congressman from California would have us believe. Would the most dyed-in-the-wool Republican maintain that such Americans as Alexander Hamilton, William McKinley, James G. Blaine, and William H. Taft were theoretical internationalists, willing to surrender American markets to the perfidious foreigner? Yet we find that not only the foregoing, but many other Republican leaders, have advocated similar measures to increase reciprocal foreign trade. Among the contemporary Republicans one readily thinks of such individuals as Senator Capper, Henry L. Stimson, Nicholas Murray Butler, Colonel Knox, and Charles Evans Hughes as proponents of reciprocity in our foreign commerce. Even such a Neanderthal Republican as Ogden Mills made the following statement in his speech at Topeka:

> We will have to abandon the present policy of isolation and intense nationalism and to some extent modify recent tariff practices. This may sound strange, coming from an orthodox Republican, but I have never understood that a sound system of protection, based upon the cost of production at home and abroad, if intelligently applied, means the erection of impassable tariff barriers, the destruction of our commerce with the rest of the world, and the sacrifice of the efficient farmer to save the inefficient manufacturer. * * *

But to return to the panicky speech of the lady from California (and if she is depending on such fallacious arguments for reelection her panic is well founded). Mrs. KAHN, after carefully choosing the data best suited for her purpose, lists the following commodities as showing an increased importation for January 1936 as compared with January 1935: Fresh pork, cattle, cheese, horses, turnips, potatoes, milk powder, fresh beef, bacon and hams, wool, and poultry.

Even though one must allow Mrs. KAHN to make an electioneering speech in the campaign year, could she not have been expected to go into the matter far enough to learn that the United States has not in any agreement granted any tariff reductions on fresh pork, milk powder, fresh beef, bacon and hams, or wool. Furthermore, the American producer is amply protected in the reductions granted on cattle, cheese, and potatoes, because the concessions are specifically restricted as to amount or variety.

That the increased importation of agricultural products in 1935 and early in 1936 was largely due to domestic deficiencies resulting from drought conditions, rather than from tariff reductions, will be apparent from the Department of Commerce preliminary statistics of imports for the month of April 1936, in comparison with April 1935. The figures show that importations of the following agricultural articles decreased: Dairy products, butter, cheese, fish, tallow, grains and preparations, corn, wheat, fodder and feeds, vegetables and preparations, fruits and preparations.

It is true that the importations for the same month show increases, for the most part moderate, in the following: Animals; animal and meat products (edible and inedible); hides, skins, and leathers; vegetable oils and fats; cocoa, coffee, tea.

Many of these last-named increased importations, particularly the noncompetitive, colonial products, are traceable to increased buying power on the part of the American consumer rather than to tariff reductions.

While it would be dangerous to draw any generalization from the data for any given month, or even for a particular year, the tendency is already clear. We may safely conclude that the United States Government, in pursuing an enlightened reciprocal-trade policy, is not permitting the nefarious foreign bogeyman to throttle the American farmer and laborer. The present program is merely a realistic recognition of a truism, namely, that we cannot continue

to sell abroad unless we are willing to take goods or services in exchange. Both parties gain when they exchange goods or services in which each has special advantages.

As a Representative from a State which has gained numerous benefits from the trade agreement, Mrs. KAHN is proving to be particularly ungrateful. In exchange for the concessions granted the United States, which Mrs. KAHN has sought to magnify out of all proportion, the State of California stands to profit by many concessions granted to the United States in the 14 trade agreements thus far concluded.

Some of the products of California which have received more beneficial treatment abroad are the following: Oranges, grapefruit, canned vegetables, fresh vegetables, figs, raisins, nuts, canned fruits, jams and jellies, honey, rice, grapes, pears, apples, condensed milk, malt extracts, pearled barley, avocados, melons, olives, sardines, salmon, petroleum products, lumber, borax, motion-picture films.

The above list of products represents a very substantial part of the wealth of California. If Mrs. KAHN is basing her claim to reelection on the premise that California has nothing to gain and everything to lose by rationalization of our foreign trade, it is small wonder that she is stunned by the trade-agreements program.

Another statement of Mrs. KAHN's that deserves investigation is the following:

> Closely connected with taxes is, of course, the tariff, at one time one of our great sources of income. What with reciprocal tariffs, most-favored-nation clauses, lower duties, what do we find? Not only income cut off but a tremendous importation of agricultural products.

Income from customs receipts has not been reduced. In fact, customs receipts for the first quarter of 1936 were $18,000,000 larger than for the same period of 1935. This is the result of the increased foreign trade—both imports and exports—and shows that the so-called Trade Agreements Act of 1934 is being carried out with moderation and with due regard for realities. The nonpartisan officials who are administering the trade-agreements policy are proving that a reasonable correction of some of the inequities of the Smoot-Hawley Tariff Act will go a long way toward restoring our normal channels of international trade, with resultant benefits to all sections and classes in the United States.

In short, we are at last seeing a practical application of that ideal which has been so often discussed but so rarely applied—scientific tariff making. The nonpolitical personnel in charge of the program, together with the specialized knowledge each brings from the sphere in which he is most competent, gives ample assurance that a rational policy of tariff adjustment is far preferable to the log-rolling methods so often applied in the past.

The most-favored-nation policy, which Mrs. KAHN views with such concern, is neither new nor experimental. It has been the cornerstone of American foreign trade for a great many years. Even if it were considered advisable to abandon most-favored-nation treatment, it could not be done without invalidating countless treaties that were concluded long before the present administration came into office. The results of the trade agreements in force demonstrate that the concessions granted by the United States can, in practice, be limited to those countries which show a disposition to be reasonable in their treatment of American trade. This is accomplished by granting concessions only to those countries who are the natural or principal suppliers of the import in question. Such concessions are not extended to countries who discriminate against American commerce or whose policies tend to defeat the purposes of the Trade Agreements Act.

In conclusion let me quote from the writings of a Republican leader whom Mrs. KAHN can hardly fail to admire. I refer to the late William McKinley, who made the following statement in a speech at Buffalo:

> A system which provides a mutual exchange of commodities is manifestly essential to the continued and healthful growth of our export trade. We must not respose in the fancied security that we can forever sell everything and buy little or nothing.

COMMONWEALTH OF INDUSTRY

Mr. CELLER. Mr. Speaker, I should like to call the attention of the Members of the House to a new industrial philosophy which is embodied in a recently published book entitled "The Commonwealth of Industry, the Separation of Industry and the State", written by my friend, Benjamin A. Javits, noted attorney of New York City, who has handled numerous antitrust cases. I believe that Mr. Javits has formulated an interesting, if not practical, plan for business and for our national economy which may initiate a movement that will mobilize the voters to demand from business what most of them now demand from us—jobs at good wages and economic security.

Such a drive and such a movement on the part of the voters of this country might unite the business elements in an economic structure and tempt them to decide once and for all that they cannot shift their burden and their responsibility to this Congress and to the State political bodies, to deal with the problem of making business serve the public interest. The problem is properly that of industry.

Mr. Javits shows in his book that through the use to which the Federal Declaratory Judgment Act passed by Congress in June 1934, can be put and under certain Supreme Court decisions and Federal statutes, it is possible to develop self-regulation without additional legislation. He points out, and it may be difficult to disprove, how a majority in an industry can control the minority even though the minority may not have entered into any agreement or compact with the majority, as to matters involving fair-trade practices.

Members of this Congress might well profit by reading this book and absorb the doctrine. They might be able in this way to relieve themselves and the other political agencies of our Government of shouldering the problems which business should have assumed publicly a long time ago.

President Roosevelt has spoken of the desirability of establishing an economic constitutional order, and this book seems to point one way in which this can be accomplished outside the realm of politics.

The taxpayers are beginning to protest against larger and larger tax burdens. The idea of the commonwealth of industry, if carried out, would put upon industry the responsibility for full employment and for meeting the needs of the Government to balance its Budget. The plan may well relieve each Congressman of the burden of providing jobs by one means or another for his electorate.

Mr. Javits' philosophy has been briefly summed up in the following 10 political planks, which are a condensation of a much larger political document in his book, which purports, in a political way, to express his industrial philosophy:

1. We believe that it is time to take note of the alterations required in our industrial organization to meet the changes which have already taken place in our industrial life. We favor constructive action to bring our economy into line with our technology; that is to provide work and income for all because the machine can serve all.

2. We believe that the American system of government is designed along lines which both permit and demand self-government for industry.

3. We believe that industry can be managed and operated best by industrial managers, technicians, workers, and farmers organized on self-governing lines and cooperating in the public interest.

4. We favor the immediate organization by industry of a national economic council with self-governing powers and economic privileges. The nucleus for establishing a national economic council shall consist of the trade associations, labor bodies, technical groups, and other organized parts of our economy.

5. The National Economic Council must guarantee to provide work for the entire employable population of the United States at fair wages.

6. We maintain that the political state, as represented by our elected and appointed officials, should no longer interfere with the administration of industry, organized in the public interest, and represented by leaders of every branch of our economy.

7. We believe that under our laws and our court decisions the courts are open to everyone to question industry's right to govern itself at all times.

8. We believe that every man, woman, and child is entitled to a definite consumer value and should have a known credit rating based upon his present and ultimate value to economic society.

9. We demand full publicity for every act of both Government and industry.

10. In order to safeguard our valued liberties and to foster our industrial ingenuity, we believe that industry must develop self-governing democratic forms, which need take no leaves from the books of fascism, nazism, or communism.

I commend the book and its philosophy to the Members of this Congress and the American people. It may mark the beginning of an era when our thinking of the relationship of Government and industry can be chartered on the basis of the separation of industry from the state with the retention of the state's power and control over industry by court review of the actions and policies of business.

We have had Townsend plans and share-the-wealth movements and social-justice groups, but this may be the beginning of a movement that might help the Members of this Congress to discharge their obligation to the electorate without imposing new obligations upon the Government. Instead, the burdens and problems which the Government has been carrying for the last 40 years will be turned over to industry, which will thus have an opportunity to develop a philosophy of its own, an organization of its own that will be truly representative, and a leadership of its own.

ENGLAND'S DUTY IN PALESTINE

Mr. CELLER. Mr. Speaker, recently grave news reached us from Palestine, where a veritable reign of terror was caused by Arabs in their attacks upon Jews. The record was replete with cowardly and unprovoked assaults upon unprotected Jewish settlers. Twenty-nine Jews have been assassinated and 150 more have been maimed and wounded. Jewish property has been pillaged and wantonly destroyed.

The British authorities, until recently, were unable or unwilling to adopt the proper stringent measures to protect the several Jewish colonies from the savage Arab mobs.

Naturally such news is regarded with deep concern not only by Americans of Jewish origin but by all those who have been watching with sympathy the progress of the Jews in reestablishing their ancient home land.

Great Britain eagerly sought and accepted the mandate over Palestine with its unequivocal provisions relating to the Jewish home-land policy. The project was endorsed by the principal allied powers, and the principles of the Balfour declaration received the unanimous endorsement of the Congress of the United States in a joint resolution passed by both Houses, which resolution was signed by President Harding and received the unqualified approval of American public opinion.

As a result of the mandate, a substantial amount of American capital has been invested in Palestine, and a goodly number of American citizens are residing there in the pursuit of peaceful enterprises. Thousands of Jewish refugees, fleeing persecution, have sought safety in Palestine, all spurred on by the conviction that Great Britain would conduct a beneficient administration in Palestine, assuring protection to life and property.

In the summer of 1929 we received shocking news from Palestine. There occurred a fearful massacre of Jews in Hebron, Haifa, Safed, and other places. Proper protection was not afforded by the British Government. Its duty was to prevent that disaster. At least, it should have done all in its power to prevent recurrence of the outrages against helpless and defenseless Jews. Recent events in Palestine have proved that Great Britain failed to heed the warning. England has been derelict in its duty.

David Ben Gurion, president of the Jewish Federation of Labor in Palestine as well as chairman of the executive of the Jewish Agency, is now in London and is demanding the setting up of proper safeguards. Among other things, he stated that—

> Had the mandatory power taken definite steps to fulfill its obligations under the mandate, and if the successive administrations, especially that of the first high commission, had not yet yielded to terrorist action, even the wildest Arabs would not have dared to employ terrorism against Britain. Unfortunately, the authorities frequently yielded, thus conveying an erroneous impression of the possibility of forcing their hand.

Recently at a gathering I called Great Britain to task for its failure to properly protect the lives and property of the Jews in Palestine against Arab assaults and brigandage. I was severely called to task by former State Senator Nathan Straus, who claimed that England had done its duty. He viewed with complete complacence the murder of the 29 Jews and the wounding of scores of others. He made light of the foul deeds of the Arabs. He had the hardihood to say that we must expect that in all colonizations some of the pioneers may be killed. He sought to draw a parallel between the difficulties of present-day Jews and the many brave bands of Americans who were wiped out by Indians during our colonial era. Of course, such comparison is infantile, if not ludicrous. Certainly, some sacrifice of life and property must be expected, but there should be no unnecessary sacrifice. In the case of our own colonies, there was no mandated imperial nation to guarantee to keep Indians within control.

Great Britain guaranteed protection of life and limb in Palestine. After repeated warnings, England failed to afford suitable protection. Surely someone must complain, even if weak-kneed individuals like Straus quake in their boots—too scared to give outcry.

No one has greater respect for England than I. I recognize the boon England has created for Jews in the espousal of the Balfour declaration and the mandate. Great as England is, when she strays from the path of duty we must yank her back to it.

It is interesting to note, in this connection, the protest filed with Sir Ronald Lindsay, the British Ambassador at Washington, the other day by a Christian delegation headed by Right Rev. James F. Freeman, Episcopal bishop of Washington. Among other things, the protest contained the following: "Mere compassion and commiseration with the sufferings of these victims of prejudice and persecution are not enough. Bold, practical methods to save these untold millions from total annihilation are now called for."

I presume Straus would have the effrontery to attack Bishop Freeman and his Christian brethren joining in the protest.

Happily, already criticism of England's dereliction has borne some fruit. Jews are now being allowed to arm in self-defense. More protection is necessary. The military defense force at Palestine numbers 7,229. That force should be doubled. There must be made available a greater number of airplanes under the Royal Air Force. A portion of the British Mediterranean fleet should be in the offing at all times, ready for any emergency. Finally, rights of the Jews to arm in self-defense should not be infringed upon. Great Britain must punish the foul wrongdoers, suppress the agitators and do all in its power to prevent a recurrence of the evil.

The Right Honorable William Ormsby-Gore, the new Colonial Secretary, announced a few days ago in the House of Commons that Great Britain has determined, properly, to intervene to stamp out the Arab disorders, and that emergency powers are now being taken by proclamation. Thus criticism has hastened action. Does Straus think pussyfooting would have brought such results?

THE BLACK LEGION

Mr. HOOK. Mr. Speaker, for several weeks past our newspapers have been carrying headlines with reference to the

so-called Black Legion. Investigations are being carried on in my State of Michigan, where the legion seems to have been unusually active, and the disclosures thus far are indeed shocking to every citizen of the United States who believes in free government and democracy.

We are entitled to know every fact possible as to the organization, activities, and personnel of the Black Legion, and I believe it to be entirely proper to ask that every agency of Government, Federal and State, be called upon to cooperate in rooting out and destroying this obnoxious growth.

There is a place in American cultural and social life for fraternal societies, but there is no place in America for any society such as the Black Legion, which places allegiance to its order and its officers above allegiance to the State. From the facts which we already know, the members of the Black Legion were forced to subscribe to a code which was completely un-American in every respect. The terroristic features of the Black Legion, its implements of torture, and its dealing in death are only a few of its damnable characteristics. Quite as distasteful are its racial and religious prejudices.

Damnable above all is the admission by certain of its members that the organization sought through subversive means to overthrow the existing democracy in the United States. The Black Legion, it appears, has been in Michigan in large part a political organization, taking active part in political campaigns and penetrating through its membership into the law-enforcing agencies.

There is no place in America for a secret political society of any kind which enforces its decrees by fiat upon its membership. Democracy cannot endure without free discussion among the people or without free choice on the part of the electorate. The Black Legion's code was a denial of free discussion and free choice. Its operations have been shrouded in secrecy; its membership coerced by fear of bodily harm or even death.

No true American citizen, I am sure, can feel that the Black Legion has served any useful purpose in our Nation. The real leaders of America, whatever their political faith, will not surely countenance the activity of night riders and dealers in death. Several days ago, on the floor of this House, one of my colleagues from Michigan saw fit by inference to link the present administration with the Black Legion. I realize the importance and absurdity of such talk and I know the membership of this House has the same feeling as I toward that statement. But since the question has been raised here in the House it may be well to put into the RECORD those facts which have been discovered to date. I make no charges and draw no inferences. The disclosures are common knowledge and to each is left his own opinion.

It seems beyond credulity that the Republican Party in Michigan should have any connection with the Black Legion, and I know the rank and file of the Republican Party in my State have no connection. However, certain of the leaders of the G. O. P. in Michigan are not so free from suspicion. According to an account which appeared in the Washington Daily News of May 30, ex-Governor William Brucker, now a candidate for the Republican nomination for the Senate, saw fit to open his primary campaign against Senator COUZENS at the Wolverine Republican Club. It is common knowledge now that the Wolverine Republican Club and the Black Legion were practically one and the same organization. Meetings of the Black Legion were held at the headquarters of the Wolverine Republican Club and it was here that the abduction of Poole, recent victim of mob terrorism, was planned. Furthermore, on the stage with ex-Governor Brucker was Judge L. E. Sharp, who was recently revealed as the sponsor for A. F. Lupp, Black Legion "brigadier general", when the latter obtained a gun permit. Dayton Dean, confessed murderer of Poole, bought the murder weapon from Lupp. Brucker's appearance at the Black Legion was undoubtedly used as a means of enticing members.

How far the ramifications of the Black Legion extend into the Republican Party in Michigan, I do not know, but the public are entitled to know how far the legion's influence has extended. I do not charge any open or willful connivance, but I do know the Vandenberg-Brucker G. O. P. machine, and I have my suspicions.

I am curious too, to learn why no action was taken to uncover the Black Legion when three of its organizers were apprehended last August 1936 by State police. The State troopers reported that guns, robes, and legion literature were found in the organizers' automobile. I should like to know, too, how it happened that L. J. Black, president of the Wolverine Republican Club, and H. Z. Marx, attorney of the club, happened to appear before the prosecutor of Lenawee County, Mich., to ask the release of the three organizers. they did not get the release but they did get a dismissal of the charges on the ground of illegal search.

I should like to know why the Michigan State police did not at this time expose the connection between the Wolverine Republican Club and the legion and at once put an end to the whole sordid story.

It is claimed by certain labor leaders in Detroit that this legion was interfering with the activities of union organizers. It is also claimed that our Republican Governor of Michigan, Frank Fitzgerald, was a member of the legion and if so, undoubtedly knew of its code and program.

It might be interesting, too, to learn who has financed this despicable organization which masqueraded as a vehicle of Americanism, yet stooped to the most cowardly kind of un-Americanism. We have learned in recent weeks much about where the money has come to support and develop these false-front societies; I refer, for instance, to the Farmers Independence Council, organized in Michigan, I believe, to protect the rights of the farmers, yet to which no farmer belongs. I refer, also, to the Southern Association to Uphold the Constitution, organized in Texas, and spreading the most virulent type of racial prejudice. We have learned that these associations were financed by Du Pont and General Motors' money, financed by the same group that support the Liberty League, and that organized the grass-roots convention for the chain-gang Governor of Georgia last spring.

The financing activities of these lords of our economic life has been so widespread we are justified, I believe, in asking what connection, if any, they may have with the Black Legion.

We do not want dictatorship in the United States and we will not have dictatorship so long as our people are permitted to discuss and act freely on matters of public policy. Our democracy is threatened, however, when scheming politicians will stoop to coalition with such organizations as the Black Legion. The threat of the Black Legion is more than a threat to the lives and fortunes of single individuals. It is an expression of an unwholesome influence in America which is a danger to our very democracy. Years ago Gen. Smedley Butler said that such an organization as the Black Legion was in the making. He was more nearly correct perhaps than many of us supposed. Our task is clear—to destroy forever the Black Legion and the unscrupulous politicians who have carried on its intrigues.

THE RIGHT OF THE COURTS TO PASS UPON THE CONSTITUTIONALITY OF ACTS OF CONGRESS

Mr. CROSS of Texas. Mr. Speaker, under clause 2 of section 2 of article III of the Constitution there is delegated to Congress in unequivocal language the power to deny to the inferior Federal courts the right to pass on the constitutionality of acts of Congress, and also the right of the Supreme Court to pass upon the constitutionality of an act of Congress on any case coming before the Supreme Court on appeal, so that only a sovereign State can attack the constitutionality of an act of Congress by an original suit in the Supreme Court. On January 28 I addressed this body advocating H. R. 9478, a bill introduced by me to effectuate this purpose. Since then that measure and those of us who endorse it have been attacked by two of our most brilliant and eloquent colleagues, one of whom, Mr. HOLLISTER, hails from the capital of the famous Buckeye State; the other, my distinguished friend, Mr. Cox, from the peanut-clad hills

of ancient Georgia. Their zeal and fury was such that Job must have had them in mind when he declared:

> Their necks shall be clothed with thunder. * * * The glory of their nostrils terrible. * * * They shall paw the air and rejoice in their strength. * * * They shall swallow up their enemies with fierceness and rage. * * * The quiver shall rattle against them, the glittering spear and shield.

And so the prophetic brain of Job, looking down the centuries, visioned and depicted in this graphic language what was to happen when these two gallant-plumed knights were to indict as heretics, convict, draw and quarter in your very presence a number of your meekest and most timid colleagues. You heard with what frightfulness their quivers rattled as they thundered through the neck. You saw the terrible glory of their nostrils as they pawed the air and rejoiced in their strength. And then you also saw with what fierceness and rage they swallowed us up. As they made their devastating charges upon us, you saw upon their left arm that mystic shield woven in the silence of the cobwebbed cloisters of our immaculate Supreme Court. Woven under the spell of such incantations as "commerce among the States", and being charged with "Liberty League dynamics", smashes into unconstitutional fragments every law of Congress tending to establish economic and social justice. And then as they were cruelly demolishing us, you saw with what marvelous skill they wielded that famous glittering spear, welded in the occult fires of yonder dread hallowed oracle by the nine black-robed fates as they chanted those magical words "due process of law", and at the touch of which the rights of States vanish as the mist before the sun.

Mr. Speaker, having somewhat recovered from the shock of such "sound and fury" I wish to again in a modest way present some additional reasons why this bill should be enacted into law.

Mr. Speaker, the Federal Government is one of delegated powers, consisting of three coordinating departments, the legislative, executive, and judicial. Of these the Constitution recognizes the legislative as being the most important, delegating to it the power and duty to enact laws exercising their judgment to do so, within the scope of the Constitution, under which the country is to function. The Constitution recognizes the executive as the next in importance, and delegates to it certain rights and prerogatives; while it delegates to the judiciary the duty to construe and pass upon the rights of litigants as they exist under the laws as passed. But there is nothing to be found in the Constitution that any more authorizes the judicial branch of the Government to nullify the acts of Congress than there is for the legislative branch of the Government to nullify the decisions of the courts in rendering judgment between litigants.

A number of the delegates who served in the Constitutional Convention had been educated in England and all of them were versed in English jurisprudence, being as they were, prior to the Revolution, loyal subjects of their mother country. They were familiar with English history and knew how its people had suffered as the result of the Tory courts nullifying the acts of Parliament prior to the Bill of Rights of 1688. They knew since that time no court had dared to nullify an act of Parliament. They never dreamed that the court they were creating would ever dare presume to go back a hundred years and arrogate unto themselves the right to nullify the acts of Congress and thus play the role of the Tory courts that existed in England prior to 1688, and cite as their authority for so doing the very clause, "due process of law", which was transplanted out of the English bill of rights into our bill of rights, and which was placed in the English bill of rights to put an end to the high-handed judicial tyranny of Tory courts in nullifying acts of Parliament. It was to prevent them from depriving citizens of their life, liberty, or property except in accordance with rules and regulations prescribed by Parliament.

It is patent had it been intended by the framers of the Constitution that the Court was to have the authority to nullify acts of Congress, the power would not only have been specifically delegated to it but they would never have specifically delegated to Congress the power to deny to the Court the jurisdiction to so do, as is done in unequivocal language in section 2 of article III.

There is nothing that so completely dispels the general impression that the Supreme Court in its decisions are not actuated by their own economic and political views as an examination of the cases in which they have assumed the authority to declare acts of Congress unconstitutional. At the time the now famous case of Marbury against Madison was decided in 1803, it is interesting to note that the judges who composed that Court were disciples of the Federalist Party, which was the exponent of the wealthy class of that day and time and who feared that the representatives of the people might enact laws detrimental to their interests. At the time this decision was handed down the Federalist Party had been defeated and the Democrats, under Jefferson, had come into control of the country. In this case President Adams had appointed Mr. Marbury a justice of the peace of the District of Columbia just before leaving the White House, and Marbury applied for a writ of habeas corpus to the Supreme Court to compel Mr. Madison, Mr. Jefferson's Secretary of State, to deliver to him his commission. Before the case was heard, the law authorizing the Supreme Court to issue a writ in such a case had been repealed, so that at the time the Supreme Court heard the case it had become a moot question, and the Court, under every rule of practice, should have dismissed the application; but the Court seized upon this opportunity in an exparte proceeding to get a precedent to hold an act of Congress unconstitutional for the purpose, no doubt, of using it as a precedent to hold any act of Congress unconstitutional which might be passed and that, in their opinion, would be detrimental to the moneyed interest.

In the next case in which an act of Congress was held unconstitutional by the Supreme Court, in order to do so it again acted contrary to the fixed rule of long settled practice. This was in the notorious Dred Scott case, decided in 1857. When this case reached the Court, it held that the lower court had no jurisdiction. Having so determined, under every rule of practice the case should have been dismissed. But by a divided court it seized upon the opportunity to hold the Missouri Compromise Act of 1820 unconstitutional, and this in the face of the Constitution as it then existed and in violation of the rights of the free States, and held, in effect, that all the States were compelled to permit the institution of slavery. In order to accomplish this purpose they resorted to the fifth amendment of the Constitution, known as the due-process-of-law clause. This clause was placed in the English Bill of Rights in 1688 for the purpose of stopping the life-appointed Tory courts from depriving citizens of their life, liberty, and property, contrary to the procedure provided for them to follow under the laws enacted by Parliament. Up until this case the court had never intimated that this clause authorized them to declare an act of Congress unconstitutional.

Although the Supreme Court under Marshall as Chief Justice in 1803 first assumed the authority to hold an act of Congress unconstitutional, the decisions of the Court during his reign acceded to Congress far broader powers in legislation than is acceded in its more modern decisions. As time passed, the Court, grasping for more and more power, has restricted more and more the rights of Congress to legislate unless that legislation happens to be in accord with their economic and political views. In the case of *McCulloch* v. *the State of Maryland* (4 Wheat.), decided in 1819, in which an act of Congress, chartering and setting up what was known as the Bank of the United States, was attacked as being unconstitutional because there was no delegation of power in the Constitution for Congress to set up such a bank with the Government taking one-fourth of the stock, and this so-called Bank of the United States to be operated as a private institution for profit. Chief Justice Marshall, in delivering the opinion, had this to say:

> This could not be done by confining the choice of means to such narrow limits as not to leave it in the power of Congress to adopt any which might be appropriate, and which were conducive to the end. This provision is made in a constitution intended to endure for ages to come, and, consequently, to be adapted to the

various crises of human affairs. To have prescribed the means by which Government should, in all future time, execute its powers would have been to change, entirely, the character of the instrument, and give it the properties of a legal code. It would have been an unwise attempt to provide, by immutable rules, for exigencies which, if foreseen at all, must have been seen dimly, and which can be best provided for as they occur. To have declared that the best means shall not be used, but those alone without which the power given would be nugatory, would have been to deprive the legislature of the capacity to avail itself of experience, to exercise its reason, and to accommodate its legislation to circumstances. If we apply this principle of construction to any of the powers of the Government, we shall find it so pernicious in its operation that we shall be compelled to discard it. * * *

The result of the most careful and attentive consideration bestowed upon this clause is that, if it does not enlarge, it cannot be construed to restrain the powers of Congress, or to impair the right of the legislature to exercise its best judgment in the selection of measures to carry into execution the constitutional powers of Government. If no other motive for its insertion can be suggested, a sufficient one is found in the desire to remove all doubts respecting the right to legislate on that vast mass of incidental powers which must be involved in the Constitution, if that instrument be not a splendid bauble. * * *

We think the sound construction of the Constitution must allow to the National Legislature that discretion, with respect to the means by which the powers it confers are to be carried into execution, which will enable that body to perform the high duties assigned to it, in the manner most beneficial to the people.

Where the law is not prohibited (that is, not specifically denied to the Court by the Constitution) and is really calculated to effect any of the objects entrusted to the Government, to undertake here to inquire into the degree of its necessity, would be to pass the line which circumscribes the judicial department, and to tread on legislative ground. This Court disclaims all pretensions to such a power.

In the Legislature of the Union alone, are all represented. The Legislature of the Union alone, therefore, can be trusted by the people with the power of controlling measures which concern all, in the confidence that it will not be abused.

It has been said by some that the Court in this case conceded broad powers to Congress because the legislation was in accord with their economic and political views, and earnestly desired by the major financiers of that day.

In keeping with the broad powers conceded to Congress in this case of McCulloch against The State of Maryland, decided in 1819, is the case of the *Veazy Bank* v. *Fenno* (75 U. S.) decided in 1869, where an act of Congress levying a tax of 10 percent upon the circulating notes of State banks and which, of course, was levied for the patent purpose of driving them out of circulation, Chief Justice Chase, in handing down the opinion of the Court sustaining the constitutionality of the act, used this language:

The power to tax may be exercised oppressively upon persons, but the responsibility of the legislature is not to the courts, but to the people by whom its members are elected.

In the so-called *Child Labor Case* (259 U. S.), decided in 1921, in which an act of Congress was attacked as being unconstitutional because it levied a tax of 10 percent on the net profits of employers who use children in mines and factories, and which act, of course, affected interstate commerce in affecting the price of products produced. Chief Justice Taft held this act unconstitutional, although it was stated in the act that it was "an act to provide revenue, and for other purposes." The act of Congress upheld in the Veazy Bank against Fenno case was attacked on the same ground on which this act was attacked. In the case of the Veazy Bank against Fenno the financiers were anxious that the law be held constitutional, that the circulation of notes of State banks be suppressed, while in the other the employers of children in mines and factories were anxious that the law be held unconstitutional. In this case Justice Clark dissented.

AGRICULTURAL IMPROVEMENT IN KANSAS

Mr. HOUSTON. Mr. Speaker, cash receipts from the sale of principal farm products in Kansas rose from $167,060,000 in 1932 to $265,371,000 in 1935, including $41,242,000 in rental and benefit payments. This is an increase of 59 percent. Cash receipts from Kansas represent approximately 97 percent of the total farm cash income from production.

Price changes on certain selected commodities, which brought about a considerable share of the increased cash receipts indicated above, are shown in table 1.

TABLE 1.—*Average prices received by Kansas farmers for commodities listed on dates specified*

Commodity	Unit	Aug. 15, 1932	Mar. 15, 1933	Dec. 15, 1935
		Cents	*Cents*	*Cents*
Corn	Bushel	26	17	68
Wheat	do	33	31	97
Oats	do	15	14	31
Barley	do	15	15	52
Rye	do	28	21	57
Flaxseed	do	70	73	134
Potatoes	do	35	50	80
Sweetpotatoes	do	85	55	95
Hay	Ton	420	385	660
Apples	Bushel	85	125	95
Hogs	Hundredweight	390	310	870
Beef cattle	do	460	370	680
Veal calves	do	450	445	750
Milk cows	Head	3,300	2,700	4,400
Chickens	Pound	9	6.3	14
Butter	do	19	16	33
Eggs	Dozen	10.7	7.4	24
Wool	Pound	7	7	21

For the United States as a whole the yearly average price of all groups of farm products increased from 65 percent to 108 percent of the pre-war level during the period 1932–35, an increase of 66 percent. The low point occurred in March 1933, when prices were only 55 percent of the pre-war level, whereas in December 1935 they averaged 110 percent of that level. These figures do not include rental and benefit payments. The gain in exchange value of farm products per unit was somewhat less than the gain in farm prices, since prices farmers pay for commodities used in living and production also advanced about 17 percent during the period. The exchange value per unit of farm products increased from 61 percent of the pre-war level in 1932 to 86 percent in 1935, a gain of about 41 percent.

FARM REAL-ESTATE APPRECIATION

A new appreciation of farm real estate in Kansas has been one result of increased farm income. Voluntary sales and trades of farms increased from 11.6 per thousand for the year ending March 15, 1933, to 16.6 per thousand for the year ending March 15, 1935. During the same period the number of forced farm sales per thousand declined from 61.1 to 48. For the first time since 1920 the decline in value of farm real estate halted in the year ending March 1, 1933, when it stood at a low of 70, the State average value from 1912 to 1914 being 100. From this low of 70 in 1933 the estimated value per acre of farm real estate rose to 73 for the year ending March 1, 1935.

IMPROVED LABOR CONDITIONS ON KANSAS FARMS

On January 1, 1933, the demand for farm labor in Kansas was 57 percent below normal, and the supply was 41 percent above normal. At this time farm wage rates per person, with board, were $16.75 per month. Three years later on January 1, 1936, the farm-labor supply was normal. Demand was only 41 percent below normal; that is, it had improved 37 percent in the 3-year period. Farm wage rates per person stood at $20.25 per month with board, having advanced 21 percent above their 1933 level.

SOIL-CONSERVATION PRACTICES UNDER A. A. A.

Adjustment measures enabled Kansas farmers in 1935 to take more than 2,000,000 acres of land out of the production of corn and wheat, which deplete the soil or expose it to erosion, and to put much of that acreage into the production of erosion-preventing and soil-improving crops such as alfalfa, bluegrass, soybeans, clover, and lespedeza. Contracts under the Agricultural Adjustment Act specifically mentioned "erosion-preventing and soil-improving" crops as among those which might be planted on the contracted acreage.

A marked trend toward increased hay and sorghum acreage for forage is apparent in Kansas. According to the Bureau of the Census the acreage devoted to all hay and sorghums for forage increased 28 percent from 2,769,033 acres in 1929 to 3,546,204 acres in 1934.

DAIRY CATTLE DISEASE ERADICATION

Milk has been an important source of farm income in Kansas. For the past few years about $25,000,000 annually has been returned to milk producers.

Approximately $50,000,000 of Agricultural Adjustment Administration funds have been made available for use in the country as a whole in eradicating cattle diseases, primarily bovine tuberculosis, Bang's disease, and mastitis. This work is being done in cooperation with the Bureau of Animal Industry. As of December 31, 1935, some 815,000 cattle in Kansas had been given the tuberculin test and approximately 79,300 the agglutination test for Bang's disease. Of the $245,000 allocated for the eradication of bovine tuberculosis in this State, $238,955.53 had been expended in operation expenses and indemnities as of December 31, 1935. Kansas was allocated $450,000 for the eradication of Bang's disease, and of this amount indemnities and operating expenses as of December 31 last totaled $366,081.

EXTENT OF FARMER PARTICIPATION IN PROGRAMS

From the inauguration of the adjustment programs in 1933 through January 6. 1936, a total of 414,053 crop adjustment contracts signed by Kansas farmers had been accepted by the Agricultural Adjustment Administration. Of this number of contracts, 273,025 were wheat, 139,878 corn-hog, 755 sugar beet, 243 cotton, and 152 tobacco.

Four referenda among producers were held in Kansas during the continuation of the agricultural adjustment program. During the first two weeks of October 1934 corn-hog producers were asked whether they favored an adjustment program for 1935. In this referendum, returns showed that 17,429 contract signers favored a 1935 program, while 19,985 opposed. In the Bankhead referendum, conducted on December 14, 1934, to decide upon the applicability of the Bankhead Act to the 1935–36 cotton crop, 83 votes were cast in the State, of which 53 favored application of the act. A Nation-wide wheat referendum was held on May 25, 1935, in which producers were asked: "Are you in favor of a wheat production adjustment program to follow the present one, which expires with the 1935 crop year?" In Kansas, 82,059 votes were cast by producers, of which 71,768, or 87.5 percent, favored a program and 10,291 votes opposed. The last referendum in Kansas was that conducted on October 26, 1935, in which corn-hog producers were asked whether they favored a corn-hog program for 1936. Official returns indicated that 41,811 producers favored such a program, while 6,997 opposed.

RENTAL AND BENEFIT PAYMENTS

As of December 31, 1935, rental and benefit payments disbursed among cooperating producers in this State from the beginning of the program totaled $86,755,192.42. Of this amount, cotton farmers received $6,529.28, wheat growers $64,646,607.32, tobacco producers $18,417.44, corn-hog raisers $21,858,170.77, and sugar-beet producers $225,467.61.

Funds to provide these rental and benefit payments were raised through processing taxes. As of December 31, 1935, processing and related tax collections at points in Kansas aggregated $27,093,126.34. Processing taxes were collected through the medium of first processors, or converters of the raw products—millers, packers, cotton and tobacco manufacturers—wherever these processing establishments were located. They were paid by consumers throughout the Nation, wherever the processed products were sold.

THE DROGHT EMERGENCY

Kansas was one of the Midwestern States severely affected by the drought of 1934. In this emergency A. A. A. rental and benefit payments, calculated on the farmers' production during a previous base period rather than upon the current year's production, served as a form of crop insurance. For their 1934 corn crop, reduced to 10,576,000 bushels by the drought, Kansas farmers received only $77,000 at the market; but their rental and benefit payments brought their cash income from the 1934 corn crop to $6,226,000. This was only 20 percent less than they received for their 1932 crop, amounting to 136,197,000 bushels, which was more than 12 times as large.

In 1934 drought threatened Kansas farmers with the loss of thousands of cattle and sheep by thirst and starvation. On June 19, 1934, the Emergency Appropriation Act was approved. It allotted $525,000,000 to the Agricultural Adjustment Administration for financing a drought program to relieve distress in certain areas of the United States. The object of the program was (1) to maintain the foundation for a balanced or diversified farming system in the drought areas, (2) to preserve animals or herds of high-producing quality, (3) to relieve some of the financial load carried by both borrower and lender, and (4) to perform these tasks quickly, efficiently, and economically. The purchase and disposition of cattle was conducted jointly by the Agricultural Adjustment Administration, the Bureau of Animal Industry, the Federal Surplus Relief Corporation, and the Federal Emergency Relief Administration through the Kansas Emergency Relief Corporation, all cooperating with the Kansas State Agricultural Extension Service. Cooperating with the Bureau of Animal Industry inspectors the Drought Relief Service bought drought-threatened cattle. On August 8, Kansas was designated as an emergency-drought area. Estimates placed the number of distressed Kansas cattle at some 750,000 head. To relieve this situation approximately 530,000 head of cattle, sheep, and goats were purchased under the emergency livestock purchase program at a cost to the Federal Government of about $7,650,000.

In the seed-purchase program the A. A. A. acquired about 18,000,000 bushels of grain for seed in the Nation's drought-stricken areas. The cost to the Government of purchasing and selling this seed amounted to about $19,000,000. The seed later offered for sale was accumulated to meet an emergency and was intended to supplement rather than to supplant locally obtainable supplies. In Kansas alone more than $150,000 were spent in this work. From the sale of 105,000 bushels of seed and screenings to about 27 counties in Kansas under this program approximately $78,850 was received. In addition to the seed-conservation work, about 500 carloads of feed were shipped to Kansas during the emergency.

FARMERS' MONEY GOES TO TOWN

The extent to which increased farm income during the past 3 years enabled farmers to increase their purchases of city-made goods is reflected in several ways.

New automobile registrations in Kansas during the period 1932–35 have been as follows:

1932	17,900
1933	28,500
1934	40,100
1935	59,250

The increase from 1932 to 1935 was 231 percent.

According to Automobile Facts and Figures, a publication of the Automobile Manufacturers' Association, the 1934 retail automobile sales gain in Kansas was greatest in small towns and on farms. From 1933 to 1934 new passenger-car registrations on farms and in towns under 10,000 increased 50 percent, whereas in towns over 10,000 the increase was 18 percent.

New automobile purchases among other things meant an increased gasoline consumption. Consumption rose from 350,554,000 gallons in 1932 to 378,781,000 in 1934, and to 409,941,000 in 1935. From 1932 to 1935, therefore, the increase amounted to approximately 17 percent.

Sales of new, ordinary paid-up life insurance in Kansas increased 13.5 percent from $53,645,000 in 1933 to $60,858,000 in 1935.

Another index of increased business activity, resulting in part from renewed farm purchasing power, is debits to individual accounts. Monthly statements issued by the Federal Reserve System indicate that debits to individual accounts increased greatly from 1933 to 1935. For 1933 debits in the Kansas City district amounted to $7,875,224,000. Preliminary figures indicate that for 1935 they increased to $10,910,670,000, or 38.5 percent over the 1933 figure.

THE PREVAILING WAGE AND RELIEF WORKERS

Mr. GRISWOLD. Mr. Speaker, in every relief bill for the past 6 years I have fought for the prevailing wage. I have been criticized and politically chastised for so doing. I be-

lieve in the prevailing wage and I have voted against relief bills which did not contain it. In times gone by there were only a few of us who dared to speak in its behalf. But that fight for a principle has shown results. In the last relief bill passed this month we were able to place an amendment in the bill providing for the prevailing rate of pay. I worked and voted for that amendment as an entering wedge toward the prevailing wage. There is a great distinction between the "rate" and the "wage." To increase the rate of pay per hour and then cut the hours of the men on relief until his weekly wage remains as it was before does not help the man on relief or business generally. We need both the rate and the wage.

I have opposed always, to the full extent of my ability, the relief practice of paying the prevailing profit to those who supply materials for relief work and at the same time paying the starvation wage to the relief worker. If the relief worker is to have the starvation wage, then we should pay also the starvation profit to the materialman. It is not fair nor just nor in accordance with American ideals to discriminate between the earnings on money invested and the earnings on labor invested.

I am opposed to our present relief system of paying these people on relief merely enough to keep body and soul together. I am opposed to the system whereby we pay them for 1 week's work just enough so that they may exist and be alive to work another week for a bare existence wage. Under this system the worker on relief becomes little more than a governmental serf. The freedom of which we boast in this country does not mean being dependent upon a Federal agency or a relief supervisor for a meager pittance to keep body and soul together. Under our relief system a man becomes a slave to the fight for bread, and the power that gives him bread holds over him and his loved ones the whip of hunger, from which it is hopeless to escape.

I listen day after day to talk here in Congress about rugged individualism. Where is there any chance for people on relief to exercise rugged individualism? The only kind of individualism they can exercise is a starving individualism, and when they attempt to exercise that they and their families die of the most excruciatingly terrible disease known to man—the pangs of hunger.

People must eat and wear clothes and have fires to keep them warm. We of America have always believed that they are entitled to even more than that. We have believed in churches and lodges and comfortably furnished homes, in education and minor luxuries for everyone. Relief should be only a temporary proposition with only one object in view—the object of maintaining the unemployed and destitute until they can obtain employment in private industry. For that reason private industry should be considered in any relief program, and the ultimate objective of placing the relief worker on a sound economic basis in private industry should be kept always in mind.

The prosperity of the Nation cannot be restored until we restore the purchasing power of the consuming public. We cannot restore that purchasing power while we keep such a vast army as that of relief on a security wage. The men and women on relief do the same kind and class of work as men and women in private industry, but in private industry we pay them a full wage and on relief a security wage. This security wage is misnamed. It is not a security wage because it does not secure anything. It does not secure the purchasing power necessary to bring back prosperity. It does not secure a market for the farmer or the manufacturer, for these millions must have money to purchase their produce or product. It does not secure payment of doctors or hospital bills. It does not secure the payment of life-insurance premiums. It does not secure the education of children or a decent standard of living for American labor. It does not provide a purchasing power sufficient to enable the vast mass of people to live above a bare existence plane. We have progressed since 1932. Purchasing power has increased. How much more could it increase if we provided a prevailing weekly wage for the people on relief and thereby secure all the things I have just enumerated?

There are men who are like the Bourbon kings of whom it was said, "They forgot nothing and they learned nothing." These men who like to call themselves "leading industrialists" have always contended for low wages. They always will. They are the men who for their immediate personal monetary gain would, like the Bourbon kings, plunge a whole economic system into disaster, forgetting that the disaster will eventually take them and their kind into the debacle.

The maximum wage which can be paid to labor on relief in my district of Indiana is $11 per week. Where is there any purchasing power left for a family of five after the butcher, grocer, and baker are paid with such a wage as this? Mr. William D. Anderson, president of the Bibb Manufacturing Co., addressed a Sunday rally of working people on October 1, 1931. Mr. Anderson figured a budget for a working man's family of four. He suggested that the family live on 24 pounds of flour, 8 pounds of potatoes, 4 pounds of lard, and 1 peck of meal, and that they purchase it all by careful buying for $1.39. In 1930, while Mr. Anderson's company was laying off workers and reducing their wages, it paid its regular dividend and distributed $5,000,000 as a bonus to its stockholders. The present relief system is based upon the same theory as Mr. Anderson has—all for money invested. Nothing for labor invested. We should cease to accept the policies of such men as Mr. Anderson in our conduct toward relief workers.

Neither have we any need in America today for the theories of Dr. Thomas Nixon Carver whom Chairman Fletcher, of the National Republican Committee, appointed as the head of the 50 "brain trust" professors employed by the Republican Party for the coming campaign. Dr. Carver, while making a statement lauding the practices of Mussolini and Hitler, advanced the theory of doing away with the unemployed of the Nation through birth control. The birth control was to be brought about, according to Dr. Carver, by limitation of marriage to those who can afford to buy and maintain an automobile.

Neither the Government, the Nation, nor the unemployed on relief need such theories as those of Industrialist Anderson or Republican Brain Truster Carver. What we need is the restoration of purchasing power and not its curtailment. What we need is the return of prosperity which can best be accomplished by payment of the prevailing wage to relief workers and all other workers who are also the great consumers of the Nation.

Under the present relief system we tax private business to maintain the unemployed but we do not pay the unemployed sufficient to allow them by their purchasing power to make private business prosperous.

If business stagnates the taxing assets that provide for relief are destroyed and both business and relief die.

THE GENESIS OF T. V. A.—THE CONSTITUTIONAL AND ECONOMIC BASES OF T. V. A.

Mr. McSWAIN. Mr. Speaker, the Federal corporation known as Tennessee Valley Authority is not an emergency measure. When I entered the Congress on March 4, 1921, the question "What shall be done with Muscle Shoals?" was a live and highly controversial problem. This issue was battled back and forth continuously until its final settlement on May 18, 1933. As this is the end of my term as a Member of the House of Representatives, I feel justified in calling attention to some history connected with the origin of T. V. A. Much of that history is recited in remarks of my own, found in the CONGRESSIONAL RECORD of January 9, 1931. I call special attention to the fact that when Senate Joint Resolution 46 of the Seventieth Congress came to the House of Representatives and was referred to the Committee on Military Affairs, while the same was under consideration, I offered an amendment by way of substitute for the entire

text of the Senate joint resolution, and the language of my amendment is found on page 2037 of the CONGRESSIONAL RECORD of January 12, 1931, and subsequent pages.

After consideration of the whole matter by the subcommittee, the subcommittee modified in some verbal particulars the language of my amendment and reported the same to the House of Representatives as a substitute for the Senate joint resolution. The House adopted the substitute, and the bill went to conference. The conferees, by House Report No. 1844 of the Seventieth Congress, first session, reported agreement, and that report shows that the conferees agreed upon and adopted substantially the language, the set-up, and corporate organization of the House substitute for the Senate Joint Resolution 46. The Senate agreed to the same conference report, and when the bill went to President Coolidge, he gave it a "pocket veto."

In the next Congress both Houses agreed to a bill almost identical in all respects to the bill which had been agreed upon in the Seventieth Congress, and when this went before President Hoover, he vetoed it in a very vigorous and energetic message. No substantial progress was made in the Seventy-second Congress.

Upon the coming in of the Seventy-third Congress, with President Roosevelt in the White House and a safe Democratic majority in each of the two Houses, it was a foregone conclusion that the Muscle Shoals problem would be settled somehow. Accordingly, on March 9, 1933, Senator NORRIS introduced Senate Joint Resolution 4, and by reference to same, it will appear that he adopted the same corporate organization with substantially the same powers as those included in the bills which had twice passed the House and Senate previously, one of which had received a pocket veto by President Coolidge and the next an affirmative veto by President Hoover. On the same day, March 9, 1933, I introduced in the House of Representatives H. R. 1672, wherein, for the first time, the name "Muscle Shoals" was changed to "Tennessee Valley Development Authority," and subsequently, for brevity, the word "Development" was dropped and the name "Tennessee Valley Authority" accepted.

So far as my memory and research show, this is the first time that the word "Authority" has been used in any Federal legislation to describe a governmental agency with corporate powers and functioning as an arm or agency of the Government. Furthermore, in my bill, H. R. 1672, there was the first proposal to confer upon the Tennessee Valley Authority the power to issue bonds in order to raise money to carry on its activities. I proposed authority to issue bonds aggregating $100,000,000. Later this was cut to $50,000,000. In 1935 another $50,000,000 authority was added, so the power now stands for T. V. A. to issue bonds aggregating $100,000,000, as was originally proposed by me.

On March 9, 1933, my good friend, the Honorable LISTER HILL, from Alabama, introduced H. R. 1609, from which it will appear that he followed substantially the corporate structure and arrangement of power proposed to be conferred by the bills previously vetoed by Presidents Coolidge and Hoover. Subsequently, on April 11, 1933, three identical bills were introduced in the House of Representatives, drawn after frequent conferences between Representative HILL and myself, one bearing the name of Representative Almon of Alabama, one the name of Representative HILL, and one the name of myself. These bills bore the numbers 4859, 4860, and 4861, respectively. These bills were referred to the Committee on Military Affairs, and, after prolonged hearings and consideration, various amendments were made and a new bill incorporating the amendments adopted in committee was introduced, upon my suggestion and request, by Representative HILL of Alabama, the ranking majority member, and this bill was ordered to be reported to the House of Representatives with a recommendation that it be passed, and I was instructed to make the report for the committee. I respectfully refer those interested in conserving our water-power resources to that report, and I quote the following brief extract from that report as indicating the fundamental economic philosophy back of the whole proposal:

> When this Tennessee Valley development shall have progressed sufficiently for us to learn great lessons as to how best to serve the public, then development will follow in other great interstate and international watercourses. Undoubtedly there are several great areas in all sections of the country that will ultimately be developed by the application of the same principles and policies.
>
> It is the simple, fundamental American, Jeffersonian, Roosevelt ian proposition of preserving and using for all the people those great sources of wealth conferred by the prolific hand of God upon the masses of the people who settled in this new continent, cleared its fields, opened its mines, navigated its rivers, built its cities, highways, and railroads, established its independence by their sacrifices and sufferings, have maintained its independence in war, and defended its honor at home and abroad at the peril of their lives. In fact, millions have suffered in war, and many more millions have sacrificed and struggled in peace throughout our 150 years to bring this Nation where it is. Something is due these voiceless millions and more is due to the unborn millions. By this measure for the development of the Tennessee Valley, we, the representatives of the dead, of the living, and of the unborn, are fulfilling our pledges to them all, and seeking to make real the fundamental principle of popular government—that of the greatest good to the greatest number.

This bill was passed by the House of Representatives, and when it went to the Senate the Senate struck out all the House language and inserted by way of amendment the language of a Senate bill introduced by Senator NORRIS. Upon this issue there was a laborious conference, but the bill remained substantially as it passed the House, and both Houses approved the report of the conferees; and thus was enacted into law, as Public, No. 17, of the Seventy-third Congress, when the same was approved by President Roosevelt on May 18, 1933, the Tennessee Valley Authority Act of 1933.

On March 18, 1935, I introduced as H. R. 6793, a bill which was submitted to me by the directors of T. V. A. as containing desirable amendments to the act of 1933. This bill failed to meet the approval of a majority of the Committee on Military Affairs, and the same, together with a Senate bill which had passed the Senate and had been referred to the Committee on Military Affairs of the House of Representatives, was tabled in the Committee on Military Affairs. Being unable by sufficient number of votes to take the said bills from the table for further consideration on June 18, after conferences with many members of the Committee on Military Affairs, and in the hope of obtaining desirable legislation, I introduced H. R. 8527, and the same was long and seriously and carefully considered by the committee in executive session. The same having been amended by the committee in many respects in order to bring a bill before the House without having a long list of committee amendments, I was instructed to introduce a new bill incorporating the committee amendments, which I did on June 24, 1935, as H. R. 8632. When this bill was heard in the House of Representatives, numerous amendments were made thereto, and it was then sent to the Senate. In the Senate, the language of the bill was stricken out and the language of a bill which had previously passed the Senate, as before mentioned, was inserted as an amendment by way of substitute. Upon this issue there was a conference, and the conferees finally agreed upon the provisions of a bill which was reported to the House of Representatives and the Senate, respectively. Both Houses agreed to the report of the conferees, and the bill was signed by President Roosevelt on August 31, 1935, as Public, No. 412, Seventy-fourth Congress. After such approval of the conference reports by the House of Representatives, I was informed by Dr. Arthur E. Morgan, by conversation over the telephone, that he greatly approved of the provisions of the bill thus finally worked out after long and tedious labors in the committee, in both Houses, and in conference.

Dr. Morgan, in that conversation, expressed his renewed confidence in parliamentary institutions, and stated that he regarded the bill which the conferees had agreed upon as an improvement upon the bill which he and the other directors had originally drafted and submitted with the request that

the same be enacted into law. Dr. Morgan was eminently justified in his comment upon the ultimate wisdom of parliamentary government. It is true that legislation under our constitutional system seems slow and, therefore, seems inefficient to many not acquainted with its processes and its benefits. To every truly Jeffersonian Democrat, to every person thoroughly grounded in his heart and mind in the principles of Anglo-Saxon liberty, and in the conviction that there are two sides to all questions, and that out of debate and controversy, honest men will finally arrive at a wise solution, the statement by Dr. Morgan is not surprising. Since T. V. A. is not an emergency measure, it was highly desirable and, I believe, ultimately highly beneficial, that a full and complete discussion of all phases of the problem should be had, and that all persons having an adverse interest should be fully heard. If the bill had been rushed through by any tactics which its opponents could have fairly described as "steam roller" methods, then resentment would have been general and deep, and the fate of T. V. A. would have been imperiled, but since the matter was thoroughly ventilated, every individual "had his day in court" to voice his views either of approval or disapproval. Since the matter was openly, fairly, and patiently deliberated upon for many weeks all factions seem now fairly well satisfied and seem to accept the result as final. In other words, T. V. A. seems more solidly fixed in the convictions and confidence of an overwhelming majority of the Congress and of the people than ever before.

CONSTITUTIONAL JUSTIFICATION FOR T. V. A.

In the report which I filed by the instruction of the committee on H. R. 8632, being Report No. 1372, of the first session of the Seventy-fourth Congress, I used the language hereinafter quoted as expressive of the fundamental philosophy upon which T. V. A. is predicated. I had previously in the report called attention to the constitutional basis for T. V. A. as resting upon the broad Federal powers of national defense and of regulating interstate commerce, and had assured the Congress of our desire to restrict our proposals to what we felt could and would be finally sustained by the Supreme Court as a reasonable and proper exercise by the Congress of the power to provide for the common defense and to regulate interstate commerce by the improvement of navigable streams and the control of flood waters within navigable streams. Upon these broad constitutional bases must rest T. V. A. Upon these as foundations we have built expressly and deliberately incidental matters, such as the generation and sale of surplus electric energy, made desirable for the sake of economy and efficiency, which grow out of and rest solidly and solely upon these powers of national defense and interstate commerce.

If the basis be constitutional, the superstructure will be sustained.

We think that no court can decide a constitutional question by calculating the percentage of direct constitutional power and of indirect, implied power contained in a Federal enterprise. Therefore, we feel that the Supreme Court when it comes to consider the T. V. A. as a whole, just as it did when it considered the Wilson Dam in the Ashwander case, will hold that Congress had as much right in the exercise of its power and discretion to construct the Joe Wheeler Dam, and the Pickwick Landing Dam, and the Norris Dam, and the Chickamauga Dam, and the Guntersville Dam, and any other dam, as it had originally to erect the Wilson Dam. The fact that the Wilson Dam was started during the World War for the purpose of increasing the supply of munitions and explosives for our armies during that war is not the test of its constitutionality. Congress has the same power to provide for the national defense in advance of war and during the prevalence of peace, that it has during a war itself. In fact, if Congress waited to exercise its power to provide for the common defense until war broke out, it would often be too late and the power would thus be exercised in vain. We may be as near war in 1936 as we were in 1916. The Constitution expressly gives to the Congress the power "to raise and support armies" and "to provide and maintain a navy." These powers are not limited to the existence of war. In fact, the powers were conferred largely to prevent war by warning other nations, through the existence of adequate defense establishments, that attacks upon this Nation would be futile.

GENERATION OF ELECTRIC ENERGY NATURALLY INCIDENT TO HIGH DAMS

By the same token of reasoning, Congress continuously has the power to regulate interstate commerce by making navigable streams more accessible to commerce. A necessary incident to regulating stream flow in navigable streams is flood control. A reasonable, essential, and Constitutional means of managing and operating dams built to promote navigation and to regulate stream flow and to control flood waters, is the installation of water wheels and of electric generators connected with said water wheels for the generation of electric energy. Having generated this most valuable commodity, it is undoubtedly the power of the Congress to provide for the sale of such surplus power as may not be needed.

The generation of power being a natural, physical incident to high dams, such generation of power must follow as a legal, reasonable, and proper incident to the basic, Constitutional power. The State governments could not install any electric generating machinery in a dam built and operated by the Federal Government. Therefore, either the Federal Government must use this valuable power or otherwise it would be completely wasted. This power being worth many millions of dollars a year from all the dams above enumerated, common sense, which is the basis of all law, even of Constitutional law, dictates that Congress shall provide for the use and sale of such electric energy.

POWER TO SECURE NATIONAL DEFENSE EXISTENT DURING PEACE AND WAR

It must be admitted that Congress has as much power to provide for the common defense during peace as it has during war. It is a continuing power. In like manner, the Congress always has the power to regulate interstate commerce. Therefore, Congress has as much power now to build the Joe Wheeler Dam, and the Norris Dam, and other dams, as it had in 1918 to build the Wilson Dam. The Supreme Court cannot fairly say that Congress has the power to build one dam in order to promote national defense, but has no power to build two or three dams, or four dams, to promote the national defense.

It is entirely thinkable that the time may come when every kilowatt of energy generated in the entire T. V. A. system will be needed during a war to provide the munitions and instrumentalities whereby to carry on war. Many of the mineral products necessary for national defense lie close to the dams of the Tennessee Valley. Since Congress has the power to build such number of dams as it may see fit in the interest of national defense and to promote interstate commerce up and down the Tennessee River, and since common sense would not countenance the economic waste of not utilizing the power generated at the several dams, I submit that this piece of permanent legislation setting up T. V. A. will stand the test of its constitutionality when the 18 cases recently inaugurated in the courts below shall finally reach the Supreme Court. While the Court expressly restricts its decision in the Ashwander case to the facts of that particular case, the logic of the Ashwander case would be the same if the Joe Wheeler Dam were now under consideration by the Court. If Congress declared, as it has done in the act of May 18, 1933, that the purpose of building these dams is to improve the navigability of the Tennessee River and to provide for the national defense, then the Supreme Court cannot deny this solemn declaration of fact by Congress. The Supreme Court cannot deny to the Congress the power to do what the Constitution expressly gives it the power to do. The Supreme Court cannot declare that the means chosen by the Congress for the purpose of promoting interstate commerce and for providing for the national defense are inappropriate to the end sought. The appropriateness of the agency and means is a matter for congressional discretion.

CONGRESS AS TRUSTEE OF WATER POWER IN NAVIGABLE STREAMS

I herewith insert that brief extract from the report dated June 26, 1935, on H. R. 8632, above referred to:

For more than 20 years both of the major political parties have repeatedly pledged themselves to the people of the Nation to accomplish conservation of our natural resources for the benefit of all the people, and undoubtedly our potential water power is our greatest natural resource. Like the air through which every man may fly his aircraft, and like the seas upon which every man may sail his seacraft, so the great rivers and lakes are the gift of God to all men in the aggregate, and no man may build a fence around them and claim them exclusively for his own use and for his own enrichment. The Government of all the people must be the trustee of all the people for the protection, the development, and the use in behalf of all the people of these great interstate navigable streams.

All the people who settled this then newly discovered country and their descendants, and all the people who have labored to develop this country and their descendants, and all the people who have fought and suffered to set free and to preserve this Nation and their descendants, have a joint proprietary interest in these great natural resources. Therefore, the Congress as the constitutional agent of the people, has throughout the history of our Nation recognized its obligation to improve these channels of interstate commerce wherever possible, and in these latter years since the uses of electricity have become so numerous and so vital to the well-being of our people, both in cities and in manufacturing centers and in rural sections, Congress has advanced and must continue with the passing years to advance in the discharge of this duty. As trustee for all these people, Congress must see that they receive the greatest benefits possible under the Constitution from the development of this great natural resource.

The power of Congress to regulate interstate commerce in navigable streams is absolute, exclusive, and plenary. So is the power to provide for the common defense. Under these two sovereign powers, if Congress can construct one dam, Wilson Dam, with power-house and navigation locks, what court can say that two such dams, or three or more, are beyond its power? The power being admitted the extent of its exercise is discretionary.

LOW DAMS OR HIGH DAMS IN DISCRETION OF CONGRESS

Believing that the soundness of the reasoning hereinbefore advanced, to wit, that if Congress had the power to construct the dam and power-house at the Wilson Dam during the war, then under the same war power it can in its discretion construct the Joe Wheeler Dam before the outbreak of war, and if it can construct the Joe Wheeler Dam, then it can construct the Pickwick Landing Dam and the Norris Dam and other dams mentioned cannot be fairly and logically disputed. In like manner, Congress in the exercise of its discretion can decide whether or not in aid of navigation it should build low dams without the development of power or high dams of which the development of power is a natural and inevitable consequence according to the law of physics. Since Congress can properly construct either low dams or high dams, and since the production of power incident to a high dam follows according to the law of nature, then the mere insertion of a water wheel to utilize the power which would otherwise be utterly wasted and connecting that water wheel with an electric generator are proper, fair, and reasonable incidents to the building of a high dam. Furthermore, the building of the high dam and the installation of a water wheel and its final connection with an electric generator have been pronounced by Congress in its acts of May 18, 1933, and of August 31, 1935, to be proper preparatory steps incident to the power of national defense, just as the establishment of peacetime of an arsenal or a munitions factory or building barracks for peacetime soldiers may properly be referred to the war-making power.

THE LIMITS OF CONSTITUTIONAL POWER IN SALE AND USE OF ELECTRICITY

But it may be fairly asked, where may this exercise of the war-making power and of regulating interstate commerce, through promoting navigation and flood control, end and cease to be a proper incident to the exercise of admitted constitutional powers? Undoubtedly the line must be drawn somewhere. Certainly it would be an invalid stretch of constitutional power to claim that Congress could go out and establish factories in order to utilize this electric power, and establish distributing plants for the sale to individual householders of this electric energy, or to operate blast furnaces, or a thousand other enterprises that would be regarded as strictly local and intrastate in character and connected with the ordinary business enterprises of the people, and not reasonably connected with the conduct of war or preparation for conducting war. I hold that a fair and reasonable and practical line of demarcation can be drawn at the end of a transmission line where electric energy is sold in wholesale quantities. The length of the transmission line must be variable and its maximum length is determined by the distance to which electric energy may be economically transmitted. The transmission line may be only a few hundred yards long, or may be 250 miles long, all depending on the circumstances. Undoubtedly, and under any circumstances, there is a transmission line from the generator in the power-house out to the switchboard, where the energy is metered to the wholesale purchaser. If, in order to find a purchaser at a fair market price, and to render the Government agency independent of the monopoly control by some private power company, T. V. A. should build transmission lines, then the T. V. A. may and should be allowed to send electric energy over such transmission lines to some point of wholesale delivery.

In this light, and remembering the practical, mechanical, and commercial situation by which the T. V. A. is confronted, such transmission lines for the wholesale delivery of electric energy are as much a part of the dam as are the water wheel and the generator and the switchboard. It would be futile and foolish to authorize the installation of a water wheel and of a generator as natural and physical incidents to the building of a high dam, and then, due to the economic and commercial situation, compel the T. V. A. to sell the electric energy to one buyer only and at a price to be dictated by that single buyer. At the end of the transmission line, whatever the length of that transmission line may be, I admit that the power of the Federal Government not only does cease but must cease and should cease. But the transmission lines, whatever their length, and the switchboards, and the generators, and the water wheels, and the high dams, all constitute integral and essential and inseparable parts of the proper constitutional projects to promote the national defense and to regulate interstate commerce by promoting navigation and exercising the power of flood control. Of course, flood control and navigation are natural, proper, and essential incidents to exercise of the constitutional power to regulate interstate commerce.

Congress has merely exercised its discretion as the means of providing for the common defense and of regulating interstate commerce.

A BUDGET ANNUALLY BALANCED

Mr. BACON. Mr. Speaker, the gentlemen on the other side of the aisle seem to have been having great difficulty in finding citizens from whom they can pluck an additional six-hundred-million-and-odd dollars annually in taxes. They have combed the list of potential taxpayers backward and forward only to find that group after group is already being taxed to the limit of their capacity to pay. It seems that it is a great deal easier to appropriate and spend money than it is to collect it. There is nothing new in this discovery, but it is nevertheless amusing and interesting that gentlemen who have such a profound belief in the magic of a planned economy which they can direct from Washington should have taken so long to learn such an elementary lesson.

For the sake of the record I should like to show what a paltry impression these anticipated new tax receipts will make upon the terrifying deficits which have been run up by an administration which promised to put "our own national house in order" (I am quoting from the President's inaugural address of Mar. 4, 1933), and make "the income balance outgo."

The Democratic platform of 1933 said—

We favor maintenance of the national credit by a Federal budget, annually balanced. * * *

The only annual balancing of the Budget that I have been able to discover has been in the annual promises which the

President has made, each holding forth the hope that a balanced Budget was just around the corner.

Instead of income balancing outgo, here is what the official figures (taken from the President's own Budget message of Jan. 3, 1936, and the Secretary of the Treasury's testimony before the Senate Finance Committee on Apr. 30, 1936), show:

	Expenditures	Income	Deficit
Year ending June 30—			
1934	$7,105,000,000	$3,116,000,000	$3,989,000,000
1935	7,375,000,000	3,800,000,000	3,575,000,000
1936 [1]	9,882,000,000	3,916,000,000	5,966,000,000
Total	24,362,000,000	10,832,000,000	13,530,000,000

[1] Estimated.

The new taxes contemplated by the legislation now before Congress will cover, it seems, only about one-tenth of the deficit for the current fiscal year. Put another way, in order to balance the Budget we should have to pass a tax bill levying 10 times what we propose to levy now.

I wonder if we can ever succeed in "putting our own national house in order" so long as the Congress has to rely on the type of estimates which the high priests of economic planning have been giving us. The present administration promised adherence to its party platform, which advocated "a Federal Budget annually balanced on the basis of accurate executive estimates." How has this promise been performed? I can name offhand five separate estimates that have been made as to the deficit for the year ending June 30, 1936. Here they are:

On Jan. 3, 1934, President Roosevelt estimated	No deficit
On Jan. 3, 1935, President Roosevelt estimated	$4,529,000,000
On Jan. 3, 1936, President Roosevelt estimated	3,234,000,000
On Apr. 25, 1936, President Roosevelt estimated	3,000,000,000
On Apr. 30, 1936, Secretary Morgenthau estimated	5,966,000,000

I submit that a promise of no deficit for 1936, compared with a performance of nearly a $6,000,000,000 deficit is, on its face, conclusive evidence of a recklessness in finance that can only lead, if the public allows it to continue, to the very danger which Franklin D. Roosevelt pointed out in his message to Congress on March 10, 1935, when he said:

> Too often in recent history, liberal governments have been wrecked on rocks of loose fiscal policies. We must avoid this danger.

PROMOTE PEACE AND DISCOURAGE WAR BY PREVENTING WAR PROFITS

Mr. McSWAIN. Mr. Speaker, under leave to extend my own remarks, I am expressing my pleasure at learning that on yesterday Senator TOM CONNALLY, of Texas, on behalf of the Finance Committee, announced that a report from that committee would soon be filed upon H. R. 5529, which passed the House more than a year ago.

Mr. Speaker, I have a very personal interest in this bill. When I was elected to Congress in 1920, one of the principal objects emphasized by me in my campaign was to assist in preventing a repetition of the disgraceful and outrageous profiteering that was practiced during the World War, whereby many thousands of persons became millionaires at the expense of the Government and their fellow citizens. When I entered Congress I immediately began taking every practicable and reasonable step to accomplish this result.

It is true that I did not favor the Capper-Johnson bill, because it contemplated a complete socialization of all of our industry and property and a complete militarization of all our people. I was afraid that if we ever "scrambled the eggs" in this way during war we would be unable to "unscramble" them during the subsequent peace. But I believe it is practicable and feasible to prevent profiteering without destroying our competitive and capitalistic system. For many years I worked to build up sentiment along practical and sane lines. I believe that I was indirectly responsible, by the means aforesaid, for there being planks in the Republican and Democratic platforms favoring legislation to prevent profiteering in time of war. In the same way I feel some responsibility for having inspired and assisted in the legislation setting up the War Policies Commission. I was active in the hearings by that Commission as a member thereof until I was suddenly taken sick on March 17, 1931. In the winter of 1931 and 1932 I was active in assisting to prepare the report of the Commission. I earnestly sponsored H. R. 5529 in the House of Representatives and have been anxiously awaiting action in the Senate. My very great respect for a coordinate body has deterred me from entering into any active campaign for the enactment of this bill by the gentlemen of the Senate, whose responsibility it now is.

Mr. Speaker, I will not be a Member of the next Congress. I am not a candidate for reelection. If I could see this legislation to prevent profiteering enacted into law during the present Congress, it would make me an exceedingly happy man. Of course, that is no reason why the gentlemen of the Senate should hasten legislation along this line, just to please me, but it is proper for me to express my very great interest in the legislation now pending before them.

Mr. Speaker, we are appropriating approximately $1,000,000,000 for the fiscal year ending June 30, 1937, for both the Army and the Navy. That sum is not too large; but for us to neglect an agency of preparedness of equal value to the Government in the conduct of war, such as legislation to prevent profiteering and to mobilize industry, when such legislation would not cost us a penny, seems to me strangely inconsistent.

Furthermore, our military and naval preparedness is for the purpose of promoting peace. We have no offensive designs against any other people or nation. We merely desire to be reasonably prepared to prevent aggression upon us by other nations. If other nations know we are prepared to defend ourselves, then they will not encroach upon our rights or violate our policies or invade us. In this way, sane and adequate preparedness on our part promotes and prolongs peace.

But if other nations know that we have legislation such as is contemplated by H. R. 5529, whereby all our industrial, financial, and economic resources will be instantly mobilized in time of war, and whereby profiteering will be prevented, so that our manpower will fight with more zeal and spirit, then such other nations will see that we are doubly prepared and will thus be more surely deterred from provoking war with us.

Therefore, a fit companion to the appropriation of $1,000,000,000 for defensive measures would be the enactment of H. R. 5529, which would be equivalent as a defense measure and as a deterrent of war to another billion dollars. If, therefore, we can get a billion dollars' worth of defense without the cost of one cent, we should take prompt, vigorous steps to accomplish that result, by the enactment of H. R. 5529.

Such legislation as is contained in H. R. 5529 has been the first and primary objective of the American Legion since its organization. Countless organizations—religious, fraternal, social, and otherwise—have endorsed the proposal. It is the well-nigh unanimous sentiment of the American people. If the Seventy-fourth Congress will enact H. R. 5529 into law, it will set up a monument to itself to which all future generations will point and to which the peace-loving and friendly peoples of all the civilized world will point as the beginning of a new era in human affairs, like unto the Declaration of Independence, like unto the Constitution of the United States, and like unto the great humanitarian measures that have been fostered and fathered by the Seventy-third and Seventy-fourth Congresses.

Indicating the importance of this proposal to stop profiteering in time of war, I call attention to front-page dispatches appearing in all daily newspapers of December 13, 1934.

THE POSTMASTERSHIP PROBLEM

Mr. HILDEBRANDT. Mr. Speaker, one of the most perplexing problems that a Congressman is called upon to solve is the selection of postmasters to be recommended

to the President and the Postmaster General for appointment. Every Congressman will, I think, back me up in saying this.

It is often difficult to choose between three eligibles, all of whom have good ratings and are highly recommended by loyal friends. The choice must be made, however, and two of the eligibles—as well as several, perhaps, who failed to land in the eligible class and were rated below the three more fortunate aspirants—are certain to be more or less disappointed. Their friends will be disappointed also, and sometimes many of them are hard to reason with. Then the difficulty of appeasing the ineligibles is often greatest of all, for, as a rule, every candiate feels sure that he or she must have passed the examination.

As a matter of fact, I believe that the Civil Service Commission is very just and impartial in making ratings. Its staff and examiners have generally been in office under both parties and have adopted the policy of showing no favors and of giving percentages that are as accurate as is humanly possible. If a seeker after a postmastership is not listed as eligible by the Commission, it is a pretty safe bet that he or she should not be so listed—that the Commission has merely done its official duty in an entirely impersonal way.

I do not like to disappoint people. There are numerous instances when I think highly of several candidates and should be happy if I could appoint all of them—but that, we know, cannot be done. It would be well if aspirants and their supporters would realize this, take the matter philosophically, and understand that a Representative in recommending one or another person is seldom actuated by anything but the best of good will for the others. If they will mentally put themselves in the Congressman's position they will be less critical.

LABOR, IMMIGRATION, NATURALIZATION, AND VETERANS' BENEFITS

Mr. LESINSKI. Mr. Speaker, I am proud to have had a part in the adoption of the many measures proposed by our President for the betterment of the workers of the United States.

President Roosevelt and the Seventy-third and Seventy-fourth Congresses have been in entire sympathy with the laboring men and women of this country. Through the enactment of the Home Owners' Loan Act we saved thousands of their homes. The Federal guarantee of bank deposits has made their life savings secure. The Railroad Retirement Act will help to care for thousands of railroad workers who have reached the evening hour of life. The Wagner Labor Relations Act recognized the principle of collective bargaining so long fought for by the labor organizations of our Nation. The National Reemployment Service has assisted many thousands in finding gainful employment. The Civilian Conservation Corps has taken from the streets hundreds of thousands of sons of laborers and placed them in clean and healthful camps. The Social Security Act guarantees to our aged that their declining years will not be spent in poverty and suffering and sets up a system of unemployment insurance for the future. The Public Works Administration has provided employment for thousands. The apropriations for relief have given effect to the declaration of President Roosevelt that no one in the United States would starve.

In spite of the sincere and honest efforts that have been made, Mr. Speaker, the problem of unemployment has not yet been entirely solved.

THIRTY-HOUR WEEK BILL

By far the most insidious evil of our modern civilization is the appalling unemployment caused by the use of labor-saving machinery. Today cows are milked by machines. Cotton is picked by machine. One tractor pulls 24 plows and thousands of acres are plowed in one operation. Teletype machines supplant thousands of telegraph operators. The dial system does away with the need for hundreds of thousands of telephone operators. The ditch-digging machine, with a crew of 3 or 5 men, can do more work in 1 day than 100 men did before this piece of machinery was invented. These are only a few of the labor-saving devices that cause millions to be without work.

A leading manufacturer of motor cars in 1922 employed 55 men per car manufactured. In 1934 the same manufacturer turned out each car with the assistance of only 8 men. Another manufacturer of automobiles required an average of 4,664 man-hours to turn out an automobile in 1912. In 1923 this manufacturer required only 813 man-hours to produce an automobile. A new furnace for heating metal has increased production per man two and two-thirds times. Forging by machine doubled production per man. A machine for the manufacture of pressed-steel frames operated by one man displaced the labor of 175 men.

We are proud of the inventive genius of our people. We glory that of all the nations on earth, ours has the capacity for producing more goods than almost all the other nations by their combined efforts can produce. During the era of industrial progress the greatness of American industry has been proclaimed throughout the world. But, Mr. Speaker, a social and economic system founded to meet the needs of a society that knew nothing of machines cannot meet the needs of a society that appears to be in danger of destruction by the machines it has invented. Changed conditions call for the adoption of new policies to meet the new conditions. Our enthusiasm for the benefits derived from improved machinery caused us to become unmindful of the hardships of those who toil with human hands. Society must progress; civilization must march forward with a never faltering step. But in that march of progress we cannot let only those take who have the power and let only those keep who can. We must make such modifications in our social and economic structure as will guarantee to the laborers of the United States a just share in the wealth they produce.

America cannot long continue economically half slave and half free. With the number of unemployed estimated at between 7,000,000 and 11,000,000, we find industrial production within striking distance of the peak reached in 1929. We have found that our industrial system, while making thousands of millionaires, made millions of paupers. Pay rolls in December 1934 were only about 60 percent of the total in 1926, but dividends and interest were 150 percent of their total in 1926. Even though the national income had declined by nearly 40 percent from 1926 to 1934, the income enjoyed by those who received dividends and interest was 50 percent higher than in 1926. In 1849 the wage earners' share in each dollar created by manufacture was 51 percent. Today the wage earners' share is only 36 percent. In other words, the share going to profits and overhead and other costs has increased from 49 percent to 64 percent over the 87-year period. On the other hand, due to improved machinery, between 1919 and 1933 the average worker's producing capacity almost doubled; production per worker per hour in our manufacturing industries increase 71 percent, while, as I have said, their share in each dollar created by manufacture dropped approximately 15 percent.

These brief illustrations clearly demonstrate that the machine has displaced the laborer and the laborer's share in the national income that has been lost to him is now going to the man who owns the machine. The result is an over-concentration of wealth in the hands of a very small percentage of our population.

The machine has displaced the man. Does the machine assume the burden of citizenship? Does it maintain the American home, the cornerstone of our civilization? Does the machine take over the burden of taxation? Does it consume the products of man as does the laborer? The inanimate machine, without soul, without intellect, has under our system become a monster that knows no God, grinding in its ever-turning wheels the hearts, ambitions, and ideals of millions of laborers. Are we to continue to permit this monster to be our master and destroy our civilization; or shall we by the adoption of enlightened and humanitarian legislation reduce the monster to a position of servitude in order that it may become an instrumentality serving the best interest of all the people? The American Congress

will not shirk its duty. It will adopt a plan that strikes at the very heart of unemployment. This plan is embodied in the 30-hour workweek bill.

The 30-hour-week bill will guarantee to the worker a fair share of the wealth he produces. It will result in a more equitable distribution of the national income. Before the products of industry can be purchased the people must have money with which to buy. The wage earners of this country, including the farmers as wage earners, represent approximately 80 percent of our total ability to consume. The wage earners will buy the products of industry just as soon as they have the necessary purchasing power. The 30-hour-week bill by putting millions of idle workers in gainful employment will work untold benefit to the entire Nation by producing a tremendous increase in our national purchasing power.

The 30-hour-week bill provides briefly that all goods shipped in interstate commerce must be manufactured by plants employing laborers for no more than 6 hours in any one day and no more than 30 hours in any one week. The estimates based on the best available figures are that the adoption of the 30-hour workweek will create jobs immediately for some 3,200,000 workers. The reemployment of these workers will produce an enormous increase in demand for industrial products, and this demand with its cumulative effect over a period of time will lift production to levels never before possible. These new demands upon our producing and service industries will create more jobs and finally reemploy the millions of workers without jobs.

To secure the best possible results and assure the workers that their income will not be reduced with the corresponding reduction in hours, this bill makes it unlawful for any employer to reduce the prevailing wage rate. There are many who will undoubtedly attack this measure as unconstitutional. I urge the passage of this bill immediately. If it is found to be unconstitutional, I urge the immediate adoption of an amendment to our Constitution to give the Federal Government the power to deal with a problem of national concern.

Unless this measure is adopted machines will stay idle. Factories will remain closed. They do not produce simply for the sake of production. Industry produces to sell to customers who can buy, and customers cannot buy when only a few of them are in receipt of wages, and wages which are in many cases insufficient to keep body and soul together. We must recognize the fact that the workers of this country must have a sufficient purchasing power—that is, a fair share of the national income—to enable them to purchase the products of industry.

That the principle of the 30-hour week is practical has already been demonstrated. During the period from July to October 1933, due to the decrease in hours of work brought about by the N. R. A., employment climbed to 75 percent of the 1929 level, and this employment was maintained throughout 1934. During the period of the N. R. A. the average workweek in industry was almost 40 hours. Do we need greater proof that the principle of shortening hours of work and at the same time maintaining a living wage schedule is the proper method to pursue in solving our problem of unemployment?

We are taught that man was made to enjoy the fruits of this earth. Under our present system it would appear that the earth and even man himself was created to be the servant of entrenched wealth and the modern machine. We cannot expect one group of our population to remain prosperous while another group exists in economic slavery. Progressive Americans must dedicate themselves to the task of ending exploitation of the laborers and reaching an economic balance in our national life. The primary step to be taken in attaining these sacred objectives is the adoption of the 30-hour workweek bill. If this Congress will pass this bill it will be placed on the statute books as one of the greatest laws of all times. It will bring to millions of idle workers, prosperity, happiness, and renewed courage.

VETERANS' BENEFITS

The military genius of the soldiers of all our wars stands forth in undimmed luster. In their youth, strength, and love of loyalty they gave all that mortality can give. They need no eulogy; they have written their own history in red on the enemy's breast. When I think of their patience under adversity, their courage under fire, and their modesty in victory, I can well understand why an appreciative people have demanded that our Government enact legislation for the benefit of the sick, wounded, and disabled veterans, and for the benefit of the dependents of those who have heard the sounding of their last reveille.

For a great many years the Congress, without regard to any fixed policy, has enacted pension law after pension law. This has resulted in a conglomeration of inequalities. Veterans protest the inequalities and uncertainties; our taxpayers the cost and inefficiency. The law applying to any particular case is lost in a maze of statutes and regulations and its proper application is always difficult and oftentimes impossible. The result is prolonged adjudication, and a final determination of the merits of a particular case is sometimes delayed for a period of years.

In order to remedy these conditions, I propose the adoption of a uniform national policy with respect to the benefits being paid to our veterans, their widows and dependents. I urge the codification and simplification of all pension laws and regulations. We must enact pension laws that will be uniform as to operation upon the veterans of all our wars. Our Government should have a sound policy applicable to the future as well as the present. Our pension system should be flexible, in order that full justice may be done in every case and in order that benefits may not be denied because under some technical regulation the equity of a particular case cannot be recognized. The simplification of our pension laws would result in a simplification of operative procedure in administration and would mean an annual saving of millions of dollars. We could then provide more liberal benefits for our veterans at no additional cost to our Government. At the present time the whole bill for expenditures by the Veterans' Administration is charged to the veterans, while in truth a large percentage of the funds appropriated are used up in the administration of the pension laws.

A grateful people must not with the passing of the years forget that the most sacred principles of our free Government have been acquired, protected, and perpetuated by the blood of our veterans. We owe them a debt that cannot be paid in money, but insofar as we can show our gratitude by the payment of benefits that will ease the suffering resulting from war, we cannot in honesty and fairness do less than assure them that the benefits provided will be uniform as to all, easily and quickly acquired by those entitled, and secure after granted.

IMMIGRATION AND NATURALIZATION

The growth of the United States has been characterized by a spirit of restless activity. We have constantly sought new frontiers to conquer, and beginning with a virile civilization on the Atlantic seaboard we have gradually extended our frontiers until today we have a united people in a nation that stretches from the Atlantic to the Pacific and from the Great Lakes to the Gulf of Mexico. The United States was made rich and populous only by the hardy, pioneer spirit of millions of God-fearing people in distant countries who did not hesitate to leave their homelands for a new and strange country where all are guaranteed liberty and equality.

In the colonial period there was no problem of immigration and naturalization. We welcomed all who had the courage to colonize a new continent, and by their very coming to our land we knew that they had the qualities of citizenship that we desired. During the past 50 years we have found it necessary to enact many laws governing immigration and naturalization. Most of these laws have been wise and just. Through their operation we have added strength to our national character. These new citizens have eagerly and without hesitation assumed the burden of citizenship, and our history is colored with their achievements.

The United States by welcoming thousands of immigrants is annually adding new blood to its national body. Americans greet them in a spirit of friendliness and comradeship, for we all know that at some time in the years gone by our forefathers encountered the same difficulties that they now meet.

However, Mr. Speaker, through personal observation in my own district and by official study as a member of the Committee on Immigration and Naturalization, I know that the present immigration and naturalization laws in many instances work unbelievable hardship.

The average hard-working alien not only has troubles of an economic sort but he is also caught in a web of conflicting, cumbersome, and rather harsh immigration and naturalization laws. As in the case of the pension system, naturalization law after naturalization law has been passed. It would seem that Congress has passed one law to remedy a particular condition and then on finding that it did not entirely meet the situation, quickly passed another law to fill in. This haphazard policy has left so much to judicial and administrative interpretation that honest and conscientious aliens desirous of becoming citizens of the United States are at a loss to know what their rights are or where to find an understandable statement of those rights. Under the operation of our present system, family ties have been broken, relatives separated, and homes wrecked because some arbitrary ruling or technical interpretation failed to recognize the merits of an application for citizenship that presented to an unbiased mind all the qualifications desired of a good citizen.

I urge, Mr. Speaker, that a thorough and sympathetic study be made of our present immigration and naturalization system to the end that a simple, complete, and understandable codification of these laws may be attained that will assure to our honest alien elements common justice and humane treatment.

THE ECONOMICS OF SCARCITY

Mr. HILDEBRANDT. Mr. Speaker, so much criticism has been aimed at the Agricultural Adjustment Administration because of its policy of an economics of scarcity that an explanation is due many farmers and others who do not understand the reason behind this governmental procedure.

Chester A. Davis, A. A. A. Administrator, in his address at Des Moines, June 3, well explained the position of the organization of which he is in charge. Among other things, he said:

> I think I speak what is in the minds of the farmers of this country when I say that they are strong for the economics of plenty—but they want it practiced clear across the board in the business life of the Nation as well as by the farmers. Why should the farmer be asked to stand alone among the producers of the Nation, operating to the limit of his plant's capacity and throwing his output on the market for what it will bring and then turn around to buy what he needs from industries that really understand the economics of scarcity and know how to apply it because they have practiced it so long?

Mr. Davis appropriately added—

> He could not understand the way of the man's mind who ruthlessly practices in his own business the very principle of production control which shocks him so when the farmers get into it on a much more moderate scale.

The A. A. A. Administrator might also have pointed out that the economics of scarcity program is not necessarily a permanent one, and was adopted as an emergency measure when the country was suffering from the economic stomach ache that was felt around the world. Emergency measures are used to meet unusual conditions. The Roosevelt administration very sensibly maintained that it was unwise and unjust to allow farmers to produce more than they could sell, or, at least, so much that the market would be glutted and they would be unable to get living prices. Therefore, it decided to require restricted production in certain crops, and also to pay the farmers out of Government funds for the losses they would undergo by producing less than the normal amount. The great outcry that arose against this innovation was built around the complaint that the country needed more food and supplies, not less. Granted that this was true on the whole, but what was the use of letting agriculturists raise what they could not sell, thereby making their plight even worse than it already was? The saner way was to curtail production, causing prices to gradually rise, and affording the farmer an opportunity for a better market.

I doubt if many farmers have been greatly deceived by the hub-bub against the economics of scarcity. The average man who tills the soil is intelligent enough to see that the policy is both progressive and practical.

SOME OUTSTANDING ACHIEVEMENTS OF THE SEVENTY-FOURTH CONGRESS

Mr. JOHNSON of Oklahoma. Mr. Speaker, as the last session of the Seventy-fourth Congress reaches what appears to be near the close it is only natural for Members to reflect upon achievements as well as the shortcomings of the present session. Moreover, it occurs to me that the good people of the Sixth Congressional District of Oklahoma, who have placed their confidence in me as their Representative, are entitled to know the part their Representative in Congress has had in this important program. Regardless of whether they agree with me, the people are entitled to know my record. And I am glad to say, Mr. Speaker, that I am not ashamed to stand on my record. A record made speaks louder and much more definitely than campaign promises.

HAVE SUPPORTED PRESIDENT ROOSEVELT

During this session of Congress, as well as every other session under the Roosevelt administration, I have given my wholehearted support to the President's recovery program. Like millions of other Americans I have faith in our President; faith in his ability and courage to bring the Government back to the people. One of the greatest compliments that has ever been paid me during my public life was when our late beloved Speaker, while serving as our House floor leader, interrupted a speech that I was making on the House floor to pay me an entirely too generous tribute, a tribute, however, that I value most highly.

FROM THE LATE SPEAKER BYRNS

The following is from the CONGRESSIONAL RECORD:

> Mr. BYRNS. Mr. Chairman, will the gentleman yield?
>
> Mr. JOHNSON of Oklahoma. I yield with pleasure to our distinguished leader.
>
> Mr. BYRNS. I may say, if the gentleman will permit me to do so at this time, that I am sure no Member on this side of the Chamber has supported the President more loyally and more earnestly in all those measures looking to the success of his plan for recovery and restoration of our country to prosperity than the gentleman from Oklahoma. There is no question of his loyalty to the President and to all those things for which the President stands, and I know that the President relies upon the gentleman from Oklahoma as he does upon other leading Democrats of this House in his effort to restore prosperity to the country. [Applause.]

Later, in introducing me to a radio audience, Speaker Byrns was good enough to say, in part:

> Mr. JOHNSON has attained a position of leadership in the House. He is an able, tireless worker both on the floor and in his committee work, and he has won the confidence and esteem of all of his colleagues by his conscientious discharge of the duties devolving upon him and his devotion to the interest of not only his constituents but the people of the entire country.

HAVE SOMETIMES DIFFERED WITH LEADERS

On the other hand, Mr. Speaker, although I have been glad to give my enthusiastic support to the New Deal program in the main, I have not hesitated to vote against some measures that were supposed to have the blessing of the administration when those measures did not meet with my approval. Speaking on the floor of this House a few days ago in support of the Frazier-Lemke farm refinance bill, I said:

> I have been glad to follow the leadership of this House when I believed it to be right, but have not hesitated to differ with my Democratic brethren when in my judgment they were wrong.

LIBERTY LEAGUE FIGHTS ROOSEVELT

Just now we are hearing much criticism of the President and his New Deal program. In fact, the Liberty Leaguers have overdone their fight against the President. The Liberty League, with its Du Ponts, Mellons, Mills, and Morgans, are joined, of course, by opposition party leaders and partisan spellbinders. The President, being human, is subject

to mistakes, and this Congress, with 435 Members in the House, is also subject to mistakes. But we also know that conditions of the farmer, the laborer, and the average businessman have improved under the New Deal program and that it is absurd for the opposition to say that the recovery thus far made is from natural causes.

NEW DEAL SAVES FARMS, HOMES, AND BANK DEPOSITS

It cannot be denied that the President's banking-reform legislation put teeth in the law, guaranteed bank deposits by the Federal Government, and put a stop to the wholesale closing of banks in every city, town, and hamlet in the United States, and the consequent loss to individuals who had seen their life savings swept away. I was glad to have a part in the passage of this important legislation.

Nor can it be denied that the saving of more than 1,000,000 homes in the towns and cities that were about to be foreclosed could have possibly been brought about from natural causes. It took a vision of the President and the courage of Members of Congress to support this legislation in the face of much bitter opposition, coming mostly from the Republican side of this House.

It is interesting to hear the spellbinders over the radio and on the floor of this House who have the temerity to charge such a beneficial program as extravagance of the New Deal. But the fact is these loans are protected, as a whole, by good and valid security, as are similar loans made by the Farm Credit Administration to more than 1,000,000 farmers, who would have otherwise been sold out by the sheriff.

SHOULD GIVE TENANT FARMERS SQUARE DEAL

In my judgment, the New Deal farm program has not gone far enough, especially in aiding our distressed farmers to refinance their indebtedness, and I feel that the next Congress should and must enact more liberal farm credit legislation, giving longer terms and lower interest rates.

Another farm bill that I have repeatedly urged this session of Congress to pass is the Jones-Bankhead farm tenant bill. This would enable the 130,000 tenant farmers of Oklahoma, many of whom are eking out a mere existence, to live under their own roofs and own their own farms.

ABOUT NEW FARM BILL

The new farm bill that has taken the place of the old A. A. A., that was declared unconstitutional by the United States Supreme Court, is in my judgment here to stay. It is based upon soil conservation and the domestic-allotment plan and offers to our people real, practical farm relief. If it is properly administered by the Secretary of Agriculture and his associates, it is bound to bring about better prices for farm commodities and will save millions of tons of precious soil that have been heretofore washed and blown away.

WOULD NOT DARE REPEAL SOCIAL SECURITY ACT

What will undoubtedly go down in history as one of the outstanding measures ever enacted by any Congress is the Social Security Act, passed by the Seventy-fourth Congress. The opposition has criticized this, but it is significant that when our Republican friends held their national convention at Cleveland last week and labored and brought forth their platform, written by the old guard, that points with pride and views with alarm, that they did not go on record as favoring the repeal of the Social Security Act. It is even more significant, incidentally, that they did not devote much space in their platform to pointing with pride to the last 4 years of Republican prosperity under the old deal.

SOCIAL SECURITY IGNORED UNDER OLD DEAL

Be it remembered that early in President Roosevelt's administration he sent a message to Congress demanding the passage of a Social Security Act. Practically every civilized nation on the face of the earth had recognized the justness of such legislation and had enacted it in some form or other. Our Republican friends, when in charge of the Government, not only ignored such proposed legislation but ridiculed the idea. When an old-age-pension bill was introduced during my first term in Congress it was sent to a committee where it was smothered, and leaders then in charge of this House did not show the courtesy or manifest the interest to make any kind of a report on the measure.

LAW MUST BE STRENGTHENED AND LIBERALIZED

When the President's Social Security Act was pending in this House, I worked with the Democratic majority in giving it my support and spoke for the bill during the debate on the measure. I pointed out then that I had openly supported reasonable and adequate old-age pensions in and out of Congress for many years when it was unpopular to do so. I pointed also with considerable pride to the fact that in one of my first speeches made on the floor of this House, during my first term, I advocated Federal old-age security. I also made it plain that I was not satisfied with this legislation as written. I felt then, as now, that the Social Security Act is not the last word, but rather the first word, in this far-reaching program. But when the present Federal law is strengthened and liberalized, it will be done by President Roosevelt and his friends and not by those who have denounced the President as a dictator and called on their followers to support anybody but Roosevelt.

OPPOSES FEDERAL SALES TAX

Let me add that I have consistently opposed a Federal sales tax. I am opposed to it because I know it is a scheme of the very small group that has accumulated most of the Nation's wealth to place the burdens of government on the average citizen who is already overtaxed. A sales tax is fundamentally a poverty tax, and places the burden of government on those least able to pay. I am opposed to a Federal sales tax irrespective of what it may be called or for what it is to be used. I am especially opposed to a hidden sales tax and even more opposed to a pyramided sales tax. On the other hand, I would place the burden of paying for old-age pensions on those most able to pay, by raising income tax, corporation tax, excess-profits tax, gift tax, inheritance tax, undistributed surplus tax, and by taxing the damnable stock exchanges.

This administration, I am glad to say, has regulated the stock exchanges. It has practically stopped inside manipulations and shady and crooked sales transactions. Now it should place a real tax on the stock exchanges, a thing I have advocated for years and shall continue to advocate.

OPPOSES WAR

Having had the bitter experience of serving as a buck private during the World War, I have first-hand information of real war with all of its horrors and heartaches. We now know that the World War did not make the world "safe for democracy." But it did make the world safe for millionaire munitions makers and war profiteers. For years I have vigorously advocated legislation to prohibit future war profiteering. I am glad to say the House during the last session passed the first bill of this kind to eliminate future war profiteering. I sincerely hope that this Congress will not adjourn until both Houses agree on such a measure.

NEUTRALITY ACT TO PROMOTE WORLD PEACE

This Congress took a long, forward, and progressive step toward maintaining world peace when it passed the President's Neutrality Act, during the past session and strengthened and extended the law again this year. If the Neutrality Act prevents or aids in preventing America from being dragged into another war, it is undoubtedly the most important law enacted during the session now drawing to a close. This legislation should materially assist the United States to remain out of entangling alliances in the Old World and thus promote world peace.

MUST ABOLISH OVERLAPPING DEPARTMENTS

More than 2 years ago I suggested to this House that it was time for Members to begin to think about economizing in Government. Again, in the last session of Congress, I stood on the floor of this House and made the same suggestion. In that speech I said in part:

MUST ABOLISH OVERLAPPING BUREAUS

My suggestion that we abolish countless commissions and overlapping boards and bureaus is more urgently needed

today than ever. Some of us have gone along with the administration in establishing boards and commissions with the assurance that they were only temporary measures to meet emergencies and that they would soon be abolished. The next Congress cannot side-step that issue. These overlapping, obsolete, and useless bureaus are making government topheavy. The next Congress should abolish many of them.

Mr. Speaker, we have not abolished some of the overlapping bureaus and commissions that I had hoped this Congress would abolish, but I am glad to say that this Congress has appointed a commission of trained men to go into this all-important subject and investigate it thoroughly and report back to the next Congress, and I am hopeful that the next Congress will make some radical changes in the matter of combining and consolidating overlapping bureaus, boards, and commissions.

RECORD SPEAKS LOUDER THAN PROMISES

The record shows that I have made several fights to effect economies in the different departments of government. The records reveal that on February 26, 1936, I made a fight on the floor of this House against the $100,000,000 shelterbelt program and that the House sustained me in that fight. Two days later I took the floor to challenge a $25,000,000 item proposing to buy worthless land for the Forest Service that was about to be wished off onto a magnanimous Congress. Again this House sustained me and thus the taxpayers of America were saved a "cool" $25,000,000. That is a record for economy that speaks for itself. Again I say that a record made speaks louder than campaign promises.

The New Deal has, of course, made mistakes. The President frankly admits that. Most of the mistakes, however, have been made by the emergency New Deal set-ups created to relieve suffering humanity. Those mistakes can and undoubtedly will be corrected. But, admitting mistakes, the New Deal is infinitely better than the Government under Republican rule, when, as someone has said: "Prosperity was 'Hoovering' around the corner."

PEOPLE HAVE FAITH IN PRESIDENT

The people have an abiding faith in Franklin D. Roosevelt. They know his great heart beats in sympathy with the farmer, the laborer, and the average businessman. They know that the Roosevelt administration has gone its limit, especially to give the distressed farmer a square deal. I am glad to have an humble part in helping to formulate such a program.

But Mr. Speaker, we cannot rest on our laurels on what this Congress has accomplished, important as that may be. We must look to the future. Our people have every reason to expect greater accomplishment in the future. One thing is certain, we are not going back to the old "horse and buggy" days in government. We are not going back to the dark days of 1930, 1931, and 1932. The old order has passed. The new day has dawned. And we as Representatives in Congress must keep in step with the procession. We cannot look backward, but must look forward to higher and better things and to far greater achievements.

AN EXPLANATION OF THE NEUTRALITY ACT

Mr. KNIFFIN. Mr. Speaker and Members of the House, the Seventy-fourth Congress, now coming to a close, has been confronted with many serious problems. A Congress is remembered by the legislation it passes. Many Members of this body were aroused by grave indications of an impending European war. Upon investigation we found that the United States has no reason to become involved in international conflict. Acting upon the facts, we enacted legislation to protect the American people. Of all the perplexing problems with which nations are beset, that of maintaining peace surpasses all others in importance. It is a recognized fact that this Congress will be memorable because of its enactment of the Neutrality Act. The passage of this law denotes the first solid step toward peace.

WAR OR PEACE

The matter of war or peace depends largely upon the laws enacted by the legislative branch of our Government. This Congress has shown vision, initiative, and high moral courage in the passage of the Neutrality Act and has realized that the surest way to prevent war is by avoiding the conditions which lead to war. In this respect we have acted boldly and wisely.

MODERN WARFARE

It cost $25,000 to kill one soldier in the late war. Seven millions of men lost their lives. War is brutal. It is the most futile and ferocious of human follies. This generation is thoroughly acquainted with its evil consequences and aftereffects. We know that its deadly germ attacks the blood and bones of a nation. Millions of human beings all around the globe are still suffering and dying as a result of the unprecedented waste of the last war.

Science, which has brought about so many wonderful achievements affecting our daily life and health, has also made war more devastating. Modern warfare, using implements and gases now known, would be of a nature so destructive that we can conceive it only as supernatural. Another general war would usher us into an era of wholesale scientific slaughter in which horror, destruction, and death indescribable would come to men, women, and children.

PRINCIPAL PROVISIONS OF ACT

We have sought through neutrality legislation primarily to keep our citizens out of war, and it is my belief that the people of this country are entitled to an explanation of what we have accomplished.

The principal provisions of the Neutrality Act, which is now a law, consist of an absolute embargo against the sale or export of arms, ammunition, or implements of war to belligerent countries, a prohibition against the making of loans or the extension of credits to any belligerent government, the exclusion of passports to American citizens for travel on vessels of belligerents, and the removal of governmental protection from all citizens thus traveling.

By this act of Congress we have given official notice to the world that America will no longer permit itself to be used as a base of supplies for war purposes. It is indeed a new principle of national behavior which will make for a better ordered world. This law means that when any foreign nation declares war it automatically severs itself from all financial aid, arms, and munitions from us, and none of our citizens will be permitted to travel upon any of their vessels. It means that the American flag will never again be wrapped around kegs of powder destined for the ports of warring nations. As the act applies equally to all nations, extends the same treatment to all, no policy could be more neutral.

This neutrality is a safeguard against our being drawn into armed conflict, and, furthermore, it renders as remote as any act on our part could the possibility of conflict between other nations.

Inasmuch as this policy is mandatory and compulsory, it lies entirely in our hands—is not dependent upon any agreement, treaty, secret alliance, or any other form of possible or probable entanglement.

AMERICA SETS EXAMPLE

This law marks a great advance in the preservation of the peace of our country. It makes for peace built upon the true spirit of peace and amity. By enacting it we have set the world a true example of peace and have proven that the forces of good are still superior to the forces of evil. It is a measure of relief to a hopeful and expectant world that is war weary, that has been bled white by the ravages of conflict, that has been filled with such a sad spectacle of crippled and diseased men, and that has sent to untimely graves millions of the flower of the youth and manhood of many countries.

By this plan we keep our own peace, and by so doing show other nations that peace must first come from the within, and that it may become universal if they likewise keep their own peace.

Now, on account of our position and national strength and importance among nations, the adoption of a policy of this character should have great influence. Other nations may adopt similar legislation. It is reasonable to believe

that others will follow our example. Once a number of nations follow our lead, the clouds of conflict will quickly disappear, and we shall be able to visualize through the clearing bloody mists the scanty outline of the harbor of permanent world peace. When that time comes, the long and soul-trying struggle will have been won, and the stars will be heard singing together, and all of the sons of men will shout with joy.

HUMAN LIVES VERSUS COMMERCE

There are those who advocate the shipment of anything anywhere in time of war. A theory palpably absurd. They should remember that this country tried that very policy during the late war and in due time, while profiteering upon the misfortunes of others, became ourselves involved. Then, too, the effect of such a policy is to promote foreign commerce at the expense of human life. In this connection, it is pertinent to at least presume that business has learned a costly lesson. Industry has never held the gains of war expansion. Contrarily, it has always suffered sharp recessions and collapses in after-war periods.

INDUSTRY LOSES

Moreover, the tremendous decrease in the capacity of impoverished peoples to buy and consume, together with higher taxes for a generation following war, makes it clear that the sum total of war in its final analysis causes industry to be the financial loser. The permanent gains of industry have all been established in peacetimes. Gains of industry must be based upon sound economic conditions. There are many instances in which business has attained its objective in peacetime after it attempted and failed to accomplish it during hostilities. The prolonged post-war burden upon industry (except manufacturers of arms and munitions) causes it to suffer notwithstanding the temporary swell in profits during actual warfare. These facts allow of no doubt as to the inability of industry to progress upon a foundation of destruction and waste.

NEUTRALITY MUST BE STRICT

Our insistence upon our rights as a neutral were ignored during the World War. Attacks upon our shipping followed and then in turn came our involvement in the conflict. Therefore, if it was not plain then, it should be plain now, that our policy must be one of strict neutrality to all and this neutrality must mean that no belligerent may profit by our aid, either direct or indirect. Any peace plan that does not reflect these features will be found lacking when the final test comes.

Another effect of the present law is to prevent a full exploitation of the private profit system in the manufacture of arms and munitions, and thus serves to restrain the activities of the huge subversive force which lies behind the arming and counter arming of nations. The control of this force is found finally in a mere handful of men, whose power, in some respects, reaches above the power of the State itself.

AMERICA SHOULD NOT LEAVE HOME BASE

The home-loving, right-thinking men and women, the lovers of decency and morality, the fathers and mothers of our boys and girls, earnestly approve this long-awaited action on the part of Congress. If other nations must fight, let them fight. We can and we must remain at home and here defend our own policies and our own rights. It would, of course, be imprudent for us to disarm while other nations remain heavily armed. To do so might invite aggression. That is why we maintain an army, navy, and thousands of powerful and swift fighting planes to flash out from our shores and repel any possible military attack upon our people. In no event, however, should we allow America to be drawn away from the home base and forced to send armies across the sea to fight.

LAW MUST BE MADE PERMANENT

The present neutrality act expires on May 1, 1937. This leaves to the next Congress the task of improving it, if possible, and reenacting it into permanent law.

There are few things which escape being called "contraband of war" by one or another nation engaged in international strife. In view of this fact, when the law is to be made permanent, studied consideration should be given to the question of prohibiting shipments of raw materials. These are sometimes referred to as secondary materials: Cotton, oil, food, metals, and the like. To make sure of our future immunity I am persuaded that the closest possible ban should be imposed upon sales of supplies of any kind that may even remotely aid a belligerent. Sales of such commodities, if any, should at least be restricted to peacetime proportions.

FREEDOM OF THE SEAS

Let us not be stampeded into a defense of an obscure phrase like "freedom of the seas" which has no meaning in wartime. The belligerent with the superior navy usually defines this phrase. We have gone most of the way by renouncing credits, munitions, and the protection of American citizens who would jeopardize the safety of all by foolishly traveling in war zones and naval blockades where torpedoes are ripping through the waters. It would be cheaper for the average citizen, who pays the bills, to get along temporarily with less commerce because the ultimate cost of war to protect this trade is paid by the people who do not profit.

RAW MATERIALS

This feature should be given careful study before the question is taken up for final determination by the next Congress, because out of the sale of secondary supplies a few make large profits and then, when it should happen that we are entangled on account of such sales and profits, the general public must shoulder the cost. A cost which renders a horrible accounting of gravestones, shattered minds, mangled bodies, broken homes, broken hearts, together with economic instability and back-breaking taxation for years to come. We are still reaping the ill effects of our last conflict, and we shall continue to do so. Surely we cannot, in the light of what we now know, fail to take every possible means to prevent our entanglement in any future debacle that may spread its ugly wings again over this fair land of ours. We are now firmly committed to a policy of peace and should examine carefully into all possible methods which will strengthen our position.

ARMS TRAFFIC CONTINUES

The world traffic in arms has continued unceasingly since the last war. A fact which indicates conclusively that the commercial motive is the chief obstacle to peace. If a fair portion of the enormous expenditures made in preparation for war could be diverted for use in the promotion of peace, the clangor of arms would cease from the rising of the sun to its going down, and we would soon find ourselves living on a happy and peaceful planet.

DISARMAMENT

The American people want to live in peace; they do not want war. It is entirely possible that our form of government might not survive our participation in another great war. The future of America as a Government, therefore, depends to some extent upon our foreign policy. This policy directly affects the daily living of most of our citizens as the burden of war bears down most heavily upon the middle and poorer classes. It is to be regretted that in this present imperfect world, nations have yet found no agreement upon practical methods of disarming. Peace conferences have been of little value because of the constant fear engendered by visions of attack and the frantic efforts to be prepared to meet the expected enemy. Nevertheless, I am optimistic enough to believe that peace conferences should be encouraged as they at least tend to organized promotion of peace principles, and by moral suasion publicly oppose efforts to stifle the human impulses for peace which have slowly developed as we have emerged from some of the practices of primitive savagery.

I am a firm believer in drastic disarmament, and would be glad to quickly join in any good-faith movement among the principal powers designed to reduce armaments on a major scale. A substantial, uniform reduction of armaments would lift from the backs of suffering mankind an unbearable

burden. Any and all attempts to bring about this much-desired end should be encouraged by the United States.

THE WAR DEAD

War is horrible, wasteful, sordid, and utterly indefensible. All those who truly know war abhor it. During the late catastrophe, thousands of our fighting men had an opportunity to observe at close range how hideous is the face of war. Those who are still with us strongly advocate taking the profit out of war. They consider this to be of first importance. Their active support contributed notably to the enactment of this neutrality legislation. It is also hoped that the work of this Congress is within the knowledge of their comrades who did not return from the western front—the war dead. If it is, and I believe that it is, the souls of those who died amid the roar and shriek of whistling shells, from up there far beyond the star line are now looking down approvingly upon the first honest, straightforward attempt on the part of any great nation to remove the incentive causes of deliberate human destruction.

CONCLUSION

The power to declare war lies in the Congress alone. Obviously this provision in the Constitution places a serious responsibility upon the individual Member of this body that is not shared by the average citizen. As a Member of Congress I am determined to do my part to assure peace to the citizens of the United States even though foreign nations be at war, and I hope that the day will dawn when the good people of this and of every civilized country will teach their children to hate the impious and fiendish agency of armed conflict. May God hasten the day when the scourge of war will be banished from the earth.

THE SALES TAX

Mr. SCOTT. Mr. Speaker, California is one of those States laboring under the burden of a sales tax. Now a movement is under way to repeal this form of taxation at the election in November. A Sales Tax Repeal Association, with Jackson H. Ralston as general chairman, and Ralph E. Chadwick, 321 West Third Street, room 603, Los Angeles, as executive secretary, has opened headquarters in San Francisco, San Diego, and Los Angeles. An active campaign is being waged now to secure the approval of the sales-tax repeal amendment. This amendment is popularly referred to as the Ralston amendment.

Just recently Mr. Chadwick delivered an excellent address on the subject. He sent a copy of it to me. For the benefit of those in the House who represent sales-tax States and for the benefit of those in California who did not have an opportunity to hear the speech of Mr. Chadwick, I want to summarize his argument in the RECORD.

The Ralston amendment is an initiative measure to be submitted to the people of California at the November election. It provides in brief for the repeal of sales taxes, the removal of the limitation upon taxation for State purposes on real and personal property, and exempts from taxation by progressive steps all tangible personal property and improvements upon land. It provides that the first year after its adoption improvements upon land used as a homestead shall be exempt from taxation to the value of $1,000.

TAX—TAX—TAX

Citizens of California are subject to not less than 100 different taxes. Every form of service or property, every need and activity from cradle to grave, is subject to tax or license charge. It is remarkable that industry survives the burden, and small wonder that we experience recurring depressions that threaten national security and retard progress. Blithely, nonchalantly, local, State, and Federal legislators tax this, that, and 'tother, with no regard for the effect or justice of the impost. Ignoring either ability-to-pay or service-rendered basis for taxation, officials strike out blindly and get the money wherever the most may be had with the least protests from those who contribute to campaign funds.

Persons with little or no economic or political influence may protest in vain until their indignation is made manifest at the polls and a new set of officials placed in office, while the old game of plucking the tax goose goes on so long as a single feather remains.

SALES TAX A "THROW-BACK"

With respect to the sales tax, Dr. Elmer Staffelbach says:

> The general sales tax is a form of tax which constitutes a "throw-back" to forms of taxation which were in effect before the French Revolution, and which it took a revolution to overthrow. It is completely the reverse of the ability-to-pay theory, in that it taxes poverty and tends to exempt wealth and ability to pay.

With respect to the effect of the sales tax, every person who ever paid a sales tax knows from experience that he has less money to spend for goods and services, due to the imposition of the sales tax, and that his purchasing power is accordingly decreased. The sales tax takes the pennies of the poor and rich alike in order that those who profit most by government may escape their just and equitable share of the tax burden.

WHAT DOES IT COST?

Published reports indicate that we are paying in excess of $70,000,000 annually for the privilege of purchasing goods and enjoying services that give employment to labor and profit to producers and distributors. And how much is $70,000,000? It is approximately $200,000 a day. It is the price of a bottle of milk each day for every family in the State of California. It is the price of two pairs of shoes a year for every inhabitant of the State. If left in the pockets of those to whom it rightfully belongs, it would increase the revenue of every farm, factory, and store and would find its way into the cash drawers of those who sell goods and render services. Two hundred thousand dollars is taken out of the pockets of consumers every 24 hours. This is a terrific toll upon industry and a very real hardship to 90 percent of our people whose incomes or earnings are in the lower brackets.

While repealing the sales tax, the Ralston amendment does not repeal or affect the gasoline tax which is paid at service stations. Nor does it repeal or affect income or inheritance or some nine other taxes now levied by the State.

While the measure most emphatically does not provide for the substitution of a "land value" tax for the sales tax, it is the earnest hope of its proponents that this will be done. California has suffered from land monopoly and speculation. It is estimated that there is enough land already subdivided in the State to meet the requirements of 125,000,000 people. This subdivided land would be the source of unearned profits if the people of the State could be persuaded to relieve its speculator-owners from their just share of the tax burden.

WHY THE BURDEN ON IMPROVEMENTS?

And why do some landowners insist that if a man improves, if he builds an apartment house for the service of people, or a home on a lot or farm for his own use, that he be taxed for what he does? Why do they oppose the untaxing of factories, machinery, stores, raw materials, finished goods, crops, orchards, and farm improvements and equipment? Why do they oppose exemption of these things from taxation? Why must industry and labor, who make the renting of houses and apartments and the buying of homes possible, be continually penalized?

Because, by maintaining a high tax burden on improvements and tangible personal property, by inflicting sales taxes on an already poverty-stricken people, holdings in land and the land reserves of future Americans are practically untaxed. This enables a few to hold more land, for a longer time, for a higher price, and a bigger mortgage, and for more false profit.

Consider, there are 100,000,000 acres of land in the State of California, or about 17 acres for each of its inhabitants. Of this area only 51,519,955 acres, or half of the total, appears on the tax rolls. In 1935 this land was assessed at $3,087,569,460, or less than $60 an acre on the average, and not one penny was paid by its owners, as such, for the support of State or Federal Government.

Section 2 of article XVII of the State constitution provides that the holding of large tracts of land, uncultivated

and unimproved, by individuals or corporations, is against the public interest, and should be discouraged by all means not inconsistent with the rights of private property. The sales-tax repeal amendment would give force and effect to this provision. Through the progressive exemption from taxation of tangible personal property and improvements upon city lots and farm lands and a corresponding increase in the tax upon land values, a powerful stimulus would be given to productive enterprise.

CITY LAND VERSUS FARM LAND

Everyone is familiar with the fact that cities and farming districts alike are hemmed in and their orderly growth restricted by huge land estates. Our present tax system encourages the nonuse or holding for speculation on vast domains. The owners are not to blame for the condition. The responsibility rests with us all and the remedy lies in our hands. The practice of assessing large or extremely valuable landholdings at a fraction of their value will continue so long as we are willing to submit to the taxation of industry.

Our present system of taxation presents the shameful spectacle of panhandling the poor and penalizing the industries for the money with which to maintain government.

The whole cost of local and State government—approximately $500,000,000—is about 4 percent of the real value of the land of this State, or an average of $5 per acre of 6 lots, after the worker, farmer, merchant, and manufacturer are freed from taxation on the products of their thrift and energy.

In 1900 the population of Los Angeles County was 170,289 and the assessed value of land $57,677,170, or $332 per person. At that time the most valuable lots were worth $150,000 each, or about $1,000,000 per acre. The 1930 census credits the county with a population of 2,208,492, which means that the most valuable lots are now worth a million and a half each, or $10,000,000 an acre. While the value of centrally located lots has risen to astronomical figures, wages and interest have declined. No part of the benefits of population growth accrues to merchant, farmer, worker, or manufacturer as such. Now, in common honesty, should we not first draw upon population values in private hands before filching the pennies of the poor or the legitimate profits of farmer, merchant, or manufacturer for public use?

TAX THOSE ABLE TO PAY

The Ralston or sales-tax repeal amendment would create a change in our tax policy. It would mean taxation that increases employment and purchasing power, and reduces the tax burden for those engaged in productive enterprise. With 25 percent of the people of this county on relief and another 25 percent on the border line, it is the part of wisdom to lift the burden of taxation from those least benefited by organized society and less able to pay and to shift it to the capable financial shoulders of those who, while neither toiling nor spinning, are able to profit most through community growth.

Real farmers, those who actually farm farms rather than farm farmers, would save 3 percent on their purchases as a result of the repeal of the sales tax, and progressively would have their taxes removed on orchards, crops, livestock, and buildings, leaving the value of their lands alone subject to taxation. And farmers have relatively little land value—theirs are mainly labor values. Contrast the land values of Los Angeles business frontage with the value of farm lands. The double-frontage land values on a section of Broadway in Los Angeles are worth not less than $300,000,000 the mile. This is the true "gold coast" of modern times. Just by way of experiment, let the farmer or home owner check the assessment on his land with that of neighboring or adjacent landholdings and consider that if there were an equalization of the tax burden upon all landowners, regardless of the use to which they put their property, the tax burden would be very light indeed for those engaged in productive activity.

REPEAL PREDICTED

The Sales Tax Repeal Association is predicting a determination on the part of the people of California to be done with sales and similar taxes. They feel that the people will be neither frightened nor cajoled, bullied nor threatened, nor in any degree diverted from their fixed purpose to swat it forthrightly next November.

This is what is proposed in submitting the Ralston or sales-tax repeal amendment to the people of California. Other States might with profit watch for the results in the California election in November.

MEMORIAL TO THE HONORABLE WILLIAM WALLER RUCKER, FORMER MEMBER OF THE HOUSE OF REPRESENTATIVES FROM MISSOURI, DECEASED

Mr. ROMJUE. Mr. Speaker and Members of the House of Representatives, I have been apprized recently of the death of Hon. William Waller Rucker, who served as a Member of Congress from Missouri for a period of 24 years, and during all that time he represented faithfully and well his constituents of what was then known as the Second Congressional District in Missouri.

I was fortunate in having had the honor and privilege of serving in the House of Representatives with him for a period of 4 years, the last years of his long and distinguished service to his State and district.

Mr. Rucker died at his home in Keytesville, Mo., the last of May, and there was a very large and sympathetic gathering of people in attendance at the last rites of this splendid citizen.

Mr. Rucker was born near Covington, Va., in 1855, and near the beginning of the Civil War he moved with his parents to West Virginia, in which State he attended the common schools, and at the age of 18 years he moved to Chariton County, Mo. As a young man he first engaged in teaching in the rural schools, during which time he devoted all his spare time to the study of the law. He was admitted to the bar in 1876, and a few years thereafter was elected prosecuting attorney of Chariton County, which office he held with distinction, discharging his duties in an effective and complimentary manner. He was renominated and reelected prosecuting attorney up to and until he was elected to the office of judge of the circuit court. He served 6 years as prosecuting attorney and 6 years as circuit judge, and while he was holding the position of circuit judge he was nominated and elected to Congress. During all of his official career he served his constituents and the public interests faithfully and well.

Since his retirement from Congress and the redistricting of the State of Missouri a portion of his district became a part of the district which I now have the honor to represent.

After Mr. Rucker's retirement from Congress he was often and affectionately inquired about by Members remaining here in Congress who had served with him. I think more inquiries of an affectionate nature were made relative to him by other Members who knew him than perhaps any other Member concerning whom inquiry was made from me, which indicates the indelible impression that he made on the men here with whom he had served.

When I came to Congress as a young man he had previously had many years of experience, and it is a pleasure to me to recall the many times when we counseled together, and his counsel was always regarded as sound. He was not a spectacular man and not of the type given to the seeking of notoriety, but rested his services upon the sound foundation of always being alert to the best interests of his constituency and his obligations to the public interest.

After his retirement from Congress I, of course, did not see him so often, but I made it a point while back in Missouri to pay him a visit nearly every year, and I never went near or through his home town, regardless of how much of a hurry I was in, without going by to spend awhile with him. Mrs. Romjue and myself always looked forward with pleasure when we contemplated a visit to his home. He was always hospitable, sincere, and solicitous about the welfare of his friends; and while he had reached a rather advanced age at the time of his death, the knowledge of his passing came as a shock to me and his many other friends, and I felt a keen regret in his death. His companionship and sound counsel and advice on public matters will be keenly

missed by those who knew him best as time goes on. Those who served with him in Congress, even though for a short time, learned to know and trust him; and, in the words of the immortal poet, I can aptly say:

His life was gentle, and the elements so mixed in him that nature might stand up and say to all the world—he was a man.

He was an able statesman and a faithful servant. He was conscientious and kind-hearted, and his kind deeds will live on and on.

MEMORIAL DAY FOR GENERAL PULASKI, POLISH PATRIOT, WHO FOUGHT FOR AMERICAN INDEPENDENCE

Mr. WOLVERTON. Mr. Speaker, the House has had under consideration Senate Joint Resolution 187, as amended, authorizing the President of the United States of America to proclaim October 11 of this year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

As amended and considered by the House, the joint resolution reads as follows:

Senate Joint Resolution 187

Resolved, etc., That the President of the United States is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11, 1936, and inviting the people of the United States to observe the day in schools and churches or other suitable places with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski.

Mr. Speaker, it is right and proper that this Nation should ever be willing and ready to recognize and pay tribute to those who fought and died in the cause of American liberty.

At different times, during the last few years, Congress has adopted resolutions designating October 11 of the particular year as General Pulaski's Memorial Day. The purpose of all such resolutions was to express our national appreciation of the valuable service rendered by this great and courageous Polish soldier and patriot, who not only gave his wealth but also his life in the cause of American liberty.

During this Congress an effort was made by the friends of the Polish patriot to increase the scope of the resolutions, as previously adopted, so that October 11 of every year would be designated as a memorial day instead of the necessity of passing a separate resolution each year. In other words, adopt legislation that would once and for all time designate and fix October 11, of every year, as General Pulaski's Memorial Day. It seemed logical, reasonable, and proper to do so, particularly in view of the fact that Congress had time and again shown its appreciation of the patriotic service of General Pulaski by adopting resolutions that set apart October 11 as a day to commemorate his service and death.

Congress, ever willing and anxious to do its part to give deserved recognition to General Pulaski, accordingly passed a resolution authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski. Notwithstanding the fact that both the Senate and the House of Representatives voted in favor of the resolution, it did not become a law, because President Roosevelt refused to give it his approval. On April 11, 1936, he vetoed the resolution and thereby prevented its adoption.

It is needless to say that such action upon the part of the President was a keen disappointment to myself and others who were interested in the passage of the resolution. However, it has not stopped our activity in behalf of this resolution that will designate October 11 of this present year as a memorial day; nor will the action of the President discourage us in continuing the effort to procure legislation that will definitely and finally designate October 11 of every year hereafter as a General Pulaski's Memorial Day.

I can see no good reason why legislation making October 11 a permanent memorial day should have been killed by a veto from President Roosevelt. It is particularly difficult to understand why legislation calling upon officials of the Government to display the flag of the United States on governmental buildings on October 11 of each year and inviting the people of the United States to observe the day in commemoration of the death of Gen. Casimir Pulaski should meet with the disapproval of the President, when on April 30, 1934, he approved a resolution passed by Congress, with the same provisions and recognizing the services of Columbus, as follows:

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation designating October 12 of each year as Columbus Day and calling upon officials of the Government to display the flag of the United States on all Government buildings on said date and inviting the people of the United States to observe the day in schools and churches or other suitable places with appropriate ceremonies expressive of the public sentiment befitting the anniversary of the discovery of America.

Without in any way detracting from the outstanding achievements of Columbus, it seems strange that General Pulaski, who gave of his wealth and finally his life in order that liberty and freedom might prevail in this land, should not receive an honor and tribute similar to that given Columbus. The sacrifice of one brought forth a new continent, and the sacrifice of the other a new nation dedicated to liberty and freedom.

On many occasions it has been my privilege, in this House and elsewhere, to emphasize the high order of patriotism that marked the career of this illustrious young Polish nobleman, who heard our call for help and immediately left his native Poland and made his way to America that he might participate in the great struggle for freedom and equality. The story of his courage, his devotion, and enthusiasm has been told and retold. It makes one of the most glorious pages in the history of this Nation. Written with his lifeblood, it can never be erased. As long as this Nation shall endure his memory will remain.

And with the memory of General Pulaski there will always be linked that other great Polish patriot, Gen. Thaddeus Kosciuszko, who fought for 6 years under the leadership of General Washington in the war for American independence. He, like Count Pulaski, came to these shores to engage in our struggle for freedom because there was a love of liberty inbred in his courageous soul.

Nor shall we ever be unmindful of the courage and willingness to serve that has been shown by other Polish patriots, who in great numbers have answered the call of the country in every great conflict in which we have been engaged. In the Revolutionary War, in the Civil War, the Spanish-American War, and the World War, our Polish friends and citizens have left a record of faithfulness that will forever be a tribute to their patriotism and love of freedom.

And as might be expected from such a people, whose love of liberty has coursed through the veins of each generation, they have shown a high order of citizenship. Devoted to the institutions of America, our Polish citizens have given expression in their everyday life to those qualities that make for a strong Nation, namely, patriotism, character, and industry. In recognition of this fact and as evidence of my high regard for our Polish citizens, I have appointed to a cadetship at the United States Military Academy at West Point, effective July 1, 1936, Edward Dziatkiewicz-Verner, a Polish boy, as the first to be so appointed from the First Congressional District of New Jersey.

It will always be my desire and purpose, in the future as in the past, to participate in any movement that has for its object the giving of proper recognition to our Polish patriots and acknowledge our indebtedness to them for their service they so well rendered in the winning of our independence.

EVOLVING FROM DEPRESSION

Mr. GRAY of Pennsylvania. Mr. Speaker, the Republican Party has held its national convention, and with weeping, wailing, and gnashing of teeth it again foredooms America to disaster and gloom if the Democratic administration is continued in power for another 4 years.

By every right thought we may lay legitimate claim on the prediction of a better and brighter future for our people

by the continuation of the executive leadership of Franklin Roosevelt.

After 12 trying tragic years of dismal governmental failure by the master minds who engineered the destinies of the Republican Party and the country, and who left a trail of want and misery the like of which this country has never before experienced and hopes never again to endure, there came a fearless, dauntless, unencumbered Executive who in 3 short years revived a distraught and hopeless people, unburdened the load on weary souls, rekindled the fires of their spirit, and rebuilt a fallen Nation.

How quickly we forget, or rather, how quickly some would have us forget. At the recent make-believe convention in Cleveland we were told that the purpose of the Republican leadership was to restore America to the people.

An immediate question presents itself. Restore what kind of an America to what part of the people? From the results of their actions, from the history of their 12 tragic years of stewardship, it is evident that what that leadership purposes is not to restore America to the people but to resteal America from the people.

When we contemplate the series of disasters which one by one and then in combined accumulation fell with such destructive fury upon the people because of the ineptitude and bewilderment of those who shaped our governmental policies in the years from 1920 to March 4, 1933, we stand amazed at the ever-increasing deluge of despair climaxing the conduct of those who, entrusted with the powers of government, wholly failed to exercise their functions but instead spun about and around in a dizzy dance like decapitated chickens. The wonder is not that so little has been done but that so much has been accomplished in 3 short years.

Behold the stream of unemployment mounting rapidly from year to year until it reached flood stage and then broke in full force and violence to inundate and devastate the country. Fifteen million unemployed when Roosevelt took office; jobless men and women roamed the streets and highways of the land, hungry, haggard, hopeless. We were told and told again and again that despite it all "prosperity was just around the corner." Nothing, however, was done to bring prosperity from around the corner until the people, tired of futile words and supine inaction, elected Roosevelt, who, instead of watchfully waiting for prosperity to come from behind the corner, immediately started out to locate Mr. Prosperity, caught him by the neck, and booted him onto Main Street.

Who does not tremble at the thought of 7,000 banks closing their doors on their own customers and depositors in those terrible 4 years of Hooverism—the apostle of that rugged individualism which made all individuals ragged. A decrease in total bank deposits of more than $15,000,000,000. Insolvencies and bankruptcies jostling one another and the lights of business big and little failing and fading about us like showers of falling stars. The lights of heaven had indeed gone out.

To recount those unhappy days is not an act of love but of necessity; that the people may not again be led astray by privilege seekers playing them for suckers. Make an account of the plight of the farmer. His situation grew more and more intolerable as one year passed upon another, selling his product below the cost of production until his losses included home and fields and every expectation of reward for his toil.

If one made inventory of the condition of industry during the 4 years of the dizzy "chicken plague" from 1929 to 1933, the asset column would be almost a total blank. You observed no industrial activity in that period. What you saw was an ever-decreasing quantity of manufacturing, of trade, of mining. You saw the wholesale stagnation of a nation paralyzed in every limb and muscle and bleeding profusely from every artery.

With this multiplication of evils and disasters having gathered into a whirlwind, which struck with such terrific violence that it laid waste the entire country, from ocean to ocean and Lakes to Gulf, Franklin Roosevelt was inaugurated President March 4, 1933, and at once was begun the gigantic and laborious task of reconstruction and rehabilitation.

First of all, the banking structure was remodeled and repaired. Those who now have savings for the future can deposit that money in the banks with the assurance of getting it when they want it and when they need it. The Federal Deposit Insurance Act has brought confidence where previously there was nothing but fear and cause to fear. No sound-thinking person would undo what has been done in that respect. May I ask a question here? The Republican high command and Hearst candidate for President, Gov. Alf Landon, of Kansas, opposes and derides the Federal Deposit Insurance Act and its administration. Do he and they intend to repeal that wholesome and beneficial legislation? If so, why do they not tell the people of their intention? Blessed be the thoughts and actions of the great and the near great. If Alf Landon, the Hearstling, has as much statesmanship in other channels as he has displayed in his persistent opposition to protection of depositors, the White House might well be spared the tenancy of another apostle of rugged individualism and consummate mediocrity.

The calamity of mounting unemployment was attacked, not by a wordy "prosperity around the corner" method but by the enactment of the N. I. R. A. and other laws for the benefit of the laboring man, and their effect was immediate and widespread for betterment until the United States Supreme Court spoke its piece. As this campaign progresses you will doubtless hear much on this issue of the Supreme Court. My own position is that neither the Supreme Court nor the Constitution should be permitted permanently to obstruct or stand in the way of an onward orderly march to greater and better things for the common people.

Let us make a brief reference to American youth.

The keynoter in Cleveland, Senator STEIWER, made great noise about the Civilian Conservation Corps, charging that the youth of the country was suffering the gravest of losses because of their employment in Federal camps at $30 per month, bewailing the slavery of debt and extravagance they would inherit.

What, exactly, did he mean? Without directly saying so, the Republican keynoter and his debt-lamenting comrades with the money bags would abolish the C. C. C. camps. They never would have established them. They are opposed to them as to all other acts of the Roosevelt administration. You all remember the wanderings of youth before one and one-half million of them were rescued from the possible approaches to the haunts and crevices of dispirited men. Every street, road, lane, alley, and bypath was trod by the drifting columns of shifting young manhood.

But what do the gatherers of gold care for humanity, and particularly youthful humanity? It is but another kind of commodity to be bartered and used for selfish gain. So nothing was done by the great engineers, nor by any of the abolishers of poverty, nor by any noble experimenters to save youth until came Franklin Roosevelt. Sure it has cost some money. Mothers and fathers do not stint on medical and nursing aid at the expected "blessed event." When the life of an unborn infant hangs in the balance, every effort is extended for its survival and protection; but when the future of millions of our youth is at stake, spiritually and physically at stake, the heartless prehistoric monsters who infest the kingdom that was once Republicanism roar and gnash their teeth because the Government assumed a national obligation to alleviate a national calamity. Yes; some debt has been incurred in saving our youth, and believe me these same roaring gentlemen are going to pay their fair and just proportion of that debt. The youth of this Nation must be saved even if the saving does in a measure deflate the gluttonous fortunes of some of our plutocratic citizenry.

What was the state and standing of labor, its rights, and inherent privileges in the heyday of big-business control? It

took a Roosevelt to rebuild the unions under the law, and to guarantee the right of collective bargaining. Did the Supreme Court destroy the N. R. A.? Yes; and to the open and shouted delight of all commonly recognized Republican leadership in the Congress of the United States and out of it. But the Supreme Court, though it destroyed the N. R. A., did not and could not destroy the modern recognition of a law many hundreds of years older than the Supreme Court itself—that the laborer is worthy of his hire. That great Court cannot destroy the modern version of that ancient law that the hire and condition of the laborer is worthy of governmental action and legal protection.

One plank in the Republican platform of 1936 deserves a little attention—the labor plank. It reads as follows, in part:

The welfare of labor rests upon increased production and prevention of exploitation.

Here we have a definite statement, with a most indefinite meaning. If the statement is true, then every mechanical device and machine which displaces 10 or a hundred or a thousand workers promotes the welfare of the laborer. One might talk that doctrine to political hirelings and great industrialists, but let him not think he can feed it to workingmen.

That labor sentence is worth repetition for what it reveals.

The welfare of labor rests upon increased production and the prevention of exploitation.

If the autocrats at the Republican table in Cleveland are opposed to exploitation of labor, why do they exult and acclaim every decision of the Supreme Court kicking over some Democratic legislation enacted for the express purpose of preventing exploitation? Why do they send up to the stratosphere peons of praise and thanksgiving when a law to stabilize an industry or wages, to shorten hours, or to improve working conditions is laid to rest in the graveyard of unconstitutionality? Cant and hypocrisy.

The second paragraph in the labor plank of 1936 Republicanism pledges it to "protect the right of labor to organize and to bargain collectively through representatives of its own choosing without interference from any source." What a gem. Stolen bodily, almost verbatim, from the N. R. A. of the Roosevelt administration. Do they believe in such a principle enacted in law? They do not. At least they do not say so. They are for it, only do not expect any such sort of legislation. The unvarnished truth is they do not believe it, do not want, and if given the opportunity would refuse to adopt it. My friends, that labor plank is a pure and unadulterated fraud, so intended and so constructed. For this, if for nothing else, they will be properly rebuked in November.

So much is being said and written about balancing the Budget, keeping the governmental expenditures within the national income. I approve of that policy, with certain limitations.

In the first place, the welfare of the people has a claim on Government which takes priority of mere mathematical computation of dollars and cents. When unemployment is so widespread as to be a national calamity; when the specter of starvation haunts the steps of the aged, the halt, and the blind; when nourishment is unprovided for mothers and for children; when those only who are in more fortunate circumstances are supplied with the common necessities of food, clothing, and shelter, and all others exist in want and dire poverty; when, in all, the very life of the living is threatened and endangered, then men are more important than money and a budget unbalanced by needful extraordinary expenditures is a Christian and a humane procedure the sum total of which benefits cannot be counted by mere pecuniary measurements, but must be accepted as an investment in the immaterial resources of the collective human spirit as well as in the material well-being of the Nation.

The present plaints of impending disaster of one kind or another are the common lamentations of the savagery and plundering of a stark and greedy selfishness. It is the screech of the rusty hinges on the moldy doors of the golden coffers of the grasper and the miser. It is the friction caused by the resistance of accumulated wealth to the translation of a modicum of Christianity into the sphere of governmental policy. For those who move forward in this translation we may look for attempted crucifixion at the hands of those who would pollute the temple and would rouse the rabble to deeds of hate and vengeance.

Let us, my friends, not be alarmed by such. Let us press onward to the battle, conscious of the support of all kindly hearts, clear minds, and noble souls. With Roosevelt the people will win again, because of Roosevelt the people approve.

The plunderers shall not resteal America from the people.

ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 29 minutes p. m.), the House adjourned until tomorrow, Tuesday, June 16, 1936, at 12 o'clock noon.

MOTION TO DISCHARGE COMMITTEE

APRIL 8, 1936.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 4 of rule XXVII, I, JOSEPH A. GAVAGAN, move to discharge the Committee on the Judiciary from the consideration of the bill H. R. 5, entitled "A bill to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching", which was referred to said committee on January 3, 1935, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Joseph A. Gavagan.
2. Martin J. Kennedy.
3. Wm. H. Sutphin.
4. J. Will Taylor.
5. Carroll Reece.
6. Sol Bloom.
7. Thomas F. Ford.
8. M. A. Zioncheck.
9. John Steven McGroarty.
10. Vito Marcantonio.
11. M. A. Dunn.
12. William P. Connery, Jr.
13. Theodore L. Moritz.
14. James A. O'Leary.
15. Louis Ludlow.
16. Caroline O'Day.
17. Isaac Bacharach.
18. Harry C. Ransley.
19. Fred A. Hartley.
20. W. H. Wilson.
21. Chester C. Bolton.
22. Wm. E. Hess.
23. Florence P. Kahn.
24. Richard J. Welch.
25. Chas. A. Wolverton.
26. Thomas O'Malley.
27. Verner W. Main.
28. Henry Ellenbogen.
29. Melvin J. Maas.
30. Usher L. Burdick.
31. George G. Sadowski.
32. John D. Dingell.
33. George Burnham.
34. R. L. Bacon.
35. Robert Crosser.
36. Arthur W. Mitchell.
37. Warren J. Duffey.
38. Everett M. Dirksen.
39. W. H. Larrabee.
40. Finly H. Gray.
41. Thos. C. Hennings.
42. Robt. T. Secrest.
43. Wm. T. Schulte.
44. Edward W. Patterson.
45. Hamilton Fish, Jr.
46. R. S. McKeough.
47. William J. Granfield.
48. Thomas J. O'Brien.
49. James A. Shanley.
50. Albert J. Engel.
51. John A. Martin.
52. Leonard W. Schuetz.
53. John M. Houston.
54. J. M. Robsion.
55. Wm. Lemke.
56. J. George Stewart.
57. Wm. W. Blackney.
58. John W. Gwynne.
59. Jack Nichols.
60. Peter A. Cavicchia.
61. Ernest Lundeen.
62. Jas. McAndrews.
63. Theodore Christianson.
64. Clare Gerald Fenerty.
65. Jesse P. Wolcott.
66. B. K. Focht.
67. Randolph Carpenter.
68. Dewey Short.
69. Sam L. Collins.
70. Joseph L. Pfeifer.
71. Marcellus H. Evans.
72. Edward A. Kenney.
73. Matthew J. Merritt.
74. Richard J. Tonry.
75. J. H. Hoeppel.
76. Harry P. Beam.
77. John M. Costello.
78. Don Gingery.
79. Edward A. Kelly.
80. Edward W. Curley.
81. Chas. J. Colden.
82. Stephen M. Young.
83. Henry C. Luckey.
84. William B. Barry.
85. Joseph W. Martin, Jr.
86. Clare E. Hoffman.

87. Ralph O. Brewster.
88. Fred C. Gilchrist.
89. B. W. Gearhart.
90. Chauncey W. Reed.
91. William A. Pittenger.
92. Aug. H. Andresen.
93. Joseph P. Monaghan.
94. Harry Sauthoff.
95. A. J. Sabath.
96. Harry L. Englebright.
97. Wesley E. Disney.
98. Byron B. Harlan.
99. William R. Thom.
100. A. P. Lamneck.
101. Ambrose J. Kennedy.
102. Thomas A. Jenkins.
103. Raymond J. Cannon.
104. Martin L. Sweeney.
105. Jennings Randolph.
106. George N. Seger.
107. Alfred F. Beiter.
108. Edward C. Eicher.
109. John P. Higgins.
110. John W. McCormack.
111. Samuel P. Pettengill.
112. Charles D. Millard.
113. J. W. Ditter.
114. Andrew L. Somers.
115. John J. Dempsey.
116. John H. Tolan.
117. Gardner R. Withrow.
118. Louis C. Rabaut.
119. Vincent L. Palmisano.
120. Joseph E. Casey.
121. Paul J. Kvale.
122. Michael J. Stack.
123. Herman P. Kopplemann.
124. Charles Kramer.
125. Francis E. Walter.
126. Byron N. Scott.
127. Arthur D. Healey.
128. Leo Kocialkowski.
129. James L. Quinn.
130. Glenn Griswold.
131. Leo E. Allen.
132. L. C. Arends.
133. Eugene B. Crowe.
134. Ralph E. Church.
135. John J. Delaney.
136. Emanuel Celler.
137. D. C. Dobbins.
138. Robert L. Ramsay.
139. Thomas H. Cullen.
140. D. J. Driscoll.
141. Harry H. Mason.
142. James M. Mead.
143. Samuel Dickstein.
144. U. S. Guyer.
145. George H. Tinkham.
146. John J. Boylan.
147. Chester Thompson.
148. Frank C. Kniffin.
149. Harold Knutson.
150. William I. Sirovich.
151. John W. Boehne, Jr.
152. James A. Meeks.
153. Frank H. Buck.
154. Mary T. Norton.
155. George P. Darrow.
156. Clarence J. McLeod.
157. George W. Johnson.
158. F. L. Crawford.
159. T. Alan Goldsborough.
160. Frank Crowther.
161. Philip A. Goodwin.
162. William A. Ashbrook.
163. Roy O. Woodruff.
164. Albert E. Carter.
165. Joseph Gray.
166. Edith Nourse Rogers.
167. John Lesinski.
168. Charles N. Crosby.
169. Theodore A. Peyser.
170. Frank J. G. Dorsey.
171. W. A. Ekwall.
172. W. W. Fiesinger.
173. Harry L. Haines.
174. Francis D. Culkin.
175. Richard M. Russell.
176. J. Joseph Smith.
177. Earl C. Michener.
178. Bert Lord.
179. Charles F. Risk.
180. James Wolfenden.
181. D. Lane Powers.
182. Emmet O'Neal.
183. Wm. M. Citron.
184. Geo. A. Dondero.
185. Edward C. Moran, Jr.
186. Frank Carlson.
187. Karl Stefan.
188. L. T. Marshall.
189. Daniel A. Reed.
190. Paul R. Greever.
191. G. M. Gillette.
192. Chas. I. Faddis.
193. Edw. J. Hart.
194. Dow W. Harter.
195. Kent E. Keller.
196. Charles R. Eckert.
197. Virginia E. Jenckes.
198. M. K. Reilly.
199. Brooks Fletcher.
200. Frank E. Hook.
201. Charles A. Plumley.
202. G. J. Boileau.
203. B. J. Gehrmann.
204. John G. Cooper.
205. J. Roland Kinzer.
206. James W. Mott.
207. B. H. Snell.
208. Merlin Hull.
209. Geo. J. Schneider.
210. R. G. Wigglesworth.
211. Pehr G. Holmes.
212. R. T. Buckler.
213. Otha D. Wearin.
214. Thomas R. Amlie.
215. C. E. Hancock.
216. Clifford R. Hope.
217. W. P. Lambertson.
218. Frederick R. Lehlbach.

This motion was entered upon the Journal, entered in the CONGRESSIONAL RECORD with signatures thereto, and referred to the Calendar of Motions to Discharge Committees, June 15, 1936.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will meet Tuesday, June 16, at 10 a. m., to consider H. R. 12913, a bill to protect for American actors, vocal musicians, operatic singers, solo dancers, solo instrumentalists, and orchestral conductors the artistic and earning opportunities in the United States, and for other purposes.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, June 16, 1936, at 10: 30 a. m., in Room 328 House Office Building, to consider various bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

867. A letter from the Chairman of the Federal Trade Commission, transmitting an interim report of the Federal Trade Commission with respect to the sale and distribution of milk and milk products, in pursuance of House Concurrent Resolution No. 32, Seventy-third Congress, second session, adopted June 15, 1934; to the Committee on Interstate and Foreign Commerce and ordered to be printed.

868. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Department of the Interior which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

869. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Agricultural Adjustment Administration which the Administration has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

870. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Department of Commerce which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

871. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Veterans' Administration which the Administration has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

872. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Federal Trade Commission which the Commission has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

873. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 230), lists of papers among the archives and records of the Department of the Treasury which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ZIMMERMAN: Committee on Irrigation and Reclamation. H. R. 12920. A bill for the relief of the Bridgeport

Irrigation District; with amendment (Rept. No. 2964). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Rules. Senate Joint Resolution 270. A joint resolution to provide for the appointment of a committee to study the question of Puerto Rican independence; with amendment (Rept. No. 2965). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H. R. 10798. A bill to provide for the establishment of magistrate courts in the District of Columbia; with amendment (Rept. No. 2966). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 4648. An act to promote safety at sea in the neighborhood of ice and derelicts, and for other purposes; without amendment (Rept. No. 2967). Referred to the Committee of the Whole House on the state of the Union.

Mr. JONES: Committee on Agriculture. S. 4520. An act to amend the act approved June 29, 1935 (49 Stat. 436–439), entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges"; without amendment (Rept. No. 2968). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 12831. A bill to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of Hartford, Conn.; without amendment (Rept. No. 2992). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Washington: Committee on Claims. H. R. 891. A bill for the relief of John E. Sandage; with amendment (Rept. No. 2969). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 2328. A bill for the relief of Catherine Ward; with amendment (Rept. No. 2970). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 2560. A bill for the relief of Etta Pippin; with amendment (Rept. No. 2971). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3407. A bill for the relief of Alpha Vint; with amendment (Rept. No. 2972). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 3491. A bill for the relief of the Great Northern Railway Co.; with amendment (Rept. No. 2973). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. H. R. 9372. A bill for the relief of Charles M. Perkins; without amendment (Rept. No. 2974). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 10055. A bill for the relief of N. C. Nelson; with amendment (Rept. No. 2975). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 10173. A bill for the relief of M. K. Fisher; with amendment (Rept. No. 2976). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 10508. A bill for the relief of the Van Buren Light and Power District; with amendment (Rept. No. 2977). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 10559. A bill for the relief of Florence B. Lee; with amendment (Rept. No. 2978). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 10778. A bill for the relief of Willard Webster; with amendment (Rept. No. 2979). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. H. R. 10908. A bill for the relief of E. W. Ross; with amendment (Rept. No. 2980). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 11212. A bill for the relief of Earl Hill; with amendment (Rept. No. 2981). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 11314. A bill for the relief of A. S. Koyer; with amendment (Rept. No. 2982). Referred to the Committee of the Whole House.

Mr. GUYER: Committee on Claims. H. R. 11549. A bill authorizing and directing the Secretary of the Treasury to reimburse Malinda J. Mast and William Lee Mast for the losses sustained by them by reason of the negligence of an employee of the Civilian Conservation Corps; with amendment (Rept. No. 2983). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. H. R. 11864. A bill for the relief of Dexter P. Cooper; without amendment (Rept. No. 2984). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 11893. A bill for the relief of James W. Grist; without amendment (Rept. No. 2985). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 12067. A bill for the relief of Clifford Y. Long; with amendment (Rept. No. 2986). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 12341. A bill for the relief of F. W. Elmer; with amendment (Rept. No. 2987). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 12346. A bill for the relief of Leah Levine; without amendment (Rept. No. 2988). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 2553. An act conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claim of C. C. Young; with amendment (Rept. No. 2989). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3844. An act for the relief of Mrs. M. N. Shwamberg; with amendment (Rept. No. 2990). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on the Civil Service. S. 4659. An act to authorize the payment of an annuity to William H. Moran, Chief of the Secret Service Division of the Treasury Department, upon his retirement, in recognition and appreciation of his services to the United States; without amendment (Rept. No. 2991). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEITER: A bill (H. R. 12966) to provide for control and regulation of coin-controlled amusement devices and to levy a tax upon each licensed device to be paid to the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BREWSTER: A bill (H. R. 12967) to provide for the acquisition of additional land for the Acadia National Park; to the Committee on the Public Lands.

By Mr. RAMSAY: A bill (H. R. 12968) authorizing the Wheeling postmaster to use a special cancelation stamp; to the Committee on the Post Office and Post Roads.

By Mr. VINSON of Georgia: A bill (H. R. 12969) to authorize the acquisition of lands in the San Francisco Bay area as a site for a naval supply base and to authorize the construction and installation of facilities for a naval supply base thereon; to the Committee on Naval Affairs.

By Mr. KELLER: A bill (H. R. 12970) to amend the act entitled "An act creating the Mount Rushmore National Memorial Commission and defining its powers and purposes", approved February 25, 1929, and for other purposes; to the Committee on the Library.

By Mr. MAPES: A bill (H. R. 12971) to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.; to the Committee on Merchant Marine and Fisheries.

By Mr. LARRABEE: Joint resolution (H. J. Res. 624) providing authority for a census of employment and population; to the Committee on the Census.

By Mr. O'CONNOR: Joint resolution (H. J. Res. 625) to provide that the first regular session of the Seventy-fifth Congress shall begin on January 5, 1937; to the Committee on the Judiciary.

By Mr. WEARIN: Joint resolution (H. J. Res. 626) relating to the design for the memorial to Thomas Jefferson to be erected in the District of Columbia; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEITER: A bill (H. R. 12972) to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels; to the Committee on War Claims.

By Mr. BREWSTER: A bill (H. R. 12973) for the relief of William V. and Alice S. Phillips; to the Committee on Claims.

By Mr. EICHER: A bill (H. R. 12974) granting a pension to Mary H. Perkins; to the Committee on Invalid Pensions.

By Mr. FARLEY: A bill (H. R. 12975) granting an increase of pension to Mary A. Swander; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12976) for the relief of Nelson H. Rogers; to the Committee on Military Affairs.

By Mr. HULL: A bill (H. R. 12977) for the relief of Mr. and Mrs. Jens H. Flattum; to the Committee on Claims.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 12978) granting a pension to Mary E. Simmons; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 12979) granting a pension to J. E. Barrows; to the Committee on Pensions.

By Mr. MOTT: A bill (H. R. 12980) for the relief of Ernest Krick; to the Committee on Claims.

Also a bill (H. R. 12981) for the relief of May Elizabeth Ferren; to the Committee on Claims.

By Mr. REED of Illinois: A bill (H. R. 12982) to revive certain patents; to the Committee on Patents.

By Mr. SADOWSKI: A bill (H. R. 12983) for the relief of Elizabetta Lupini; to the Committee on Immigration and Naturalization.

By Mr. SNELL: A bill (H. R. 12984) granting an increase of pension to Annie E. Fuller; to the Committee on Invalid Pensions.

By Mr. WHELCHEL: A bill (H. R. 12985) for the relief of Dr. George O. Castellaw; to the Committee on Claims.

Also, a bill (H. R. 12986) for the relief of W. D. Presslie; 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:

11064. By Mr. CURLEY: Petition of sundry citizens of the county and Borough of the Bronx, New York City, endorsing House bill 7122, providing pensions for the blind; to the Committee on Pensions.

11065. By Mr. FENERTY (by request): Petition of sundry citizens of Philadelphia, Pa., urging that the so-called Starnes-Reynolds immigration bill be enacted into law; to the Committee on Immigration and Naturalization.

11066. By Mr. Ford of California: Petition of 61 residents of Los Angeles to the Congress of the United States, requesting President Roosevelt to designate a national day of prayer; to the Committee on Rules.

11067. Also, resolution of the Council of the City of Los Angeles, requesting that State and Federal Governments should apportion relief funds on a basis of the total indigent load compared to population and assessed valuation of various communities, particularly Los Angeles County, citing facts and statistics to indicate the desirability of such action; to the Committee on Appropriations.

11068. Also, resolution adopted by the Council of the City of Los Angeles in respect to the memory of the late Speaker of the House, expressing regrets at the death of Joseph W. Byrns, whose fair-mindedness and other personal qualities were such as to cause admiration and respect by those with whom he came in contact, regardless of their political affiliations or opinions, and one who rendered valuable and outstanding service, both in times of peace and in times of war; the Nation thus losing an able, faithful, and honored official; to the Committee on Rules.

11069. By Mr. KENNEY: Petition of the Weehawken Home Owners' Association, endorsing the Fifty-sventh Street Bridge bill (S. 1645) and favoring its passage; to the Committee on Interstate and Foreign Commerce.

11070. By Mr. KRAMER: Resolution of the Department of Motor Vehicles of the State of California, relative to the soliciting of Public Works Administration funds for the building of tunnels and overhead crossings for pedestrians where the traffic density warrants such expenditure; to the Committee on Appropriations.

11071. Also, resolution of the United Association of Plumbers and Steam Fitters of the United States and Canada, Los Angeles, Calif., relative to the passage of the Wagner-Ellenbogen housing bill, etc.; to the Committee on Banking and Currency.

11072. By Mr. McCORMACK: Memorial of General Court of Massachusetts, memorializing Congress for the enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 p. m.; to the Committee on Labor.

11073. By Mr. PATMAN: Petition of Henry Rawlins and 36 other citizens of Vineland, N. J., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11074. Also, petition of Alfred Strauber and 66 other citizens of Philadelphia, Pa., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11075. Also, petition of William A. Sumulb and 91 other citizens of Philadelphia, Pa., urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11076. Also, petition of E. M. Craig and 44 other citizens of Vineland, N. J., urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11077. Also, petition of C. Schlitz and 129 other citizens of Philadelphia, Pa., urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11078. Also, petition of Howard E. Davis, of Narberth, Pa., and 124 other citizens of Philadelphia, Pa., and surrounding territory, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11079. Also, petition of P. Huet and 236 other citizens of Philadelphia, Pa., urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11080. Also petition of James Harper and 177 other citizens of Philadelphia, Pa., and surrounding vicinity, urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11081. Also, petition of Joseph L. Travers and 241 other citizens of Philadelphia, Pa., and surrounding vicinity, urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11082. Also, petition of Elizabeth C. Mutzer, of Camden, N. J., and 22 other citizens of New Jersey and Pennsylvania,

urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11083. Also, petition of Lloyd E. Goss and 41 other citizens, of Philadelphia, Pa., urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11084. Also, petition of C. Louis Leift and 68 other citizens, of Philadelphia, Pa., urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11085. Also, petition of Marie Smith and 137 other citizens of Philadelphia, Pa., urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11086. Also, petition of Louis Cohen and 140 other citizens of Camden, N. J., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11087. Also, petition of A. Lechtman and 45 other citizens of Philadelphia, Pa., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11088. Also, petition of A. Louis Armstrong and 99 other citizens of Chester, Pa., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11089. Also, petition of D. N. Steward and 128 other citizens of Trenton, N. J., and adjacent vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11090. Also, petition of Frances Golohlin and 47 other citizens, of the State of Pennsylvania, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11091. Also, petition of Mrs. E. Kindermann and 76 other citizens of Philadelphia, Pa., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11092. Also, petition of Sylvester Vannamsen and 12 other citizens, of Bridgeton, N. J., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11093. By Mrs. ROGERS of Massachusetts: Petition of the General Court of the Commonwealth of Massachusetts, urging the enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 o'clock p. m.; to the Committee on Labor.

11094. By Mr. WIGGLESWORTH: Petition of the General Court of Massachusetts, memorializing Congress for the enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 o'clock p. m.; to the Committee on Labor.

11095. By the SPEAKER: Resolution of the Kings County Grand Jurors Association, of Brooklyn, N. Y., urging the passage of House bill 11152; to the Committee on the Civil Service.

11096. Also, petition of the Federation of Citizens' Associations of the District of Columbia, urging the passage of the District of Columbia appropriation bill for 1937; to the Committee on Appropriations.

11097. Also, resolution adopted by the seventh biennial convention of the International Association of Oil Field, Gas Well, and Refinery Workers of America, held in Tulsa, Okla., on June 1 to 7, 1936; to the Committee on Ways and Means.

11098. Also, resolution of the national directorate of the American Association for the Recognition of the Irish Republic; to the Committee on Foreign Affairs.

11099. Also, memorial adopted by the council of the city of Los Angeles at its June 4 meeting, in respect to the memory of the late Speaker of the House, Joseph W. Byrns; to the Committee on Rules.

11100. By Mr. CONNERY: Petition of the International Association of Machinists, No. 714, of Taunton, Mass., urging that the manufacture of all munitions in United States Government-owned plants be under civil-service laws; to the Committee on the Civil Service.

11101. Also, petition of the General Court of Massachusetts, memorializing Congress for the enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 o'clock p. m.; to the Committee on Labor.

11102. Also, petition of the Lawrence (Mass.) Central Labor Union, endorsing and urging the immediate enactment of the Wagner-Ellenbogen housing bill; leaving the general policy of administrative set-up as it now is in the bill, to increase the immediate appropriation from $51,000,000 to $100,000,000 and the first bond issue from $100,000,000 to $250,000,000 with corresponding increases for future years; to the Committee on Banking and Currency.

11103. Also, petition of the Senate of Massachusetts, memoralizing Congress in opposition to certain pending legislation relative to price fixing of coal; to the Committee on Ways and Means.

11104. Also, petition of the National Leather Workers' Association, Boston, Mass., endorsing the aims and purposes of the Council for Industrial Progress; to the Committee on Labor.

11105. By Mr. GOODWIN: Petition of American Legion, Navy Post 16, Department of New York, urging upon Congress the enactment of House bills 11681 and 11682; to the Committee on Naval Affairs.

11106. By Mr. JOHNSON of Texas: Petition of Mr. Daniel Russell, head of department of rural sociology, Agricultural and Mechanical College, College Station, Tex., in favor of Senate bill 4723; to the Committee on Agriculture.

SENATE

TUESDAY, JUNE 16, 1936

(Legislative day of Monday, June 15, 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 of Monday, June 15, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Chavez	King	Pope
Ashurst	Clark	La Follette	Radcliffe
Austin	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barbour	Davis	Long	Schwellenbach
Barkley	Dieterich	McAdoo	Sheppard
Benson	Duffy	McGill	Shipstead
Bilbo	Fletcher	McKellar	Smith
Black	Frazier	McNary	Steiwer
Bone	George	Maloney	Thomas, Okla.
Borah	Gerry	Metcalf	Thomas, Utah
Brown	Gibson	Moore	Townsend
Bulkley	Guffey	Murphy	Truman
Bulow	Hale	Murray	Tydings
Burke	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Wagner
Capper	Hatch	Nye	Walsh
Caraway	Hayden	O'Mahoney	Wheeler
Carey	Holt	Pittman	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. MCCARRAN] are absent because of illness, and that the junior Senator from Virginia [Mr. BYRD], the senior Senator from Virginia [Mr. GLASS], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Oklahoma [Mr. GORE], the Senator from Kentucky [Mr. LOGAN], the junior Senator from Indiana [Mr. MINTON], the Senator from Louisiana [Mr. OVERTON], the senior Senator from Indiana [Mr. VAN NUYS], and the Senator from Ohio [Mr. DONAHEY] are unavoidably detained.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. DICKINSON], the Senator from New Hampshire [Mr. KEYES], and the Senator from Maine [Mr. WHITE] are necessarily absent.