

LOUISIANA

James F. Ellis, Sulphur.

MISSISSIPPI

William E. Mitchell, Stewart.

MONTANA

Edward F. O'Neil, Glendive.

NEW MEXICO

George T. Meyers, Hillsboro.
Eugene Montague, Lordsburg.

NEW JERSEY

Edward J. Gleason, New Brunswick.

NEW YORK

Samuel B. Cline, East Hampton.
John F. Gleason, Le Roy.
Katherine M. Nortz, Lowville.
Donald S. Ryan, McGraw.
Kathryn R. Fulsehr, Malverne.
Robert C. McCarthy, Palmyra.
Mabel B. Williams, Westhampton Beach.

NORTH CAROLINA

James M. Hall, Roseboro.

PENNSYLVANIA

Frank J. Studeny, Johnstown.
W. Fred Williams, Shippenville.

TEXAS

Tom Calhoon, Liberty.

WISCONSIN

James F. Trainer, Lyndon Station.
Dan F. Vicker, Park Falls.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 3, 1939

The House met at 12 o'clock noon.

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

O Thou Saviour of the world, bid us enter the secret place that we may commune with Thee. We rejoice that the heart of the infinite God will never cease to bless until the sun goes empty of light, the stars forget to shine, and the universe itself is lost. He is over all and blessed for evermore. O speak Thy benediction to us: "Thou shalt speak peace to the nations; and Thy dominion shall be from sea to sea and from the river even to the ends of the earth. Thy throne, O God, is forever and ever. The scepter of Thy kingdom is the scepter of righteousness." O lead Thy white battalions against the hosts of rebellion which are error against truth, oppression against justice, and frightfulness against humanity. Inscribe in letters of living light across the skies: "King of kings and Lord of lords." May a chivalrous faith discern the coming of the peace of God. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Friday, March 31, 1939, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 11. Concurrent resolution continuing the special Joint Committee on Forestry.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 572. An act to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a

national emergency, and to encourage, as far as possible, the further development of strategic and critical materials within the United States for common defense.

PERMISSION TO ADDRESS THE HOUSE

Mr. FADDIS. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the reading of the Journal and the disposition of matters on the Speaker's desk, and following the legislative program of the day, I may be permitted to address the House for 20 minutes.

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

There was no objection.

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. DEMPSEY. Mr. Speaker, I desire to call to the attention of the Members of this House the conditions existing in the Post Office Department with particular reference to third- and fourth-class post offices.

It undoubtedly is common knowledge with every Member of this body that criticism frequently is made because of the appointment of incompetent persons as postmasters, particularly in these two classes of offices. It has been my personal experience that these appointments constitute one of the chief problems which confronts a Member of the Congress when he is asked to make a recommendation as to the proper appointee.

Recently in my State of New Mexico considerable criticism resulted from a case wherein a woman appointed as postmistress in a fourth-class office was found guilty of a violation of the postal laws. She was charged with a shortage in her accounts. Criticism of this woman's appointment was made, despite the fact that she was listed by the Post Office Department as the only available eligible, meeting the civil-service requirements of the Department. There was no choice in regard to this particular appointment, and virtually every patron of the office petitioned for this appointee.

To me it is not at all strange that there should be but one eligible applicant for such an appointment because the remuneration in this particular office was shown to be but \$249 a year—a compensation of approximately \$20 a month. There are many post offices where the remuneration is even lower. What manner of public servant can we expect for such compensation?

In this day when we are talking about one-third of the Nation being ill-fed, ill-clothed, and ill-housed, and are appropriating billions of dollars for relief of unemployed who are given a minimum of about \$40 a month income, it appears to me shameful and disgraceful in the extreme that persons in the employ of the Government, serving in one of the most important branches of our governmental activity, which is in direct contact with nearly every citizen, should receive a mere pittance. Most certainly we cannot expect to obtain the highest type of governmental employee under these conditions.

It is difficult, indeed, for me to reconcile the toleration of such a condition by the executive and legislative branches of this Government, in view of the fact that we are insisting that private employers shall pay not less than 25 cents an hour to any person engaged in occupations that have to do with interstate business.

Most certainly we cannot continue to proceed on the premise that competent postmasters can be obtained under conditions such as these and for the compensation they are to be paid. In most every business or profession compensation is gaged largely on the competency of the employee and the duties to be performed. Under our present requirements it would appear that postmasters in the third- and fourth-class post offices must be prompted either by civic pride or a deep sense of patriotism to virtually donate their services; otherwise, I do not see how, in view of the meager compensation paid them, we could expect them to assume the duties and the responsibilities of such a position.

It is hard for me to find consistency in our attitude in appropriating billions for the various agencies of the Government, with full knowledge that travel and telephone expense for one relief agency alone approximates the staggering total of \$600,000 a month, and then put our stamp of approval legislatively on post-office regulations which require that a governmental employee in an important position of public trust shall be remunerated so poorly that there is an ever-present temptation to misappropriate a few dimes to buy bread.

It is a poor commentary, indeed, on our sagacity and fitness as lawmakers that we continue to countenance such conditions and I for one shall insist that provisions shall be included in any further Post Office Department appropriation requests so that these third- and fourth-class postmasters shall receive at least a living wage. It is my contention that a letter handled by a third- or fourth-class post office is just as vitally important to the recipient and the sender as is a letter handled by the metropolitan offices in New York or Chicago, and the trust and responsibility involved are as great. The only difference in the service rendered is in the volume of business handled.

I believe that this Congress is fully justified in insisting that these underpaid public employees shall be included within the provisions of the existing minimum-wage law and I propose to offer legislation to that end.

Until we take action of that kind it is my firm conviction that the criticisms directed toward the Post Office Department and the Congress, itself, growing out of the incompetency and unfitness of many of the appointees to third- and fourth-class post offices are fully justified and will continue. We are unfair with both the public and the appointees themselves.

There may be the contention that the establishment of a proper minimum-wage level for this class of employees would work financial hardship on the Post Office Department and on the Government. I for one do not feel that such a contention is well founded. The time has arrived when this justly criticized condition must be corrected by paying the employees in this Government service a living wage. The full responsibility rests upon this Congress.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. RANKIN. Mr. Speaker, on the front page of the Washington Post this morning there appears an article to the effect that Germany is asking for negotiations with the United States for reopening or readjusting trade relations between the two countries.

In that article it is stated that when the Secretary of the Treasury imposed a 25-percent countervailing duty on German imports he killed a deal that would have involved the sale to Germany of 500,000 bales of cotton, 500,000 tons of wheat, 30,000 tons of dried plums, and 110,000,000 pounds of lard over and above Germany's purchase from this country during the year 1938.

In other words, it is killing our trade with a country that is one of the greatest consumers of American cotton, as well as American wheat and other American farm products.

This cutting off of our portion of the foreign trade places a terrible burden on the American farmer by leaving upon his hands an additional surplus which drives the market down further below the cost of production.

It looks as if everything that is done now reacts to the detriment of the American farmer. The tariff robs him without compensation. He is discriminated against in transportation rates and pays the highest utility rates, as well as the highest interest rates, of any man under the American flag.

Every interference with our foreign trade penalizes him by closing the markets for his surplus products.

While this injures the wheat, corn, cattle, and dairy farmers, its greatest burden falls upon the cotton growers of the South, who are already handicapped with an enormous surplus, which means they will be driven to the growing of other

crops or else forced to engage in other activities which will bring them in direct competition with other farmers or with Americans engaged in other pursuits.

Instead of further interrupting our foreign trade to the detriment of the farmers of the Nation, we should do everything possible to stimulate that trade. I know there is an international element throughout this country that is doing everything possible to drag us or shove us into a European war.

Europe does not want any war with us, and America does not want a war with Europe; yet these influences are busy day and night trying to make a war for us. Their propaganda rings on the radio every hour and screams from the headlines of the subsidized press every day. They are not only willing to punish the American farmer and drive him further toward bankruptcy, but they are willing to jeopardize the peace of mankind and run the risk of plunging America into war, the cost and consequences of which no man can foresee.

We went into a European war 20 years ago and won it, although our allies, for whom our young men sacrificed their lives and for whom America fought and financed the war, have never given us credit for what we accomplished. On the other hand, they have repudiated their debts and instilled into their children a contempt for America and American institutions.

Uncle Sam of 1918, when we were aiding, and paying, and our boys were doing the bleeding, became "Uncle Shylock" a few years later, in the European vernacular, when all that we asked was that they pay their honest debts.

Now they are in trouble again; the age-old jealousies and competitions are at work, and these same nations that repudiated their debts and branded Uncle Sam as "Uncle Shylock" are using their influences to try to drag America into the broils and hatreds of European affairs.

The international bankers, munitions manufacturers, and others who grew rich out of the war, coining their money from the blood and tears of the suffering men, women, and children of the world, are again busy trying to stir up trouble in order that they may again profit at our expense.

I hold no brief for any dictator, but it is not our duty to attempt to run the internal affairs of other countries, and I for one am unalterably opposed to plunging this country into a war that would probably mean the wreck and ruin of what civilization we have left.

I make the prediction now that if we will let Europe alone and give them to understand that we are not going to get mixed up in their broils there will not be any war in Europe.

I also want to warn the Members of Congress that you are going to have trouble in this country whenever you attempt to reach out and drag the youth of this land to the colors and send them to die on foreign soil.

If war were to break out in Europe tomorrow, the large cities of every country involved would lie in ruins within 60 days. Thousands, if not millions, of innocent men, women, and children would be killed, blown to pieces, or burned to death in their own homes.

If America should be drawn into it, it would mean that every city along our Atlantic seaboard, and probably along the Pacific and Gulf coast, would be visited with a rain of terror from the air, the like of which our people have never known. Such a war would probably last for years and years. It would probably send millions of our young men down to nameless graves and leave a crepe on every doorknob, broken hearts and widow's weeds and vacant chairs in every home. It would leave our country economically and financially exhausted, our institutions swept away, and probably chaos and anarchy in its wake.

The same condition would prevail on the other side, with the result that this great civilization that it has taken mankind 2,000 years of toil, struggle, and sacrifice to build, would be destroyed.

Therefore, Mr. Speaker, I say that instead of agitating international ill will and aiding and abetting this element throughout the world that would gloat over the downfall of our civilization, it is our duty as responsible representatives

of the American people to do everything in our power to keep this country out of war, and in that way help to maintain the peace of the world.

I deplore the action of Secretary Morgenthau in arbitrarily raising the impost duty on German goods. We are at peace with Germany and I hope we may always be at peace with the German people. It seems to me that under these conditions wisdom would dictate a different course from that of attempting to apply economic restrictions against a friendly people, especially when by so doing we are penalizing our own farmers and making it impossible for them to find a market for those products upon the sale of which they must depend for any appreciable measure of prosperity.

European nations are trading with Germany. England and France are trading with Germany, and neither one of them have even contemplated imposing such restrictions. Of course, they do not object to the United States imposing such restrictions, because it gives them advantages in the German markets as well as in the American markets.

They care nothing about destroying the American market for cotton, wheat, corn, hogs, or dairy products. They are looking out for their own selfish interests.

We can never recover from this depression until agriculture leads the way, and every obstacle we throw in the way of that recovery by interfering with our foreign trade simply tends to postpone the day when we can hope to enjoy Nation-wide prosperity.

I hope that this request for the readjustment of our trade relations will be granted and that, instead of further penalizing the farmers of the South and West, plans may develop that will materially extend their foreign markets in such a way as to raise the prices of those products they are now selling below the cost of production, and in that way help to maintain the peace of the world, or at least keep America from becoming embroiled in another foreign war. [Applause.]

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and quote therein from the article in the Washington Post to which I have referred.

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

There was no objection.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. TREADWAY. Mr. Speaker, I wish to speak on the same general subject as that to which the gentleman from Mississippi has just referred, namely, the possible negotiation of a trade treaty with Germany. However, my position is directly contrary to that which he has taken. The gentleman is looking at the proposal from the standpoint of his cotton producers, who stand to benefit by the proposed treaty at the expense of the rest of the country. I am looking at the matter from the standpoint of the country as a whole.

The reason the German officials now in this country are asking the same rights and privileges that other nations have is that they realize that trade treaties are beneficial to those countries by giving them a larger share of our rich home market. They are not concerned with the fact that the tariff reductions they desire are detrimental to the people of this country.

If there is one country today with which we ought not to have trade relations, it is Germany. Therefore, I protest against our people negotiating a treaty at this time with Germany, as it will be detrimental to our interests here at home. I am against the present trade treaty program, whether it involves making a treaty with Germany or any other country.

For some time I have been contending that the trade-treaty program is inimical to American interests. No better proof of this fact can be found than in the great anxiety of foreign countries to enter into these trade treaties with us.

The twenty-first treaty—that with Turkey—has just been signed. In this morning's press we are informed that now Germany is seeking a trade treaty with this country.

Among the items which Germany is anxious to ship into our market in competition with our own products are farm and industrial machinery, chemicals, and numerous manufactured products. I recently called the attention of the Treasury Department to the fact that Germany was dumping these very products on our market by means of a complicated barter system, under which American concerns shipping certain products to Germany had to take these articles in exchange, which were then sold in the American market at sacrifice prices. Shortly thereafter, the Treasury Department imposed countervailing duties on these subsidized imports as required by the tariff law of 1930.

The imposition of these duties has temporarily forced the abandonment of this dumping of German goods on the American market. Now Germany is anxious to have these countervailing duties removed, and at the same time receive a substantial reduction in the regular duties of her imports into the United States. In other words, she wants to gain access to our market under a trade treaty so as to accomplish the same purpose she has been accomplishing by barter and by dumping.

Let me repeat at this time what I have said many times, namely, that the only valid purpose of foreign trade is to exchange our surpluses for the things we need and do not produce ourselves.

There can be no justification for opening our markets to the products of Germany, the like of which we already produce. Nor is there any net advantage to this country by trading off our surpluses for products that compete with other lines of industry.

I cannot emphasize too strongly that if our trade treaty program was not of such great benefit to foreign countries at the expense of our own people, these foreign countries would not be so anxious to enter into them.

At the present time we have no Ambassador in Germany, nor does Germany have an Ambassador here. It is extremely nervy, in my opinion, for the German Chargé d'Affaires, Herr Thomsen, to suggest how we should regulate our tariffs on German imports. Of course he wants for his own country the same advantages in our markets which other foreign countries now have under the trade-treaty program. He is jealous of these other countries which are now getting benefits which are denied to Germany. It is to be expected that Germany would want to get its nose under the tent also.

If we open the door to German imports by drastic tariff reductions such as have been granted to other countries, our manufacturers might just as well close down and throw up the sponge, because we cannot possibly compete on equal terms with the cheap products of Germany. This administration should not ask the American workingman, who, thank God, is still a free citizen, to compete with the regimented labor of the Nazi regime of Adolf Hitler. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. GUYER of Kansas. Mr. Speaker, there are about 8,000,000 aliens within the United States who have neither become citizens nor even declared their desire and intention to become citizens, and of assuming the duties and responsibilities of citizens.

This to my mind is gross ingratitude for our hospitality and the generosity of this Nation which has made them welcome and extended its incomparable opportunities and domicile to them. Not only have millions of these aliens taken advantage of our generosity by failing and neglecting to assume the duties of citizenship but many have so far abused their privilege to reside in this country as to engage in subversive propaganda, communistic, Nazi, and Fascist.

The presence and bold activities of so many of these aliens in radical labor trouble in which they fomented and encouraged violent action, was largely responsible for the severe rebuke and censure administered to the Secretary of Labor,

Miss Perkins, by the 10 minority members of the Committee on the Judiciary for laxness and want of energy in the enforcement of the immigration laws in the proposed impeachment proceedings brought against the Secretary of Labor and members of her staff. While no one on the committee believed that the evidence adduced justified the extreme constitutional remedy of impeachment provided in the Constitution, yet the bold and persistent subversive and violent activities of so many aliens did not produce an enviable record for the Department of Labor in the energetic enforcement of our immigration statutes.

There are said to be one and one-half millions of unnaturalized aliens on our relief rolls which cost the taxpayer many millions. In the event of war with their mother country they would be subject to call to fight against the country whose generosity fed them and which necessarily denied that much to our own unemployed citizens.

It is said upon good authority that there are 6,000,000 unnaturalized aliens holding jobs in American industry and agriculture. Their employment means that our own citizens are deprived of that number of jobs, so that the employment of unnaturalized aliens accounts for nearly half of our unemployment. They should be forced to choose between naturalization and deportation. If they want to become citizens let them so declare and proceed to become citizens. That they are of alien birth does not at all discredit them, for some of the best and most useful citizens we have are of alien birth. It is to those who fail to take advantage of the privilege to become citizens after long residence in our country, and particularly those who engage in subversive propaganda, that I direct my disapproval.

It is estimated that there are in this country 500,000 aliens who are within our gates illegally; who have stolen into the country in one way or another contrary to law. They have no right of residence in this country and should be immediately deported. Many thousands of these unnaturalized persons are reservists in foreign armies subject to being called to the colors of their mother country in the event of war that might be a war against the United States.

The Legislature of the State of Kansas, recently in session, has passed senate concurrent resolution No. 28 memorializing the Congress to enact laws providing for the deportation of all aliens who do not within a reasonable time signify their intention to become citizens of the United States. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include this resolution.

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

There was no objection.

Mr. GUYER of Kansas. Mr. Speaker, the resolution to which I have referred is as follows:

Senate Concurrent Resolution 28

Resolution memorializing the Federal Congress to enact adequate legislation providing for speedy deportation of all alien residents who do not signify their willingness, desire, and intention to become citizens of the United States within a reasonable time after entry into the United States of America

Whereas it is estimated that there are approximately 8,000,000 residents within the boundaries of the United States of America who have neither become naturalized nor filed any declaration of intention to become citizens of this Nation; and

Whereas this large group of alien residents provides a fertile field for agitators and organizations who are not in sympathy with the American form of government; and

Whereas it is the sense of the Legislature of the State of Kansas, that this large group of alien residents should not be permitted to enjoy the freedom and privileges of this Nation without assuming the corresponding duties and obligations of citizenship: Now, therefore, be it

Resolved by the Senate of the State of Kansas (the house of representatives concurring therein), That the Federal Congress be, and it is hereby, requested to direct its attention to this condition and to enact adequate legislation which will provide for speedy deportation of all alien residents of this country who do not within a reasonable time signify their willingness, desire, and intention, and qualify, to assume the obligations of citizens of the United States of America; be it further

Resolved, That the secretary of state be, and he is hereby, directed to transmit properly authenticated copies of this resolution to each branch of the Congress, to each member of the Kansas congressional delegation, and to each of the United States Senators from Kansas; be it further

Resolved, That the secretary of state forthwith transmit properly authenticated copies of this resolution to each of the legislatures of the several States of the Union which are now in session, same for their consideration and action, if they so desire.

Mr. RICH. Mr. Speaker, I ask unanimous consent that on Tuesday, April 11, after the disposition of the business on the Speaker's desk and following the legislative program of the day, I may be permitted to address the House for 15 minutes in regard to Government waste in the scissors brigade, an organization set up by the New Deal for clipping newspaper articles and filing them.

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

There was no objection.

EXTENSION OF REMARKS

Mr. THOMAS F. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article from the Chicago Evening American.

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

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of Government subsidies and to include therein a statement made by T. B. Robertson, international president of the Brotherhood of Locomotive Firemen and Enginemen.

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

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the W. P. A. appropriation.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to address the House for 25 minutes on Tuesday next, April 11, after the disposition of the legislative program of the day and any previous special orders.

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

There was no objection.

EXTENSION OF REMARKS

Mr. KEEFFE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial written by Mr. William J. McHale, of Chilton, Wis.

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

There was no objection.

Mr. MILLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from a constituent.

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

There was no objection.

HAWLEY-SMOOTISM VERSUS RECIPROCAL-TRADE TREATIES

Mr. KITCHENS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mr. KITCHENS. Mr. Speaker, the gentleman from Massachusetts [Mr. TREADWAY], who has just spoken, condemns any trade treaty with Germany. We are not surprised because such opposition is merely carrying out the suggestion of his great leader, Hon. Herbert Hoover.

I presume the gentleman's opposition to trade treaties in general is what Mr. Hoover calls the "oxygen" of representative government. The national weekly news magazine Time, in its issue of February 20, 1939, gives an account of a gathering on February 13, 1939, of Republican leaders assembled in the grand ballroom of the Waldorf-Astoria Hotel, New

York City, under the pretext of celebrating the birthday of Abraham Lincoln. There they wined, dined, danced, perspired, and became inspired. There was conviviality and congeniality within the cloistered walls of that exclusive hotel surrounded by walled streets where trade is walled in for a few. Mind you, my colleagues, those gentlemen were celebrating the birthday of Abraham Lincoln. Nothing happened there that in the least would meet the approval of Abe Lincoln. From all that took place there honest old Abe would not have known he ever had a birthday. [Applause.]

Mr. Speaker, reverting to that grand ballroom celebration of Lincoln's birthday, the Time magazine further states that Hon. Herbert Hoover was present and took occasion to give advice and direction to Republican leaders, old and young, whether in Congress or out of Congress. Time states in its issue of last February 20 that Mr. Hoover appeared in the ballroom "hands in pockets, stomach to the fore," and gave warning to the coming generation. In his warning he offered a remedy to save the people, as he said, "from their rendezvous with debt." His remedy was a little late forthcoming, as the people know from experience. But what was that remedy the great leader of the Republican Party offered to the people? The magazine Time states that Mr. Hoover, to that great audience and Republican leaders in general, recommended the "oxygen of opposition." [Applause.]

Mr. Speaker, we thought Mr. Hoover was famous only as a great engineer and promoter. We did not know he was also learned in physics. It is true we knew him as a clairvoyant, a man able to see around the corners, but no one ever proclaimed him to be a doctor, but rather a doctrinaire. [Applause.]

Time says he recommended "oxygen" as a sure remedy for the evils of the day and for future generations. One would judge that Mr. Hoover desired his followers, in Congress and out, to pour out and administer "oxygen" in both large and small doses. From time to time on the floor of this House I note strained efforts to administer this panacea of all ills. [Applause.]

Mr. Speaker, Webster's unabridged dictionary defines "oxygen" as a "colorless, tasteless, odorless, active gas element in the atmosphere." I appreciate that the gas element may be for the purpose of lulling, soothing, and putting the people to sleep. Webster further says, in defining "oxygen," "It forms in combination eight-ninths by weight of water and nearly one-half by weight of the rocks composing the earth's crust." I can see the quenching virtues of the water, and the held-out hope for a "crust," but am unable to see any virtue in the rock. Webster further says "oxygen" is a constituent of all but a very few acids. A simpleton ought to be able to understand the simplicity of this remedy suggested by the leader of the Republican Party and adopted by his followers. [Applause.]

In other words, Mr. Speaker, Mr. Hoover, after due consultation and deliberation, seriously seeking a remedy or program, ponderously recommends air, water, and gas. [Applause.] That is the only constructive remedy the Republican Party has so far been able to suggest or devise. I find here on the floor of the House, over here on my left, that Mr. Hoover's advice is taken seriously by members of his party because from day to day pure "oxygen" is being poured and dosed out generously in opposition to all the policies of this administration. The Time magazine quotes Mr. Hoover as saying "give them the 'oxygen of opposition,' give them air, gas, and water." If Mr. Hoover were not serious, then he seems to be misunderstood here on the floor of the House because his Republican coadjutors come every day well equipped with kits and bags of this airy, gaseous, and watery solution, and are doing their level best to fill the prescription and administer the dose as recommended. [Applause.]

History tells us that once when the people of France were crying for bread the French queen suggested they eat cake when there was no cake. Our ex-President, ably aided, abetted, and encouraged by his followers, says that the people should be given air, water, and gas, "oxygen" if you please, and these atmospheric elements are plentiful. The only dif-

ference between these recommendations is that one recommended for the people an unprocurable article, while the other recommended an abundant invisible substance.

Mr. Speaker, those leaders of the Republican Party in that "Walledoff" hotel in New York City, freely imbibing inspiration from their immediate surroundings, were not able to appreciate the beneficent results to flow from the remedy suggested at that great meeting.

Only a few days ago the farmers of America were given by the Republicans in this House a good and generous dose of "oxygen." A diagnosis of troubles of farmers of America brought forth the recommendation that they be given the air mixed with a little soothing gas and diluted with water, a concoction believed to be a most satisfying cure, and that was what Republican leadership here administered to the farmers on the farm parity income proposal a few days ago.

Sometimes I am inclined to believe that the new Republican Governor of Vermont, Mr. Aiken, was about right last year when he suggested one of the best things for the Republican Party to do was to change its name. That suggestion very quietly so far has been disregarded. This hushed proposal is awaiting, no doubt, the effect of the immense possibilities of air, water, and gas when administered in proper doses, and there is a disposition to wait hoping to convince the American people once more that it has discovered a new remedy for the solution of all our problems.

True to form, true to the dictators of their party, the Republican leadership in this House is attacking the trade treaties negotiated and now in process of negotiation with other nations with nothing really more substantial than air and gas. The American people must not be misled by all these opposition platitudes and generalities, half truths and misstatements, which are nothing more than the "oxygen of opposition."

I have been studying the trade treaties negotiated since 1934, under the direction of that great statesman and Christian gentleman, our great Secretary of State, Hon. Cordell Hull, and have reached the opinion that these trade treaties are opening up the most wonderful possibilities, capable of being envisioned, for universal peace, the progress and prosperity of America and all the nations. These treaties represent the true spirit of Christianity, and I hope to see them negotiated with all friendly and, if any, unfriendly nations.

Mr. Speaker, March 22, 1939, as appears in the CONGRESSIONAL RECORD of that date, I made some observations on the viciousness of State barriers to trade in this country. Among other things, I stated that I am interested in facilitating the development of trade, not only among the States but between our Nation and all other countries. I wish to see demolished, consistent with the best interest of our people as a whole, every barrier that causes friction and obstruction in the exchange of goods and commodities.

The score of reciprocal-trade agreements concluded under the authority of the Trade Agreements Act, which Congress passed in 1934 and extended in 1937, have been effective instruments in promoting such exchange of goods. The American producers on farms and in factories and American workmen on railroads and ships and in offices will reap the undoubted benefits which come to a nation with a healthy foreign trade.

PARTISAN ATTACKS CANNOT DEFEY FACTS

Blind partisan attacks, such as have been made recently on this floor and elsewhere, against the reciprocal trade agreements program cannot controvert this fact. Such attacks cannot destroy facts or obvious truth.

I repeat my stand for the demolition of trade barriers consistent with the best interest of the people of the United States as a whole. Too much of the opposition to these agreements has been based upon narrow views as to their effect upon a few specific lines of activity. That opposition has closed its mind to the very real benefits conferred upon these very industries and their laborers through the expansion of our foreign trade. The opponents of the program like to hunt for a single tree against which they can batter their foreheads until the vision of the forest as a whole is entirely

lost. They have the facts, but still quibble, deny, and pour out oxygen.

FOREIGN TRADE VITAL IN AMERICAN ECONOMY

The whole agricultural and industrial economy of the United States has been built upon the basis of advantageous trade with foreign countries. This building started back in colonial days before this Government was established. The Colonies, and later the United States, exported the products of their agriculture to the old countries and exchanged them there for manufactured goods which the new nation was ill-prepared to produce for itself. It later sent its products abroad in exchange for the capital that was essential to develop the vast natural resources of the United States and establish the industries to which we point with pride.

The exchange of goods and products between men and between groups constitute the most important economic step mankind has yet taken in advancing from a rude and primitive civilization. No individual unit can depend wholly upon itself for every need, no matter whether it be qualified and so situated as to be able to satisfy that need or not.

Those who obstruct an exchange of goods and services push us back toward the primitive, force humanity back to a lower subsistence level, deprive the individual of all the benefits he is not able to produce for himself within his own little circle, and thereby generate a spirit of hate, retaliation, reprisal, and the causes of war.

FOREIGN-TRADE FIGURES AN INDEX TO PROSPERITY

Foreign trade and commerce are vital factors in the economic welfare of our Nation. The figures on foreign trade and commerce are accurate indexes to the degree of that economic welfare. We remember the period from 1925 to 1929 as a period of prosperity, and it was, in some aspects. The foreign trade of the United States in those years averaged about nine and one-fourth billion dollars a year. We recall the years from 1930 to 1933 as depression years. In those years the foreign trade of the United States averaged about four and one-third billion dollars a year, dropping to less than \$3,000,000,000 in 1932.

It is easy to say there was a world-wide depression in the latter period and that the depression was the cause of the drop in foreign trade. Thinking people know that the deliberate obstruction of foreign trade by high tariffs instigated by this country and followed in self-defense by almost every other country in the world was, no doubt, the major factor in bringing on a world-wide depression and in making it deeper, wider, longer, and more severe than it otherwise would have been.

TRADE BARRIERS STRANGLING WORLD COMMERCE

In 1930 the Smoot-Hawley Tariff Act set United States tariffs at practically embargo levels on every possible foreign commodity, and the United States thus led the world in erection of barriers against the exchange of goods among nations. This destruction of trade was remarkably successful. United States imports in 1929 amounted to nearly four and two-fifths billion dollars and by 1932 they had dropped to one and one-third billions.

If preventing imports were the key to prosperity, what a boom under the Smoot-Hawley Tariff Act we should have enjoyed in 1932 and 1933. As it was, we went upon the rocks. If the United States can live within itself, if we are better off without foreign trade, as was actually asserted by the gentleman from Wisconsin [Mr. GRISWOLD] on this floor last week, and as virtually contended for by the gentleman from New York [Mr. REED] and the gentleman from Massachusetts [Mr. TREADWAY] then the cutting off of those imports should have made us prosperous. If such an argument be sound or logical, what a depression we should have been having in 1929, when our imports reached the highest figure in our history.

TRADE BARRIERS INTENSIFIED DEPRESSION

Ordinary Arkansas and Wisconsin horse sense and experience show the contrary to be the fact. When our imports went down, so did our exports. When our exports went down, so did our volume of production and our prices, on the farm and in the markets. When our volume of production went

down, so did our employment; men walked the streets without jobs, and our dairy, cotton, corn, wheat, and other farmers became distressed because others could not buy. Jobless Americans are no customers for American goods, as the dairy industry particularly should be well aware by this time.

TRADE AGREEMENTS ACT AN ATTACK ON DEPRESSION

The reciprocal trade agreements program, based upon the Trade Agreement Act of 1934, was a plain, common-sense, and necessary attack on that depression factor, the trade barriers. Its whole purpose and effect have been to gradually remove such barriers by the most sensible and effective method, restore once more the opportunity of the American producer to exchange his product for those of other nations, give him a job producing something he can sell at a remunerative price, and make him, because he has that job, once more a customer for the products of other Americans.

The United States in 1934 took the lead in a movement, that has since become world-wide, toward removing trade barriers and reestablishing world commerce. Twenty other countries have followed that lead, and the commerce that goes on among the 21 countries accounts for more than half of all the commerce of the world at the present time.

Opponents of the program are in the habit of pointing with a good deal of cynicism at the fact that there is still unemployment in the United States. From that fact alone they announce the prompt conclusion that the trade-agreements program has been a failure. It is not an effective retort to them to say merely that things would have been worse than they are if there had been no trade agreements, true as that retort would be, unless the retort be based upon some concrete facts.

EXPORTS MADE JOBS IN 1938

Here are those concrete facts: The United States, in the year 1938, exported goods to the value of more than \$3,000,000,000, of which nearly three-fourths were industrial. American manufacturers and workmen, therefore, did have business and did have jobs producing nearly two and one-fourth billion dollars' worth of manufactured products that found foreign markets in 1938. The rest of the exports were agricultural and amounted to nearly a billion dollars. American farmers and American farm land produced that—nearly a billion dollars' worth of exported farm goods.

If we had had no foreign markets, one of two things would have had to happen—either the workmen would have been unemployed and the farm land idle, or the goods would have piled up further in this country and forced the prices down to more ruinous levels. American industrialists are not in the habit of keeping men in jobs when there is no sale for the products those men are making.

No one has ever claimed that trade agreements are the only reason for the increases in American foreign trade and exports since 1933. Such a claim would be as absurd as the assertion that increases in foreign trade have not been stimulated by removing, on both sides, the tariff and other artificial barriers which have been obstructing that trade. No one claims that trade agreements alone, regardless of other factors, valuable as they are, can cause a steady, progressive increase, year after year, in foreign trade.

TRADE GROWS UNDER TRADE AGREEMENTS

But the statistics do show that American foreign trade, and especially American exports, with countries with which we have trade agreements, has mounted more rapidly, and has decreased less in 1938 as compared with 1937, than has American foreign trade with non-trade-agreement countries.

Start with the yearly average for the 2 years 1934-35, the years when the Trade Agreements Act was passed and the program was just getting under way. United States exports in those years to all countries averaged a little less than two and one-fourth billion dollars, and United States imports averaged one and three-fourths billion dollars, making a total foreign trade averaging slightly better than \$4,000,000,000.

In that 2-year period the total foreign trade of the United States with countries which, in 1938, had concluded trade agreements, averaged \$760,000,000 a year in exports and \$794,000,000 in imports, a total of more than a billion and a

half dollars. Trade with countries which have not signed trade agreements or which, like the United Kingdom, did not sign the agreements until too late for the results to show up in 1938, amounted in 1934-35 to a yearly average of less than a billion and a half dollars in exports and a little over a billion in imports, a total foreign trade averaging about two and one-half billion dollars a year.

FOREIGN COMMERCE UP ONE-FOURTH IN 1938

Now, compare those figures with 1938, when our total foreign trade with all countries had risen by nearly 25 percent to over \$5,000,000,000, of which exports accounted for more than three billion. In 1938 our exports to trade-agreement countries were well over a billion dollars, showing a gain of 55 percent over exports to the same countries in 1934-35 before the trade-agreements program was in operation, while our imports from these trade-agreement countries amounted to \$892,000,000, an increase of about 12½ percent. Total foreign trade with these countries was more than \$2,000,000,000, a gain of 33 percent over 1934-35.

In the same year, 1938, total foreign trade of the United States with non-trade-agreement countries amounted to slightly less than \$3,000,000,000, a gain of less than 19 percent compared with 1934-35. United States imports from non-trade-agreement countries amounted to slightly over a billion dollars, a gain of about 1 percent, and United States exports to non-trade-agreement countries amounted to slightly less than \$2,000,000,000, showing a gain of 32 percent as compared with 1934-35, whereas the exports to trade-agreement countries, as I said a moment ago, had gained 55 percent.

A BIGGER SHARE OF A BIGGER MARKET

Put it another way: In 1934-35 United States trade with the 17 countries with which trade agreements were in effect during the greater part of 1938 amounted to 38 percent of all our foreign trade. In 1938 trade with those same countries amounted to more than 41 percent of a foreign trade nearly one-fourth larger.

It should not need all the figures and statistics that I have given you to demonstrate the perfectly simple proposition that if water in a stream is being dammed up by obstructions the water will flow more freely if the obstructions are removed. That proposition represents exactly what happens to world trade when obstructions in the form of trade barriers are removed, as many hundreds of them have been removed through the effects of the trade-agreements program.

It should not be forgotten that in all these figures the United Kingdom and Turkey have been listed with the non-trade-agreement figures because the agreement which covers the United Kingdom and more than 50 British colonies did not become effective until January 1, 1939, and the one with Turkey until last Saturday, April 1, 1939. The United Kingdom and these colonies in 1937 and 1938 have accounted for more than one-fifth of American exports and have been the source of more than one-sixth of American imports. When the hundreds of concessions on American products have been obtained through the agreement with the United Kingdom begin to show results in the 1939 trade figures, the comparison with 1934-35 will be even more striking and convincing than it is at the present time.

ABNORMAL FACTS OPERATED IN 1937

Likewise, it should not be forgotten that the figures for 1938, which have been quoted, are considerably less impressive than the figures for 1937, when, because of unusual and even abnormal conditions, United States foreign trade was greater than it has been during 1938. It is a favorite device of the opponents of this program to point to this fact, ignore the abnormal influences, and assert that foreign trade and exports are decreasing from a normal level. They conveniently disregard the facts of the drought of 1936 which reduced domestic production of many crops and, for the first time in years, brought about the net imports of these crops until the bumper crops of 1937 were available. They conveniently ignore the fact that industrial activity in this country was at a level higher than it had been since the boom times of 1928 and 1929, with the result that American workers with jobs and wages were in the market for more goods, both

domestic and imported, than they had been buying in previous years.

They conveniently ignore the fact that a great proportion of the imports that were coming into this country were such things as rubber, tin, silk, and the like, not produced in this country but essential to the very manufactures that were enjoying the boom.

In 1938, on the other hand, American agriculture had harvested the biggest crops in its history and was no longer on an import basis for drought-reduced crops. And there had been a recession in business activity, a recession which the trade-agreements program was not sufficient to eliminate, but which it did alleviate by helping to provide foreign markets for over \$3,000,000,000 worth of American manufactures and American farm products.

AGREEMENTS CREATED JOBS IN PRODUCTION AND TRANSPORTATION

The reciprocal-trade agreements have helped not only to promote this market for American goods, and thus give employment to American workers and farmers, but export business has made employment for workers in every line of industry. Especially is this true about the transportation industry. Every ton of American goods exported and every ton of foreign goods imported make jobs for the men on ships, in ports, and on railroads handling those goods. Goods in foreign trade make business for bankers and insurance companies and a thousand and one other lines of activity, as well as for the workmen who do the actual producing.

The United States Department of Commerce has made some estimates of the number of workers engaged in producing and distributing export goods. These estimates indicate that in 1937 the labor of approximately 2,400,000 wage earners went into the production of export goods. Actually a far greater number of persons owed at least a part of their work to exports. Even these figures, which are admittedly an understatement, show, however, that more than 5 percent of the total employment in the United States and nearly 10 percent of the total employment in agriculture, manufactures, mining, and transportation are dependent upon export trade for their livelihood. Manufactured products that were exported called for the labor of some 673,000 persons, and exports from mines for the labor of some 75,000 persons. Agricultural exports represented the output of some 1,432,000 workers, and distribution industries, such as railroads, trucks, pipe lines, shipping, and longshoremen, and exporters and export agents utilized the labor of some 204,000 workers in handling export products.

The home market for American products that is offered by these workers and their families, because they have jobs and pay that depend on foreign trade, is a market well worth the attention of American producers. Yet opponents of foreign trade would destroy practically every one of them.

GIVE AMERICAN FARMERS A BETTER MARKET

When that well-worn wail about "giving the American farmer the American market" is raised the American farmer and all other American producers should give some serious thought as to how an American market is made, its size, and profitableness. The American farmer must remember that 100,000,000 of Americans cannot farm, do not farm, and they must have paying jobs if there be a paying market.

They should recall their situation in 1932 when they had as nearly 100 percent of the American market—what there was of it—as the Republican Party with its Smoot-Hawley embargo tariffs could give them. In that year farm cash income in the United States was \$4,328,000,000, and imports into the United States amounted to less than one and a third billion dollars. Imports of agricultural products, such as are produced in the United States, were practically nonexistent in 1932. Yet you could then sell, if at all, corn, wheat, butter, meat, cotton, and so forth, only at the lowest price level in history.

Then they should recall—and the spokesmen for farmers who have been particularly vocal about "the American market for American farmers" should recall that in 1937, when imports were considerably more than double what they had been in 1932 and when those imports included an unusually

large proportion of things such as are produced on American farms—they should recall that in 1937 the American market was good enough to return a cash farm income of over \$10,000,000,000.

DAIRY INDUSTRY DEPENDS ON HOME MARKET

These truths have particular force for dairymen, because no agricultural industry depends more than the dairy industry upon general national prosperity and less upon exports and imports of its products. The income of dairy farmers goes up and down in direct relation to the amount of employment and the amount of wages that American workmen earn. Dairy products, unfortunately for the health and proper nutrition of the Nation, are regarded by the bulk of the working population as luxuries, to be enjoyed when the wage earner has a job and curtailed when he does not. One of the first economies made when jobs become insecure is in the amount of milk and butter bought for the family. If cold statistics are needed to demonstrate this well-known fact, they are available.

DAIRY INCOME MOVES WITH INDUSTRIAL INCOME

In 1929, when the income of industrial workers in the United States was eleven and one-half billion dollars, United States dairy producers drew a cash income of well over one and three-quarters billion dollars—\$1,844,000,000. In 1932, when industrial workers' income was down to less than \$5,000,000,000—\$4,900,000,000—cash income from the sale of dairy products was down to less than a billion dollars—\$991,000,000. In 1937, when industrial workers' income was again up to nearly ten and one-half billion dollars—\$10,400,000,000—cash income from the sale of dairy products was more than one and one-half billion dollars—\$1,530,000,000.

In 1929 the value of imports of dairy products was equal to 1.6 percent of cash income for dairying. In 1932 the value of imports was 1.3 percent of dairy cash income. In 1937 the value of imports was 1.03 percent of the dairy cash income. So dairy farmers should no longer be misled at their expense by political jobseekers, and political jobholders.

SOME DISPROVED ASSERTIONS ARE HEARD AGAIN

It should be abundantly clear, even to the most partisan mind, that United States dairymen benefit by a good domestic market and that the trade-agreements program contributes to the size and the profitableness of that market. The talk of a flood of imports which, to quote statements made on this floor "has practically ruined the American dairy industry" has no foundation in any fact. It is not new talk. It was heard when the first agreement with Canada went into effect in 1936, and the Republican candidate for President raised the terrifying threat of a babassu-nut invasion of the dairy industry. The threat of a baboon invasion of the country would have been equally as feasible, if not so plausible. The subsequent increases in the income of American dairy farmers have entirely disproved that talk, just as further developments under the new agreement will disprove it again.

OPPONENTS DO NOT WANT THIS AMERICAN MARKET

The gentleman from Wisconsin [Mr. GRISWOLD] has held that because the agreement with Canada contains concessions on industrial products such as engines, typewriters, automobiles, and machinery, and because—I quote his words as given in the RECORD:

I find that almost none of them are products of my district and very few of them are products of the State of Wisconsin.

He has held—I quote again from the RECORD:

It becomes very apparent from a study of the agreement that the great dairy industry in the State of Wisconsin was traded off for the benefit of the industrial cities in other sections of the United States. The Canadian trade treaty is destroying the market of the dairy farmer.

The gentleman from Wisconsin seems to be indifferent and unconcerned as to whether the dairymen of his district sell milk and cream and butter and cheese to the American workmen and the families of American workmen across his boundary line and in the States of Michigan, and Iowa, and Illinois, and Indiana, and Ohio, and Arkansas, and in many other

States. Workmen there will have jobs and be able to buy the products of his district because of the Canadian concessions on the engines and typewriters and machinery and other products which they manufacture and sell in Canada. Neither Wisconsin nor any other State can buy more than a small portion.

The gentleman from Wisconsin also quotes from a report by the State Department to the effect that by opening up markets for export crops, grown by farmers not engaged in dairying, the trade-agreements program is helping to make it unnecessary for these farmers to go into the dairy business and compete with established dairymen, such as those in the gentleman's own district. And he applies to this report the peculiar interpretation—not warranted even when he takes a single sentence, as he has done, from its context—that to improve export markets for corn, tobacco, pork, cotton, and cottonseed oil and meal is to keep down the prices of dairy products. Such distortion and illogical reasoning is doing no service to dairymen. The people of Arkansas will buy more of butter and cheese if they can be helped to sell their products.

"FLOOD OF IMPORTS" IS PURE MYTH

The gentleman has made a good deal of the fact that under the new agreement with Canada the quota of imports of dairy cattle at the reduced rates, which was 20,000 head in the 1936 agreement, has been removed. But he avoids and does not divulge the fact that in 1938 such imports amounted to less than 37 percent of the quota and that in January of 1939 imports of dairy cattle into the United States numbered only 626 head.

He has made a good deal of the fact that under the new agreement with Canada the duty on cream has been further reduced on a quota of one and one-half million gallons of cream a year, but he has said nothing about the fact that actual imports of cream in 1938 totaled one-third of 1 percent of the quota and that up to the end of February 1939 imports of cream totaled 95 gallons, of which exactly 29 gallons came in from Canada. He prefers to leave the impression that the trade agreement has permitted the importation of cream equal to the importation of 6,000,000 pounds of butter at a 7-cent tariff. The gentleman's reason for talking about a 7-cent tariff on butter when he admits there has been no reduction in the 14-cent tariff is too much even for the credulous.

The reason why prices of dairy products are not higher than they are is not hard to find. The alleged flood of dairy imports from Canada is mystical and hard to find, and it is only by hiding and ignoring the facts that even the possibility of such a flood of imports can be conjured up. Conjured facts are a poor foundation for permanent political prestige and glory.

DOMESTIC DAIRY PRODUCTION HIGH

Dairy production in this country is at record high levels. Consumption in this country is no more than keeping up with production. That, in simple fact, is the explanation of present dairy price levels. And it points clearly enough to the necessity of taking every possible measure to make increased domestic consumption possible. The trade-agreements program, as I have pointed out, is a definite and effective factor in increasing that very domestic consumption of dairy products.

The United States Department of Agriculture, on March 24, in its regular monthly report on domestic production of butter and American cheese, made this statement:

The output of creamery butter in February 1939 is estimated by the Bureau of Agricultural Economics at 121,065,000 pounds. This is an increase of 8 percent over that of February 1938, and 10 percent larger than the February average for the 8 years, 1930-37. It is the third largest output of creamery butter for February on record, being exceeded in 1932 and 1933.

Similarly, the same report says of American cheese:

The February output of American cheese is estimated by the Bureau of Agricultural Economics at 27,175,000 pounds. This is the third largest February production in the 21 years of record, being exceeded only in 1937 and 1938.

DOMESTIC CONSUMPTION ONLY AVERAGE

As for the demand side of the market, the monthly dairy-situation report issued by the Department of Agriculture on March 17, said:

Milk production continues high, and with no marked change in consumption of fluid milk and cream, the production of manufactured dairy products has continued at a record high level with the biggest increase occurring in production of butter * * *. For the 4 months from October through January, apparent consumption of the principal manufactured dairy products was the highest on record for the period. Consumption in January was up 13 percent from a year earlier and about equaled the preceding peak for the month in 1934. A considerable part of the increase in consumption was due to the distribution of butter for relief. Even with the increase, however, consumption has only been about average in relation to production, and storage stocks continue large.

UNITED STATES ON A BUTTER-EXPORTING BASIS

When the facts are brought out of hiding, the alleged flood of dairy imports that is supposed to be ruining the American dairy industry completely disappears. Here are some more facts that have been ignored. In the first 7 months of the fiscal year beginning July 1938 the United States shifted to an export basis on butter, and the figures include January, ordinarily the month of heaviest butter importation. In that 7-month period the United States exported more than twice as much butter as it imported. In that same period, as compared with the same months of the preceding fiscal year, United States imports of all agricultural products decreased by more than one-fourth, while exports of American farm products—excluding cotton which is not grown in the district represented by the gentleman from Wisconsin, but is grown in my district—increased by one-fifth. I have discussed Wisconsin probably more than I should, but Wisconsin is putting a wall around itself, and wants the remainder of the country as merely its province.

Now where are these floods of farm imports we hear so much about? They are nowhere except in the partisan and biased minds of people who pound their desks and shout for the American market for the American farmer and, at the same time, do their best to obstruct the soundest measure yet taken to build and make the American market a better market. They want to give him the American market, all right, as they did in 1932, but their program will make it a dwindling market resulting in the smallest possible market with the lowest possible price before they give it to him. Nothing could be more self-evident.

TARIFF CONCESSIONS ECONOMICALLY SOUND

The tariff concessions that have been granted by the United States in the Canadian agreement and in the 19 other agreements have been carefully and soundly considered, and designed to benefit the whole economy of this Nation without jeopardizing the welfare of any group. They have been worked out, as the Trade Agreements Act requires them to be, through the joint efforts of Government experts of long experience, high technical training, and nonpartisan viewpoints. These experts represent all the Government departments and agencies that are concerned with national commercial policy—the Departments of Agriculture, Commerce, State, and the Treasury, and the bipartisan Tariff Commission.

NOT BASED ON POLITICAL LOGROLLING

The provisions of these agreements are founded on sound economic principles and facts, in sharp contrast to the provisions of past tariff legislation that have been arrived at through logrolling, discrimination, political expediency, and complete disregard of the economic facts affecting the welfare of the people of the United States.

The agreements have worked and are working to provide more jobs and more pay for Americans and bigger and more profitable markets both at home and abroad, for American products. To attack them as they have been attacked on this floor and elsewhere with half-truths and misleading statements, with "oxygen," is to attack the welfare of the people of the United States. Political expediency, truckling to special interests with powerful lobbies, willful blindness

to plain facts, must be behind such attacks. Mr. Speaker, the people are becoming tired of demagogic and partisan attacks, and they will not be deceived very long.

W. P. A. APPROPRIATIONS

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. TABER. Mr. Speaker, when the W. P. A. appropriation was under consideration last week I stated that in spite of a steady upturn in employment that we were having a build-up in the W. P. A. I have in my hands a clipping from the Cleveland Plain Dealer, an administration supporter, indicating that the number of jobs filled in March were 2,447 as against 1,345 in the previous month, and that the index of employment of 100 key firms in that city had gone up about 1 percent over the previous month.

I just want to call this to the attention of the House and to say that notwithstanding this increase in private employment there still continues a large increase of expenditures along the W. P. A. line.

Probably there is a larger percentage of funds spent in the State of Ohio for a unit of population for W. P. A. than any other State in the Union. Local responsibility and local management of the relief problem with a requirement that they must pay themselves a definite percentage of the cost would cure this situation.

The demoralizing effect of the continued operation of the W. P. A. means that business cannot recover and cannot put people to work. Its continuance means that we are taking bread out of the mouths of the poor by postponing and preventing recovery.

[Here the gavel fell.]

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

AMENDMENT OF SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The Clerk called the first bill on the Consent Calendar, H. R. 3800, to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. GILCHRIST. Mr. Speaker, reserving the right to object, I may say that a bill of this sort in some form is necessary. It has been held up time after time. It is the poor tenant that this bill helps. It does not help the big man. I have letters and telegrams in my pocket showing that they are charging tenants 35 cents an acre extra in some places, because the big corporations cannot go into the farm program, and therefore they make the tenant and sharecropper pay for this loss. The bill is for the purpose of providing that the tenants who live on family sized farms, or who rent their lands under the usual terms in the community, can go into the program. It will be too late in another 2 weeks. We ought to do something to help these folks. Something ought to be done now. I do not care what the limitation is—write your own ticket on that—but let us fix it so that the poor tenant or the sharecropper can be helped and not be charged extra by the big folks or by the corporations who have a hundred or 200 farms in one State, as they are now charging them. Why not help the poor man, the poor tenant, or the poor sharecropper?

The SPEAKER. Is there objection to the request of the gentleman from Michigan that the bill be passed over without prejudice?

There was no objection.

T. V. A.

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to proceed out of order for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMASON. Mr. Speaker, I do this to call to the attention of the Members of the House that the joint committee appointed at the last session of Congress to investigate the Tennessee Valley Authority is today filing its report. In fact, I have just filed it with the Clerk of the House. The printed report, with two appendixes, has been approved by the chairmen, Senator DONAHEY, of Ohio, and Senators FRAZIER, MEAD, and SCHWARTZ, and Representatives THOMASON and BARDEN. I am reliably advised that a minority report will be submitted and filed by Senator DAVIS and Representatives JENKINS of Ohio and WOLVERTON of New Jersey.

Under the resolution that was passed extending the time, we were supposed to file this report last Saturday, the 1st day of April. That was the day before yesterday. Unfortunately neither House of Congress was in session at that time. I call attention of the House to this fact so that the membership may be informed why the report was not filed on Saturday.

CONSENT CALENDAR

CONSTRUCTION OF CERTAIN VESSELS, COAST AND GEODETIC SURVEY

The Clerk called the bill (H. R. 138) to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes.

On the request of Mr. WOLCOTT, the bill was passed over without prejudice.

PAYMENT OF BURIAL EXPENSES OF NATIVE EMPLOYEES IN GOVERNMENT SERVICE ABROAD

The Clerk called the bill (S. 1523) to authorize the payment of burial expenses and expenses in connection with last illness and death of native employees who die while serving in offices abroad of executive departments of the United States Government.

On request of Mr. WOLCOTT, the bill was passed over without prejudice.

REPAIRS TO CERTAIN NAVAL VESSELS

The Clerk called the bill (S. 829) to authorize alterations and repairs to certain naval vessels, and for other purposes.

On request of Mr. WOLCOTT, the bill was passed over without prejudice.

CONVERSION OF CERTAIN AUXILIARY VESSELS FOR THE NAVY

The Clerk called the bill (S. 828) to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy.

On request of Mr. CHURCH, the bill was passed over without prejudice.

AMENDING AGRICULTURAL ADJUSTMENT ACT, 1938

The Clerk called the bill (H. R. 3955) to amend section 335 (d) of the Agricultural Adjustment Act of 1938.

On request of Mr. WOLCOTT, the bill was passed over without prejudice.

CANCELING REIMBURSABLE FEATURES OF ACT OF JUNE 16, 1933

The Clerk called the bill (H. R. 4679) to amend title II, section 208, of the act approved June 16, 1933 (48 Stat. 205-206), to authorize the Secretary of the Interior to adjust or cancel reimbursable features of said act insofar as they apply to Indians, and for other purposes.

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

Mr. PIERCE of Oregon. Mr. Speaker, I object.

REPEALING SUBSECTION (4) OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The Clerk called the bill (S. 1363) to repeal subsection (4) of subsection (c) of section 101 of the Agricultural Adjustment Act of 1938.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (4) of subsection (c) of section 101 of the Agricultural Adjustment Act of 1938, which reads as follows:

"(4) Notwithstanding any other provision of this subsection, if, for any reason other than flood or drought, the acreage of wheat, cotton, corn, or rice planted on the farm is less than 80 percent of the farm acreage allotment for such commodity for the purpose

of payment, such farm acreage allotment shall be 25 percent in excess of such planted acreage"; is hereby repealed.

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.

TWELFTH OLYMPIC GAMES

The Clerk called the next bill, H. R. 3126, to authorize the Secretary of War to pay certain expenses incident to the training, attendance, and participation of the equestrian and modern pentathlon teams in the Twelfth Olympic Games.

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

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill S. 1019 may be substituted for the House bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to direct the training and attendance of personnel and animals of the Regular Army as participants in the Twelfth Olympic Games: *Provided*, That all expenses incident to training, attendance, and participation in the Twelfth Olympic Games, including the use of such supplies, material, and equipment as in the opinion of the Secretary of War may be necessary, may be charged to the appropriations for the support of the Army: *Provided further*, That applicable allowances which are or may be fixed by law or regulations for participation in other military activities shall not be exceeded.

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. 3126) was laid on the table.

SALE OF AVIATION SUPPLIES AND SERVICES TO AIRCRAFT OPERATED BY FOREIGN MILITARY ATTACHÉS

The Clerk called the next bill, H. R. 3221, to authorize the Secretary of War to provide for the sale of aviation supplies and services to aircraft operated by foreign military and air attachés accredited to the United States, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the the Secretary of War, under such regulations as he may prescribe, may provide for the sale to any aircraft operated by any foreign military or air attaché accredited to the United States of fuel, oil, equipment, and supplies, and for the furnishing to such aircraft of mechanical service, shelter, and other assistance. Except for shelter for which no charge shall be made, all such articles shall be sold and such mechanical service and other assistance furnished at the cost thereof to the United States. All amounts received shall be credited to the appropriation from which such cost was paid.

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.

RETIREMENT PRIVILEGES OF COMMANDING GENERAL, HEADQUARTERS AIR FORCE

The Clerk called the next bill, H. R. 4087, to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920 (41 Stat. 762), be, and the same is hereby, amended by inserting immediately after the word "branch", in line 27 of section 4c of that act, as amended, the words "or as commanding general of the General Headquarters Air Force", and by inserting in line 29 of said section, immediately preceding the word "grade", the word "highest", and immediately after the word "chief", the words "or commanding general of the General Headquarters Air Force."

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.

PAPERS OF CHARLES COTESWORTH PINCKNEY AND THOMAS PINCKNEY

The Clerk called the next bill, S. 917, authorizing the Library of Congress to acquire by purchase, or otherwise, the whole, or any part, of the papers of Charles Cotesworth Pinckney and Thomas Pinckney, including therewith a group of documents relating to the Constitutional Convention of 1787, now in the possession of Harry Stone, of New York City.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Library of Congress is hereby authorized and empowered to acquire by purchase, or otherwise, the whole, or any part, of the papers of Charles Cotesworth Pinckney and Thomas Pinckney, including therewith a group of documents relating to the Constitutional Convention of 1787, now in the possession of Harry Stone, of 24 East Fifty-eighth Street, New York, N. Y., and there is hereby authorized to be appropriated to the Library of Congress for that purpose not to exceed the sum of \$37,500.

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.

NAVY AND MARINE MEMORIAL

The Clerk called the next bill, H. R. 3234, to provide for the completion of the Navy and Marine Memorial.

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

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

Mr. JENKS of New Hampshire. Mr. Speaker, reserving the right to object, this bill has to do with the uncompleted memorial to our brave men of the sea service who have gone down to the sea in ships. This memorial has been standing in an uncompleted condition for 5 years on Columbia Island, near the Memorial Highway. Those of you who have seen it will agree that it is a fine, artistic piece of work.

In 1924 the late Representative Bacon, of New York, introduced a bill in Congress, which was passed, to provide for acquisition of the land on which to erect this memorial. In 1934 the Congress passed a bill authorizing an appropriation of \$13,000 for the purpose of bringing this memorial from Cleveland, Ohio, to Washington. There it stands on Columbia Island in an unfinished condition, lacking only the steps the design calls for as a base. Briefly, the history of this memorial is that the marine and naval men of this country, school children, and other citizens, numbering more than 2,000,000, contributed money for the erection of this memorial, but due to economic conditions sufficient money could not be raised to complete it. So they are asking Congress to appropriate \$100,000 for its completion.

In the last session of Congress I introduced a resolution providing for the completion of this memorial, calling for \$189,634, which was reported favorably by the Committee on the Library to the House. In the closing days of Congress it was passed over, with the result that the Congress expired without having accomplished anything toward the completion of the memorial.

I wonder if the Members of this Congress want to kill this project entirely? I wonder if the Members of Congress do not feel that the courageous men who lost their lives at sea in the service of this country should be remembered by a fitting memorial in Washington in the same manner that the services of others have been recognized.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. JENKS of New Hampshire. I will, gladly.

Mr. McCORMACK. The House Committee on the Library has gone into this matter very exhaustively. I understand this is a unanimous report, and the House Committee on the Library has reduced the amount requested, about \$89,000.

Mr. JENKS of New Hampshire. The gentleman is right.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. JENKS of New Hampshire. I will be very glad to.

Mr. TABER. When this bill was considered in the House in 1934 it was represented to the Congress that the amount carried in the bill would be sufficient to complete the proposition and that it would complete it. Then after it was set up a statement was made that more money was to be required on a large scale. Frankly, I do not understand that there has been any explanation of the failure of the Representative who had charge of this proposition to keep within the limitation that was promised at the time the other bill was passed.

The SPEAKER. Is there objection to the request of the gentleman from California that the bill be passed over without prejudice?

There was no objection.

AMENDING STATUTES PROVIDING PUNISHMENT FOR TRANSMITTING THREATENING COMMUNICATIONS

The Clerk called the next bill, H. R. 3230, to amend the statutes providing punishment for transmitting threatening communications.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 1 and 2 of the act of July 8, 1932 (47 Stat. 649), as amended (U. S. C., title 18, secs. 338a and 338b), be, and the same are hereby, further amended to read as follows:

"SECTION 1. (a) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, to be sent or delivered by the Post Office Establishment of the United States, or shall knowingly cause to be delivered by the Post Office Establishment of the United States according to the direction thereon, any written or printed letter or other communication, with or without a name or designating mark subscribed thereto, addressed to any other person, and containing any demand or request for ransom or reward for the release of any kidnaped person; or whoever, with intent to extort from any person any money or other thing of value, shall deposit, cause to be deposited, or cause to be delivered, as aforesaid, any letter or other communication containing any threat to kidnap any person or any threat to injure the person of the addressee or of another, shall be fined not more than \$5,000 or imprisoned not more than 20 years, or both.

"(b) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, to be sent or delivered by the Post Office Establishment of the United States, or shall knowingly cause to be delivered by the Post Office establishment of the United States according to the direction thereon, any written or printed letter or other communication with or without a name or designating mark subscribed thereto, addressed to any other person and containing any threat to kidnap any person or any threat to injure the person of the addressee or of another shall be fined not more than \$1,000, or imprisoned not more than 5 years, or both.

"(c) Whoever, with intent to extort from any person any money or other thing of value, shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, to be sent or delivered by the Post Office Establishment of the United States, or shall knowingly cause to be delivered by the Post Office Establishment of the United States according to the direction thereon, any written or printed letter or other communication, with or without a name or designating mark subscribed thereto, addressed to any other person and containing any threat to injure the property or reputation of the addressee or of another, or the reputation of a deceased person, or any threat to accuse the addressee or any other person of a crime shall be fined not more than \$500, or imprisoned not more than 2 years, or both.

"(d) Any person violating this section may be prosecuted in the judicial district in which such letter or other communication is deposited in such post office, station, or authorized depository for mail matter, or in the judicial district into which such letter or other communication was carried by the United States mail for delivery according to the direction thereon.

"Sec. 2. (a) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, of any foreign country any written or printed letter or other communication addressed to any person within the United States, for the purpose of having such communication delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to the address to which it is directed in the United States, and containing any demand or request for ransom or reward for the release of any kidnaped person; or whoever, with intent to extort from any person any money or other thing of value, shall deposit or cause to be deposited, as aforesaid, any letter or other communication for the purpose aforesaid, containing any threat to kidnap any person or any threat to injure the person of the addressee or of another,

shall be fined not more than \$5,000 or imprisoned not more than 20 years, or both.

"(b) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, of any foreign country any written or printed letter or other communication addressed to any person within the United States, for the purpose of having such communication delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to the address to which it is directed in the United States, and containing any threat to kidnap any person or any threat to injure the person of the addressee or of another, shall be fined not more than \$1,000 or imprisoned not more than 5 years, or both.

"(c) Whoever, with intent to extort from any person any money or other thing of value, shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, of any foreign country, any written or printed letter or other communication, addressed to any person within the United States for the purpose of having such communication delivered by the post-office establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the post-office establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to the address to which it is directed in the United States, and containing any threat to injure the property or reputation of the addressee or of another, or the reputation of a deceased person, or any threat to accuse the addressee or any other person of a crime, shall be fined not more than \$500 or imprisoned not more than 2 years, or both.

"(d) Any person violating this section may be prosecuted either in the district into which such letter or other communication was carried by the United States mail for delivery according to the direction thereon, or in which it was caused to be delivered by the United States mail to the person to whom it was addressed."

Sec. 2. That the act of May 18, 1934 (48 Stat. 781; U. S. C., title 18, sec. 408d), be, and the same is hereby, amended to read as follows:

"(a) Whoever shall transmit in interstate commerce, by any means whatsoever, any communication containing any demand or request for a ransom or reward for the release of any kidnaped person; or whoever, with intent to extort from any person, firm, association, or corporation, any money or other thing of value, shall transmit, as aforesaid, any communication containing any threat to kidnap any person or any threat to injure the person of another shall be fined not more than \$5,000 or imprisoned not more than 20 years, or both.

"(b) Whoever shall transmit in interstate commerce by any means whatsoever any communication containing any threat to kidnap any person or any threat to injure the person of another shall be fined not more than \$1,000 or imprisoned not more than 5 years, or both.

"(c) Whoever, with intent to extort from any person, firm, association, or corporation, any money or other thing of value, shall transmit in interstate commerce by any means whatsoever any communication containing any threat to injure the property or reputation of the addressee or of another or the reputation of a deceased person or any threat to accuse the addressee or any other person of a crime shall be fined not more than \$500 or imprisoned not more than 2 years, or both.

"(d) Any person violating the provision of this section may be prosecuted in the judicial district from or into which such threat is transmitted, as aforesaid. The term 'interstate commerce,' as used in this section, shall include communication from one State, Territory, or the District of Columbia, to another State, Territory, or the District of Columbia."

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.

PNEUMATIC MAIL TUBE SYSTEMS IN NEW YORK AND BOSTON

The Clerk called the next bill, H. R. 3811, to provide for the appraisal of the pneumatic mail tube systems in New York and Boston.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General is authorized and directed to provide for an appraisal by competent engineers of the properties comprising the pneumatic mail tube systems in New York and Boston and the franchises enjoyed and patent rights utilized in connection therewith.

Sec. 2. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sum as may be necessary to carry out this act, but not to exceed \$25,000.

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.

NATURALIZATION PETITIONS

The Clerk called the next bill, H. R. 2200, to dispense with particular allegations as to renunciation of allegiance in peti-

tions for naturalization and in the oath of renunciation of foreign allegiance by omitting the name of "the prince, potentate, state, or sovereignty" of which the petitioner for naturalization is a subject or citizen.

Mr. BYRNS of Tennessee. Mr. Speaker, reserving the right to object, will the gentleman from Massachusetts explain the bill?

Mr. McCORMACK. Mr. Speaker, being the author of the bill, and the inquiry of the gentleman from Tennessee being a proper one, I want to make a brief explanation of the bill. Under present law, anyone who applies for naturalization must in his application state not only the country in which he was born but who is the particular king, prince, potentate, or government in control. When he is naturalized, he must not only make a general renunciation of allegiance to all foreign princes, potentates, states, or sovereignties but he must make a specific renunciation. This bill in no way changes existing law with reference to naturalization. The requirements of the existing law are in no way disturbed or affected by this bill, except that it dispenses with particular allegations to renunciation of allegiance.

Mr. BYRNS of Tennessee. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. 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 second paragraph of the second subdivision of section 4 of the act of June 29, 1906 (34 Stat. 597; U. S. C., title 8, sec. 379), is amended to read as follows: "The petition shall set forth that he is not a disbeliever in or opposed to organized government or a member of or affiliated with any organization or body or persons teaching disbelief in or opposed to organized government, a polygamist or believer in the practice of polygamy, and that it is his intention to become a citizen of the United States and to renounce absolutely and forever all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty, and that it is his intention to reside permanently within the United States, whether or not he has been denied admission as a citizen of the United States, and if denied, the ground or grounds of such denial, the court or courts in which such decision was rendered, and that the cause for such denial has been since cured or removed and every fact material to his naturalization and required to be proved upon the final hearing of his application."

Sec. 2. The third subdivision of section 4 of said act of June 29, 1906 (34 Stat. 597-598; U. S. C., title 8, sec. 381), is amended to read as follows: "He shall, before he is admitted to citizenship, declare on oath in open court that he will support the Constitution of the United States, and that he absolutely and entirely renounces and abjures all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty of which he was before a citizen or subject; and he will support and defend the Constitution and laws of the United States against all enemies, foreign and domestic, and bear true faith and allegiance to the same."

With the following committee amendments:

Insert after the enacting clause the following language:

"That the first subdivision of section 4 of the act of June 29, 1906, as amended (45 Stat. 1545; U. S. C., title 8, sec. 373), is amended to read as follows:

"First. He shall declare on oath before the clerk of any court authorized by this act to naturalize aliens, or his authorized deputy, in the district in which such alien resides, 2 years at least prior to his admission, and after he has reached the age of 18 years, that it is his bona fide intention to become a citizen of the United States and to reside permanently therein, and that he will, before being admitted to citizenship, renounce forever all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty. Such declaration shall set forth the name, age, occupation, personal description, place of birth, last foreign residence, the date of arrival, the name of the vessel, if any, in which he came to the United States, and the present place of residence in the United States of said alien. No declaration of intention or petition for naturalization shall be made outside of the office of the clerk of court."

Page 1, in line 3, strike out the first word "That" and insert in lieu thereof "Sec. 2."

Page 2, line 13, strike out the figure "2" and insert in lieu thereof the figure "3," so that it will read: "Sec. 3."

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.

ALIEN VETERANS OF WORLD WAR

The Clerk called the next bill, H. R. 805, to extend further time for naturalization to alien veterans of the World War under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with

the United States during the World War, and for other purposes.

Mr. GORE. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. CELLER. Mr. Speaker, will the gentleman withhold his request to permit me to make a statement?

Mr. GORE. I withhold the request for the present, Mr. Speaker.

Mr. CELLER. Mr. Speaker, in the absence of the author of the bill, the gentleman from Michigan [Mr. LESINSKI], and at his request, I shall be very happy to explain the purpose of the bill.

The purpose of this bill is to extend from May 25, 1938, until May 25, 1940, the privilege we have heretofore granted those aliens who fought in the allied armies during the World War to become citizens of this country without going through the long and tedious procedure usually required in citizenship proceedings. This bill originally has been endorsed by the Disabled American Veterans of the World War and various other patriotic and veterans' organizations. It is approved by the Department.

It seems that during the World War about 30,000 aliens, who were not subject to the Draft Act and, under the encouragement of the Government, particularly the committee presided over by George Creel, appointed by President Wilson, went abroad, fought in the allied armies shoulder to shoulder with the American troops. They were under the supervision of our Army Industrial College of our War Department. Of the 30,000, about 16,000 returned. The rest were killed or lost in action or remained abroad. Of these 16,000, only 10,000 availed themselves of the privileges we accorded them under the statute as passed originally. We allowed them to become citizens without the filing of the certificate of registration, certificate of arrival, and, most important, without having to file first papers. We thus accorded such alien veterans, as well as our own veterans, the right to have their application for citizenship expedited. The time limit fixed by the original act has expired, but there still remain between 5,000 and 6,000 of these veterans who have not availed themselves of their rights under that act. Many of them did not know what their privileges were. These were and are uninformed. They are not necessarily members of the American Legion, and knowledge of their rights under this bill did not come to many of them, for the bill was not advertised. Many of them are yearning to become American citizens. It is particularly disastrous not to be citizens now, especially in view of the W. P. A., the P. W. A., and other governmental policies. Since these men were willing to go through the valley of the shadow in the interest of our country, and since we have accorded these rights to so many others of these aliens, there seems to be no reason to withhold the privilege from those remaining. There will be, however, no further application to extend the time.

Mr. GORE. Can the gentleman tell me what the vote in the committee was?

Mr. SCHULTE. If the gentleman will yield, Mr. Speaker, I, as a member of the committee, may say that the vote was unanimous.

Mr. GORE. Mr. Speaker, I withdraw my request and my objection.

Mr. PATMAN. Mr. Speaker, reserving the right to object, I notice the bill contains the words "or with countries allied with the United States in the World War." What countries would that include?

Mr. SCHULTE. It would include Poland, for instance.

Mr. PATMAN. Name the countries.

Mr. CELLER. Great Britain, France, Poland, Italy, Czechoslovakia—all the allied countries. I cannot recall them all.

Mr. PATMAN. In other words, any veteran who was in the service of a government allied with the United States during the World War?

Mr. CELLER. That is right.

Mr. PATMAN. This privilege is extended to them?

Mr. CELLER. That is right.

Mr. PATMAN. I do not see why you should let it go so far. If it were limited to the United States Government that would be all right, but the gentleman embraces Poland, Italy, and Russia was our ally part of the time. Would Russia be included in this?

Mr. CELLER. Yes. The aliens primarily affected are the Polish aliens. For example, they were actually encouraged to leave the country and proceed to Europe and fight; so the Poles are the principal ones involved. I do not believe any Russians are involved. I am sure they are not.

Mr. SCHULTE. It is not only the Poles. It is every other.

Mr. CELLER. Remember this is not an immigration bill. It is a naturalization matter. All those to be benefited are already here. They must comply with all provisions of the naturalization laws, must be here for permanent residence, must show 5 years' good moral character immediately preceding the filing of the petition. He must show actual service in the American or allied armies and honorable discharge, legal admission into the United States, and so forth. The regular order was demanded.

The SPEAKER. The regular order is, Is there objection to the request that the bill be passed over without prejudice?

Mr. GORE. Mr. Speaker, I withdraw my request.

Mr. PACE. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

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

There was no objection.

GENERAL PULASKI'S MEMORIAL DAY

The Clerk called the joint resolution (H. J. Res. 133) authorizing the President of the United States of America to proclaim October 11, 1939, General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved, etc., That the President of the United States of America is authorized 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, 1939, 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 House 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.

INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND MEXICO. AMERICAN SECTION—LEASE OF LAND ACQUIRED TO CITIZENS OF THE UNITED STATES

The Clerk called the next bill, H. R. 3065, to amend Public Law No. 370, Seventy-fourth Congress, approved August 27, 1935 (49 Stat. 906).

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

Mr. LEWIS of Colorado. Mr. Speaker, reserving the right to object, I would like to ask for an explanation of this bill.

Mr. THOMASON. Mr. Speaker, when the treaty with Mexico for the rectification of the channel of the Rio Grande was agreed upon and the work got under way, certain claims for damages arose. That undertaking is nearing completion and a fine job was done. But during the course of that work certain small claims arose in connection with the matter. The State Department, together with the International Boundary Commissioner for the United States, Mr. Lawson, have requested authority to settle these small claims of less than \$1,000 from appropriations that have been allocated to them for this particular work, and, as I understand it, there are only a few of them less than \$1,000. There may be a few larger claims, but they will have to take the regular course by way of the Claims Committee.

Mr. LEWIS of Colorado. I thank the gentleman for his explanation.

The SPEAKER. 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 Public Law No. 370, Seventy-fourth Congress, approved August 27, 1935, is amended by adding a paragraph to the said act reading as follows:

"The Secretary of State, acting through such officers as he may designate, is further authorized to consider, adjust, and pay from any appropriated funds any claim for damages accruing after March 31, 1937, caused to owners of lands or other private property of any kind by reason of the operations of the United States, its officers or employees, in the survey, construction, operation, or maintenance of any project constructed or administered through the American Commissioner, International Boundary Commission, United States and Mexico, if such claim for damages does not exceed \$1,000 and has been filed with the American Commissioner within 1 year after the damage is alleged to have occurred, and when in the opinion of the American Commissioner such claim is substantiated by a report of a board appointed by the said Commissioner."

With the following committee amendment:

Page 1, line 8, strike out "any appropriated funds" and insert "funds appropriated for the project the construction of which resulted in damages."

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.

AMENDMENT OF NATURALIZATION LAWS

The Clerk called the next bill, H. R. 4100, to amend the naturalization laws in relation to any alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or organization existing in the United States.

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

Mr. BYRNS of Tennessee. Mr. Speaker, reserving the right to object, may I have the distinguished gentleman from Massachusetts explain this bill?

Mr. McCORMACK. Mr. Speaker, I am very glad the gentleman asked me to explain the bill, because this illustrates very interesting experiences which each and every member of a legislative body, particularly of Congress, meets. I think a brief story would be the best way of explaining the bill.

I was in my office in Boston last December when a young Catholic priest called to see me. It seemed he was born in Lithuania in 1913. He came over to this country with his mother when he was about 3 months old. His father came over shortly thereafter. The young man was 26 or 27 years old, I should judge. He had been recently ordained into the priesthood and was a member of a missionary order. He was ordered to Burma for missionary work. Just about that time he found out he was not a naturalized citizen. He always assumed he had been naturalized, in the belief that his father had become naturalized. The young man, just prior to leaving, with these mixed conditions existing, faced the loss of his right of naturalization and whatever rights he had by going abroad and doing his duty as a missionary, being away for several years performing his duty. Naturally, he responded to his duty.

He came to me to find out what, if anything, could be done. I made inquiry and found that the law had to be amended. I found that under existing law anyone similarly situated going abroad for business reasons could stay abroad, provided they were engaged in American business abroad, which is a very good thing. Instead of introducing a bill for this young man I introduced a general bill to cover all religions and also relating to representatives of any religious organization assigned to duty in the missionary field. All religions have not only their clergymen, but some of them have teachers, some have nuns, and some may have others in other capacities. This also would cover the Y. M. C. A. I introduced a bill to cover all such cases.

About 10 days or 2 weeks ago I had the pleasure of having a representative of the Christian and Missionary Alliance of New York City, Mr. A. C. Snead, who was a foreign secretary, call to see me. He told me they had a few similar cases which this bill, in its retroactive effect, will cover. I asked him to

send me a letter, and under date of March 27 he sent me a letter, as follows:

THE CHRISTIAN AND MISSIONARY ALLIANCE,
New York, N. Y., March 27, 1939.

The Honorable JOHN W. McCORMACK,
House of Representatives, Washington, D. C.

DEAR SIR: We are much interested in your bill, H. R. 4100. I am sure it will be of help to us in the case of a number of our missionaries who would be glad to become American citizens but feel they cannot, in justice to the great need for continued missionary work in their fields, spend the required 5 years in the United States at any one time.

At present we have the case of the Rev. Paul H. Bartel, whose parents are missionaries in China and who has no citizenship. He had planned to remain in this country 5 years when he and his family came home on their present furlough because of his desire to become a citizen, but the need in China is so great and the opportunities for loving service are so abundant that he felt he could not remain longer here and has gone back to his field in the Kweichow-Szechuan Provinces. Mrs. Bartel is an American citizen. Mr. Bartel spent about 2 years here, took out his first papers and desires to complete his citizenship but cannot afford to return once a year to this country.

We trust that you will be prospered in regard to this bill and that it will be passed both by the House of Representatives and a similar one by the Senate.

Our organization has a total of 549 missionaries, 470 of them being in active service in 20 mission fields around the world.

Again expressing our appreciation for the fine step you have taken in the introduction of your bill and wishing you every success, I am

Very sincerely,

A. C. SNEAD, Foreign Secretary.

Mr. Speaker, I ask unanimous consent to include the entire letter at this point in my remarks.

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

There was no objection.

Mr. BARDEN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from North Carolina.

Mr. BARDEN. I certainly do not want to retard church work either in this country or in any other country, but I am interested to know just how this bill would operate with relation to people coming from another country into this country for 6 months or 1 month. Could they preserve their right to become citizens and then go back and exercise this right if they saw fit?

Mr. McCORMACK. If they come in temporarily, of course, they do not come within the purview of this bill.

Mr. BARDEN. What would be the requirements under the gentleman's bill?

Mr. McCORMACK. Under this bill the present naturalization law is in no way changed except when a person is regularly in the United States on a permanent visa, coming in under the quota and complying with all the provisions of our law.

Mr. BARDEN. I believe the gentleman has answered the question when he says that person must come in under a permanent visa.

Mr. McCORMACK. Exactly. This bill relates only to those who are here under a permanent visa.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. How will this bill apply to this kind of a case? I have a case in mind where a man has been in the ministry in this country for 20 years but has never yet thought enough of this country to take out his first papers. This man is here lawfully, and he wants to go back and forth to the country of his nativity. Is there not some way under the gentleman's bill whereby we can be protected against such a situation? I appreciate the situation in the case referred to by the gentleman from Massachusetts, where a young man has come to this country not of his own volition but with his parents; but the case to which I refer is the case of a man who came in of his own volition—in fact, I know of two such cases, where men came in of their own volition and have been here 20 years, yet have not thought enough of this country to take out their first citizenship papers. I do not want to give that sort of fellow any more privileges.

We cannot send him out, and I have no desire to invoke any activity that might result in his being sent out.

Mr. McCORMACK. That man would not come within the purview of this bill unless he left the country, and it must be for missionary work. He cannot leave for anything else, because the bill is linked definitely to missionary work, and that fact must be established. He cannot leave the country and engage in any business activities, and no one can under this bill.

Mr. JENKINS of Ohio. The gentleman says his leaving has to be for missionary work. The bill does not state that. It states "in his or her capacity as a regularly ordained clergyman."

Mr. McCORMACK. The bill reads as follows:

In his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States, shall be considered as residing in the United States for the purpose of naturalization notwithstanding any such absence from the United States, but he or she shall in all other respects comply with the requirements of the naturalization laws. Such alien shall prove to the satisfaction of the Secretary of Labor at the naturalization court that his or her absence from the United States has been solely in the capacity hereinbefore described.

Mr. JENKINS of Ohio. I am entirely in sympathy with the situation as outlined by the gentleman in his opening statement. I have no objection at all to the gentleman's bill as it applies to the case in which the gentleman is individually interested. However, this bill goes much further. It is so broad that in section 2 it states:

The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe such rules and regulations as may be necessary for the enforcement of this act.

Mr. McCORMACK. Of course, that is necessary to carry out the purposes of the bill. This provision was recommended by the Department of Labor itself, and it is necessary.

Mr. JENKINS of Ohio. Will the gentleman ask that this bill be passed over without prejudice, so we can look into the question and perhaps modify the bill? I may say to the gentleman that I am not opposed to his proposition or any similar proposition. It is one thing when a man who is engaged in the ministry or is a missionary came into this country without his volition because he came with his parents, but when a man sneaks across the border—

Mr. McCORMACK. This has nothing to do with that question.

Mr. JENKINS of Ohio. I withdraw the words "sneaks across the border."

Mr. McCORMACK. This bill applies only to persons regularly in this country.

Mr. JENKINS of Ohio. Very well. I bear no ill will toward anyone who has come into this country regularly or who has been here so long he cannot be deported, whether he came in regularly or not, but I say that anyone who stands up before the people, let him be a minister or a priest or anyone—and I have in mind only two ministers—and is an exponent of certain views, yet has not seen fit even to take out his first papers, should not be given any preference or any privileges whatever.

Mr. McCORMACK. We are not giving such men any preference, I assure the gentleman. Of course, if the gentleman wishes to submit a unanimous-consent request that the bill be passed over without prejudice I shall not object, but I hope the gentleman will not let the cases of the two men to whom he referred influence him to make such a request. If they are the men the gentleman says they are they will not go into the missionary field as do men and women of all creeds who face the hard work that is involved, and sacrifice their lives, if necessary in the work of God, and take the vows of charity, as they all do, if not expressly then by implication. Furthermore, I submit to the gentleman, assuming the men to whom the gentleman refers did enter the missionary field, why stop the passage of such a deserving piece of legislation just because there are one or two men of the type to which the gentleman has referred?

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

Mr. JENKINS of Ohio. I object, Mr. Speaker; but I ask unanimous consent that the bill may be passed over without prejudice.

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

There was no objection.

CEREMONIES IN ROTUNDA—PRESENTATION OF STATUE OF LATE WILL ROGERS

The Clerk called the concurrent resolution (S. Con. Res. 1) authorizing the holding of ceremonies in the rotunda in connection with the presentation of a statue of the late Will Rogers.

The SPEAKER. Is there objection to the present consideration of the concurrent resolution?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, and, of course, I shall not object, but I wish we might have some interpretation of the word "temporarily" in line 3, of page 1; otherwise, we might establish a precedent with respect to the placing of memorials in the rotunda. Under the law as it now exists each State has authority to put two statues in the Capitol, presumably in Statuary Hall, but because of the condition of foundation, I understand they have found it necessary to spread the statues throughout the Capitol Building. We give specific authority for these ceremonies in the rotunda, which is all right, and it is also all right that during these ceremonies and for a reasonable time thereafter the memorial remain in the rotunda, but I am wondering who is going to be the judge of how long the memorial remains in the rotunda.

Mr. KELLER. I believe the gentleman will recall that last session we passed a resolution here authorizing and directing the Architect of the Capitol to replace these statues. You know this hall of horrors was entirely full and even running over with statues and there was finally passed a resolution at the last session providing a limitation of one statue to each State in the hall that was used for that purpose, the old House of Representatives Hall.

This concurrent resolution is simply to provide for the ceremony in the Rotunda and then to let the Architect of the Capitol and the committee place it wherever they may find it necessary. If Oklahoma has somebody else they prefer to Will Rogers, they can place that statue there, and if not they can place this one in Statuary Hall.

Mr. WOLCOTT. So far as I am concerned, a statue of Will Rogers could remain in the rotunda permanently, but we are establishing a precedent in this bill and I am wondering if the gentleman had in mind who would have authority for placing such a memorial permanently.

Mr. KELLER. That has been done heretofore entirely upon the request of the States. For instance, when Illinois voted on what statue should be left there, they naturally voted for one and we took the other one out and put it at some other place.

Mr. WOLCOTT. Those are not now in the rotunda.

Mr. KELLER. There is no provision for placing anything in the rotunda except what was already there.

Mr. WOLCOTT. What would the gentleman consider, in order that we may establish legislative intent, a reasonable length of time to modify the word "temporarily," in line 3?

Mr. KELLER. I think the Architect of the Capitol and the Representatives from Oklahoma would be the best ones to decide that. I would not like to undertake that, but, undoubtedly, Oklahoma will hold a proper ceremony there at the right time, subject to determination by the people of Oklahoma and the representatives here in the Government.

Mr. WOLCOTT. Do I understand the Architect of the Capitol has jurisdiction over that?

Mr. KELLER. Yes. Certainly.

Mr. WOLCOTT. And after the ceremonies he may move it to some other location, either within the rotunda or outside of the rotunda, as he wishes?

Mr. KELLER. Yes.

Mr. ROGERS of Oklahoma. Reserving the right to object, there is nothing in this bill that would preclude this statue from being in Statuary Hall proper?

Mr. KELLER. Oh, certainly not.

There being no objection, the Clerk read the Senate concurrent resolution, as follows:

Senate Concurrent Resolution 1

Resolved by the Senate (the House of Representatives concurring), That the Will Rogers Memorial Commission be, and it is hereby, authorized to place temporarily in the rotunda of the Capitol a statue of the late Will Rogers, of Oklahoma, and to hold ceremonies in the rotunda on said occasion; and that the Architect of the Capitol be, and he is hereby, authorized to make the necessary arrangements therefor.

The Senate concurrent 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.

PNEUMATIC-TUBE-SYSTEM EMPLOYEES

The Clerk called the next bill, H. R. 4771, limiting working hours of pneumatic-tube-system employees to 8 in 10 hours a day.

Mr. BARDEN. Mr. Speaker, reserving the right to object, may I ask the author of this bill, the gentleman from Tennessee [Mr. BYRNS] to explain the necessity for the bill?

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. Yes.

Mr. WOLCOTT. Mr. Speaker, when Calendar No. 63 was called, I expected that someone would ask for an explanation of the bill. No one did so, and the bill was passed; and Calendar Nos. 70, 71, 72, and 73 are all in respect of this same question of these pneumatic postal tubes in Boston and New York.

Mr. BARDEN. If the gentleman will permit me, I was unable to see why he should read five bills and pass them all at the same time with the possibility of overlapping in each bill.

Mr. WOLCOTT. My question is whether these employees of this contract system are now Federal employees?

Mr. BYRNS of Tennessee. These bills were prepared and introduced at the request of the Post Office Department. Until recently the employees of these tube companies have been private employees. They now, however, are Federal employees, and these bills were designed to give them the same rights and benefits that other Federal employees have, since they are now on the Federal pay roll. They have been taken into the civil service.

Mr. WOLCOTT. I read the report on H. R. 3811. That has to do with the purchase of this system. There is no reference in there to the status of the employees. I considered that formerly the employees of these tube companies under this contract were civilian employees and I wondered if they had been just blanketed into the civil service.

Mr. ROMJUE. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. ROMJUE. We have only two tube systems, one in New York and one in Boston. Formerly the Government let these contracts out for handling the mails through the tubes.

Mr. WOLCOTT. The gentleman says "formerly."

Mr. ROMJUE. Yes.

Mr. WOLCOTT. H. R. 3811 is the authority for the Postal Department or the United States Government to appraise the system with a view to purchasing it.

Mr. ROMJUE. That bill provides for an investigation to be made; and the purpose of that investigation—

Mr. WOLCOTT. Is to determine the amount or to appraise the amount the Government would pay? If the Government should purchase this system, as indicated by H. R. 3811, which authorizes this appraisal, then by what authority are those employees of this company now in the civil service?

Mr. ROMJUE. I shall explain that to the gentleman.

Mr. WOLCOTT. Are they in the civil service?

Mr. ROMJUE. They are in the classified civil service now because they have changed their status. Formerly when the Government made the contract with these tube owners, the tube owners employed their own people, but since the first of last July the Government has had its own employees in there.

Mr. WOLCOTT. Are they the same employees who were formerly there?

Mr. ROMJUE. Some are and some are not.

Mr. WOLCOTT. Have they been blanketed into the civil service?

Mr. ROMJUE. They have been put under the civil service.

Mr. WOLCOTT. Under what authority?

Mr. ROMJUE. The Civil Service Commission; and in making the new contract the Government furnished men, but at that time they did not have a classification under the civil service. They have had now since the 1st of July last.

Mr. WOLCOTT. And the Government is now leasing these tubes?

Mr. ROMJUE. That is right.

Mr. WOLCOTT. And handling them itself?

Mr. ROMJUE. Yes; and the purpose of this bill just passed is to make an inspection of these tubes; not necessarily for the purchase of them, but also to determine whether we are paying a fair rental value and also whether it will be feasible for the Government to purchase them.

Mr. WOLCOTT. And they are now being leased by the Government?

Mr. ROMJUE. That is correct.

Mr. WOLCOTT. And the employees are under the classified civil service, blanketed in by Executive order?

Mr. ROMJUE. That is correct.

Mr. WOLCOTT. So that these four bills, which might better have been put in one—70, 71, 72, and 73 on the calendar—are merely to put these employees on the same basis as other postal employees?

Mr. ROMJUE. Yes.

Mr. BYRNS of Tennessee. The Department thought it would be more expeditious to have the employees who are handling the Government mail, some of which is valuable, under the control of the Government. Formerly these men handled the mail for the company, valuable mail, which went through these tubes.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the fifth paragraph of section 116, title 39, United States Code, is amended to read as follows:

"Special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service, and employees of the pneumatic-tube system, shall be required to work not more than 8 hours a day. The 8 hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duties of the employees shall be regulated accordingly. In cases of emergency, or if the needs of the service require, special clerks, clerks, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service, and employees of the pneumatic-tube system, can be required to work in excess of 8 hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees. In computing the compensation for such overtime the annual salary or compensation for such employees shall be divided by 306 (5?), the number of working days in the year less all Sundays and legal holidays enumerated in section 119 of this title; the quotient thus obtained will be the daily compensation which divided by 8 will give the hourly compensation for such overtime service. When the needs of the service require the employment on Sundays and holidays of route supervisors, special clerks, clerks, dispatchers, mechanics in charge, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service, and employees of the pneumatic-tube system, they shall be allowed compensatory time on one day within 6 days next succeeding the Sunday, except the last 3 Sundays in the calendar year, and on one day within 30 days next succeeding the holiday and the last 3 Sundays in the year on which service is performed: *Provided, however,* That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime in lieu of compensatory time for service on Sundays and holidays."

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.

T. V. A. INVESTIGATION

Mr. JENKINS of Ohio. Mr. Speaker, I understand that this morning the gentleman from Texas [Mr. THOMASON], a member of the T. V. A. investigating committee, presented a majority report of that committee and filed it with the Clerk. In the Senate, Senator DONAHEY presented a ma-

majority and also a minority report signed by Senator DAVIS and Representative WOLVERTON and myself, together with a special minority report presented by myself. It is apparent that the House is about to adjourn shortly, and we are not quite ready to present the report on this side, because it will need some stenographic changes. I ask unanimous consent to be permitted to file the minority report signed by Senator DAVIS, Mr. WOLVERTON, and myself, and the special minority report filed by myself, some time before midnight tonight.

The SPEAKER. Is there objection?
There was no objection.

CONSENT CALENDAR

TIME CREDITS FOR SUBSTITUTES IN THE PNEUMATIC-TUBE SERVICE

The Clerk called the next bill, H. R. 4772, to provide time credits for substitutes in the pneumatic-tube service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the last paragraph of section 11 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925, as amended, is amended to read as follows:

"Substitute clerks, substitute garagemen-drivers, substitute driver-mechanics, and substitute general mechanics, when appointed regular clerks, garagemen-drivers, driver-mechanics, or general mechanics in the motor-vehicle service, and substitutes in the pneumatic-tube service when appointed as regular employees in the pneumatic-tube service, shall be given credit for the actual time served as a substitute on the basis of 1 year for each 306 days of 8 hours, and shall be appointed to the grade to which such clerk, garageman-driver, driver-mechanic, general mechanic, or employee in the pneumatic-tube service, would have progressed had his original appointment as a substitute been made to grade 1. Substitute service shall be computed from the date of original appointment as a regular classified substitute, and the salaries of the employees shall be fixed accordingly upon the date of their advancement to a regular position under section 116 of this title. Any fractional part of a year's substitute service, rendered after the enactment of this sentence, shall be included with his service as a regular clerk, garageman-driver, driver-mechanic, or general mechanic in the motor-vehicle service or employee in the pneumatic-tube service, in determining eligibility for promotion to the next higher grade following appointment to a regular position."

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.

DIFFERENTIAL IN PAY FOR NIGHT WORK TO PNEUMATIC-TUBE-SYSTEM EMPLOYEES

The Clerk called the next bill, H. R. 4785, to provide a differential in pay for night work to pneumatic-tube-system employees in the Postal Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide a differential in pay for night work in the Postal Service," enacted May 24, 1928 (U. S. C., 1934 edition, title 39, sec. 828), is amended by striking out the words "motor-vehicle service" and inserting in lieu thereof the following: "motor-vehicle and pneumatic-tube services."

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.

EXTENDING PROVISIONS OF 40-HOUR LAW TO PNEUMATIC-TUBE-SYSTEM EMPLOYEES

The Clerk called the next bill, H. R. 4786, to extend the provisions of the 40-hour law to pneumatic-tube-system employees in the Postal Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended, is further amended by striking out the words "motor-vehicle service" and inserting in lieu thereof the following: "motor-vehicle and pneumatic-tube services."

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.

ATTENDANCE OF MARINE BAND AT UNITED CONFEDERATE VETERANS' REUNION

The Clerk called the next bill, H. R. 3946, to authorize the attendance of the Marine Band at the United Confederate Veterans' 1939 reunion at Trinidad, Colo., August 22, 23, 24, and 25, 1939, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the United Confederate Veterans' reunion to be held at Trinidad, Colo., on August 22, 23, 24, and 25, 1939.

Sec. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such reunion there is authorized to be appropriated the sum of \$10,500, or so much thereof as may be necessary, to carry out the provisions of this act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed \$5 per day each for actual living expenses while on this duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

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.

CONSTRUCTION AND MAINTENANCE OF A NATIONAL GALLERY OF ART

The Clerk called the next business, House Joint Resolution 225, amending the joint resolution entitled "Joint resolution providing for the construction and maintenance of a National Gallery of Art," approved March 24, 1937.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, can the gentleman give us some estimate as to this cost? In line 3, on page 2, and I quote from the resolution, it reads, "there are hereby authorized to be appropriated such sums as may be necessary."

I have always taken a very decided stand against these blanket authorizations, without some indication as to how much money is involved.

Mr. KELLER. Of course, the gentleman will permit me to suggest that it is safe to assume the Appropriations Committee will never appropriate too much. If the gentleman will look on page 4 of the report, in the third paragraph, he will find there set out the items mentioned making up the total of \$184,200. When we went over it we found there were two items there that are permanent and will not be repeated. About \$2,000 for printing and \$123,000 for office furniture. Of course, when that is bought, it is bought for a long time to come. If you will take \$125,000 away from \$184,000, you have \$59,200. In other words, that represents the light, heat, keeping the gallery clean, and so forth. As you will remember, the original act provides that there is an endowment fund to pay all the high officials and to look after the art gallery, but the Government assumes the responsibility of keeping it clean, keeping a watchman there at night, and keeping it lighted.

The object of having it done at the present time is to permit the opening of the gallery a year sooner than otherwise would be possible. The gallery will be finished during 1940. They are getting ready to make the proper arrangements.

Mr. WOLCOTT. What does the gentleman say will be the maximum which this Commission will ask from the Appropriations Committee under the authorization of this act?

Mr. KELLER. About \$118,400 a year is the calculation of it. Those two items, printing and office furniture, are paid for a long time to come.

Mr. WOLCOTT. Then why does not the gentleman authorize annual appropriations?

Mr. KELLER. We went over that very carefully in the committee and studied it with a great deal of care. We found great difficulty in writing a bill that would meet all the considerations that the gentleman is now raising. I think if the gentleman had sat with us he would agree that we have done the wise thing. Our Committee on Appropriations is not a committee that will raise appropriations beyond reason. While somebody suggested to me it would be well for the Library Committee to keep some control of it, I said

we had no desire to do that. We are perfectly willing to leave that in the hands of the Committee on Appropriations. I certainly can see nothing against it.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the last sentence of section 4 (a) of the joint resolution entitled "Joint resolution providing for the construction and maintenance of a National Gallery of Art", approved March 24, 1937, is hereby amended to read as follows: "For these purposes, and to provide, prior to the completion of the National Gallery of Art, for the protection and care of the works of art in said gallery and for administrative and operating expenses and equipment preparatory to the opening of the gallery to the public, there are hereby authorized to be appropriated such sums as may be necessary."

The 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.

COOPERATION WITH PUBLIC SCHOOL DISTRICT, WOLF POINT, MONT.

The Clerk called the next bill, S. 961, for expenditure of funds for cooperation with the public-school board at Wolf Point, Mont., for completing the construction, extension, equipment, and improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont.

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

There was no objection.

SPANISH WAR PENSIONS

The Clerk called the next bill, H. R. 2301, to amend section 2 of the act entitled "An act granting pensions and increase of pensions to certain soldiers and sailors of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, to certain maimed soldiers, to certain widows, minor children, and helpless children of such soldiers and sailors, and for other purposes," approved May 1, 1926.

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

Mr. COSTELLO. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I desire to place in the RECORD a brief explanation of H. R. 2301, which will be called up for consideration as soon as the Committee on Pensions has the call on Calendar Wednesday.

PURPOSE OF H. R. 2301

The purpose of this bill is to advance the restricting date of marriage for Spanish War widows incorporated in section 2 of the act of May 1, 1926, from September 1, 1922, to January 1, 1938.

POLICY OF COMMITTEE

It is and has been the policy of the Committee on Pensions to accord the same rights and benefits to Spanish-American War veterans and their dependents as has been granted to veterans and dependents of the Civil War. This policy has the unanimous approval of the United Spanish War Veterans. Their representatives, when appearing before the committee, urgently requested the committee to perpetuate this policy. The Congress established a precedent whereby the Civil War widows were permitted to marry a veteran 40 years after the war, and, applying this precedent to the widows of the Spanish War, this bill will permit the widow of a Spanish War veteran to marry 40 years after the war.

RIGHTS OF WIDOWS UNDER EXISTING LAW

A short résumé of the act of May 1, 1926, granting pensions to widows of the Spanish-American War, provides pensions

to widows, remarried widows, children, and helpless children. Ninety days' service and an honorable discharge is required or, regardless of length of service, if the veteran was discharged for, or died in service of, a disability incurred in service in line of duty. This act provides that the widow must have married the soldier prior to September 1, 1922. Thirty dollars per month is paid to the widow or the remarried widow during widowhood. Six dollars per month additional is paid to each minor child under 16 years of age. A remarried widow, if divorced from a subsequent husband, has title if divorced on any ground except adultery on the part of the wife. In the event of the death or remarriage of the widow, or a forfeiture of the widow's title for any reason, the pension shall continue from the date of such death, remarriage, or forfeiture to the minor child or children, if there be any, until the age of 16 years. The child takes the \$30 pension in addition to the \$6 pension in this event.

COST OF BILL

The Veterans' Administration, reporting on this bill, estimated that approximately 2,000 widows would be paid a pension at a cost of approximately \$739,000 for the fiscal year of 1940, increasing gradually to affect a maximum of 8,300 widows, at a possible ultimate cost of \$3,067,000. The increased cost is questioned by the representatives of the United Spanish War Veterans. It is the contention of that organization that it could not possibly affect more than 3,500 persons, at a maximum additional cost of \$1,000,000. The bill was reported unanimously by the Committee on Pensions.

CONSENT CALENDAR

THE PAINTING OF THE SIGNING OF THE CONSTITUTION

The Clerk called House Joint Resolution 224, to authorize the painting of the signing of the Constitution for placement in the Capitol Building.

Mr. KEAN. Mr. Speaker, reserving the right to object, until we have our finances in better shape, I shall have to object to these little extravagances. I object.

Mr. KELLER. Mr. Speaker, will the gentleman withhold his objection for the moment?

Mr. KEAN. Mr. Speaker, I withdraw my objection to permit the gentleman from Illinois to make a statement, but reserve the right to object.

Mr. KELLER. Mr. Speaker, I may say to the gentleman from New Jersey that we are now celebrating the one hundred and fiftieth anniversary of the signing of the Constitution. We have in the rotunda of the Capitol a great painting of the signing of the Declaration of Independence. A great many people feel that the signing of the Constitution was a greater event than the signing of the Declaration of Independence. I do not necessarily agree with that, but that the signing of the Constitution was one of the great events of our history there can be no doubt.

After going over this carefully last year and again this year the committee arrived at a unanimous report. We cut the price from \$35,000 to \$30,000, which is as low as any first-class painter would do the job for; and we did something else, instead of naming some one man to make the selection we appointed a commission composed of the Vice President, the Speaker of the House, and the Architect of the Capitol to pass on the matter, and we instruct them to consult with the Fine Arts Commission in the selection of the man who shall do the painting.

It does seem to me that where the amount is so small and where the occasion is so important that we ought not to let our idea of economy become one of parsimony.

I am sure the gentleman will not object when I suggest to him that among the most permanent works in the world are the paintings of the world. When the National Gallery of Art is opened down here we shall see paintings 700 years old in as fresh and beautiful condition today as they were the day the artist finished them. The event of the signing of the Constitution certainly ought to be painted at the present time while we still hold these portraits together. We have portraits of all but two signers of the Constitution, I understand. They have been gathered with a great deal of

care from families here, there, and yonder, and unless we go through with this proposition at this time we will probably lose this benefit. I may say to the gentleman further that I have no possible interest in it aside from feeling that it ought to be done.

Mr. KEAN. Mr. Speaker, I withdraw my objection.

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

There being no objection, the Clerk read the bill, as follows:

Resolved etc., That a commission consisting of the Vice President of the United States, the Speaker of the House of Representatives, and the Architect of the Capitol be, and is hereby, created and authorized and directed to employ an artist to paint upon canvas (approximately 20 feet by 30 feet in size), at a price not exceeding \$35,000, a painting of the scene at the signing of the Constitution. The said painting shall be subject to the approval of the Joint Committee on the Library and, when so approved, shall be mounted in a space in the Capitol Building to be selected by the commission.

With the following committee amendment:

Page 1, line 8, strike out "\$35,000" and insert "\$30,000."

The committee amendment was agreed to.

The 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.

PURCHASE OF COAL AND WOOD FOR PUBLIC USE IN DISTRICT OF COLUMBIA

The Clerk called the next bill, H. R. 2751, to repeal sections 3711, 3712, and 3713 of the Revised Statutes, which relate to the purchase in the District of Columbia of coal and wood for public use, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 3711, 3712, and 3713 of the Revised Statutes (U. S. C., title 40, sec. 109) are hereby repealed. Sec. 2. Those parts of the acts making appropriations for the Treasury and Post Office Departments approved March 15, 1934 (48 Stat. 425), May 14, 1935 (49 Stat. 218), June 23, 1936 (49 Stat. 1827), May 14, 1937 (50 Stat. 137), and March 28, 1938 (Public. No. 453, 75th Cong.), which provide "That the requirements of sections 3711 and 3713 of the Revised Statutes (U. S. C., title 40, sec. 109) relative to the weighing of coal and wood and the separate certificate as to the weight, measurement, or quantity of coal and wood purchased shall not apply to purchases by the Procurement Division at free-on-board destination outside of the District of Columbia" (U. S. C., title 40 sec. 109a), are hereby 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.

SIMPLIFICATION OF ACCOUNTING

The Clerk called the next bill, H. R. 4830, to amend the act approved April 27, 1937, entitled "An act to simplify accounting."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc. That the act approved April 27, 1937 (Public. No. 57), is amended to read as follows:

"Hereafter, in making payments for commodities or services the quantity of which is determined by metered readings, such as gas, electricity, water, steam, and the like, and for telephone services, where the period covered by the charge begins in one fiscal year or allotment period and ends in another, the entire amount of the payment may be regarded as a charge against the appropriation or allotment current at the end of such period."

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.

BRIDGE ACROSS WABASH RIVER, PERU, IND.

The Clerk called the next bill, H. R. 4243, granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near Peru, Ind.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Indiana to construct, maintain, and operate a free highway bridge and approaches thereto across the Wabash River, at a point suitable to the interests of navigation, at or near Peru, Ind., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

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.

BRIDGE ACROSS MAHONING RIVER, WARREN, OHIO

The Clerk called the next bill, H. R. 4432, granting the consent of Congress to the city of Warren, Ohio, to construct, maintain, and operate a free footbridge over Mahoning River near Stiles Street NW., Warren, Ohio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Warren, Ohio, to construct, maintain, and operate a free footbridge, and approaches thereto, across the Mahoning River, at a point suitable to the interests of navigation, at or near Stiles Street NW., Warren, Trumbull County, Ohio, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges and other structures over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

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.

BRIDGE ACROSS MISSISSIPPI RIVER, ROCK ISLAND, ILL.

The Clerk called the next bill, H. R. 4527, to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Rock Island, Ill., to a place at or near the city of Davenport, 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 a bridge across the Mississippi River at or near Rock Island, Ill., to a place at or near the city of Davenport, Iowa, authorized to be built by the city of Rock Island, Ill., or its assigns, by an act of Congress approved March 18, 1938, are hereby extended 1 and 3 years, respectively, from the date of the approval of this act.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

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.

BRIDGE ACROSS MISSISSIPPI RIVER AT OR NEAR CHESTER, ILL.

The Clerk called the next bill, H. R. 4370, authorizing the city of Chester, Ill., to construct, maintain, and operate a toll bridge across the Mississippi River at or near Chester, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, the city of Chester, Ill., be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Chester, Ill., 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 city of Chester, Ill., 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, maintenance, and operation 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 such 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 said city of Chester, Ill., is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

Sec. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for 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 such 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 30 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 cost 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. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 3, line 7, after the word "tolls", strike out the remainder of line 7 and all of lines 8, 9, 10, and 11, down to and including the word "management."

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.

ARKANSAS-MISSISSIPPI BRIDGE COMMISSION

The Clerk called the next bill, S. 964, creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes.

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

Mr. COSTELLO. Mr. Speaker, reserving the right to object, may I have the chairman of the subcommittee explain the proposed amendment on page 7, with reference to the provision to charge tolls. Is it to be presumed that in the event of an emergency or anything of that sort tolls may be charged the Army or War Department for the transportation of troops or anything of that kind over the bridge?

Mr. CHAPMAN. Mr. Speaker, the gentleman is entirely correct in presuming that there is no intention on the part of the committee to leave the way open for either the bridge commission or the States of Arkansas and Mississippi at some subsequent time to attempt to charge the Federal Government tolls for the use of the bridge by troops in times of emergency or public peril.

Mr. COSTELLO. That is satisfactory to me.

Mr. WHITTINGTON. May I ask the gentleman from Kentucky a question? I observe that the committee, in reporting this bill, has reduced the time for the maturity of the bonds originally from 25 to 20 years and the time for refunding the bonds from 50 to 30 years. I should like to ask the gentleman from Kentucky if that embodies a policy of the committee with respect to bridge bills?

Mr. CHAPMAN. I may say to the gentleman from Mississippi that it has been the policy of the committee for some time to discourage long amortization periods. The whole purpose in enacting these bills into law and authorizing the construction of these bridges on which tolls are to be collected is that as soon as possible the bridges will be free bridges.

Mr. WHITTINGTON. With the consent of the gentleman from California, is it the purpose of the committee to embrace similar amendments in all bridge bills to be reported, and similar limitations?

Mr. CHAPMAN. In these reports before the House today there were two bills that involved that question, and a similar limitation has been placed on both of them.

Mr. WHITTINGTON. That is the policy to be pursued by the gentleman's committee?

Mr. CHAPMAN. It is the policy of the committee to make the amortization period just as brief as possible.

Mr. WHITTINGTON. Personally, I wish it were that the bonds could be matured not later than 25 years and refinancing in 35 years.

Mr. CHAPMAN. The experience of the committee has been that it is much easier to secure the passage of these bills when that period is short. We have encountered objection to bills in the past because there was a long amortization period. The Members are very insistent on making these bridges free at the earliest possible time.

Mr. WHITTINGTON. I believe if maturity were provided at 25 years and the time for refinancing extended to 35 years

it would be better and I trust before this legislation has been finally passed that course will be taken.

Mr. CHAPMAN. I thank the gentleman for his suggestion. If the other body fails to concur in this amendment, then that question may be taken up in conference.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will the gentleman explain to me by what authority the Congress of the United States seeks to regulate the manner in which the bonds on a bridge will be retired?

Mr. CHAPMAN. I do not know whether I understand the gentleman's question.

Mr. WOLCOTT. In every bridge bill with which I have had anything to do, we seem to regulate the manner in which the bonds shall be retired. If tolls are to be charged, we require that they retire the bonds in a given time, which is good business, of course; but by what authority does the United States Congress or the Federal Government regulate the financial machinery by which the construction of these bridges is undertaken?

Mr. CHAPMAN. Pursuant to the general bridge legislation and the practice of the Congress, all of which is based on the constitutional power of Congress to regulate commerce between the States. The whole purpose of the committee and the whole purpose of the Congress in authorizing the construction of these bridges is to provide for the financing of them in a proper way, so that at the earliest possible date the people will have free bridges.

Mr. WOLCOTT. We know the purpose, of course, but where does the United States Government get its authority to give permission to build a bridge? It is on the assumption that we have control over the navigable streams. Now, what connection is there between the retirement of bonds on a bridge and the navigability of that stream?

Mr. CHAPMAN. That is a very vital part of the bill. The retirement of the bonds and the time in which they shall be retired determines the time when the bridge will become usable by the public without charge. The Congress has exercised that power as a part of its power to authorize the construction and maintenance of bridges across navigable waters and interstate and international boundaries. Its right in this respect has never to my knowledge been questioned.

Mr. WOLCOTT. Does it make any difference to a boat going under a bridge whether the bonds are retired in 30 or 35 years?

Mr. CHAPMAN. These bills are referred to the War Department where navigation is involved, and the War Department has jurisdiction over that feature.

Mr. WOLCOTT. What have bonds got to do with navigation?

Mr. CHAPMAN. Where the question of highways is involved, we refer the bills to the Department of Agriculture, whose Bureau of Roads advises in regard to the effect of the proposed bridge on interstate highway transportation. Certainly that is very important so far as the use of the bridges by the public is concerned.

The Secretary of War deals with the navigation problems and the Bureau of Roads deals with the highway problems. The construction of bridges and retirement of the bonds have an important bearing on the use and enjoyment by the public of our interstate roads.

Mr. WOLCOTT. I wish the gentleman and his committee would explain to me some time what obstacle to navigation a bond issue or the lack of a bond issue is. I cannot see the connection between our authority to regulate traffic on navigable streams and the issuance of bonds to construct bridges over them, and I never have been able to see it. I hope the gentleman and his committee will give some deep study to that question some day. It will be very illuminating.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Arkansas-Mississippi Bridge Commission (hereinafter

created and hereinafter referred to as the "commission"), and its successors and assigns, be, and are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at or near the cities of Friar Point, Miss., and Helena, Ark., at a point suitable to the interest of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act.

Sec. 2. There is hereby conferred upon the commission and its successors and assigns the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Arkansas and the State of Mississippi as may be needed for the location, construction, operation, and maintenance of any such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and the proceedings therefor shall be the same as in the condemnation of private property for public purposes in said State, respectively. The commission, its successors, and assigns is further authorized to enter into agreements with the States of Arkansas and Mississippi, and any political subdivision thereof, for the acquisition, lease, or use of any lands or property owned by such State or political subdivision.

Sec. 3. The commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over such bridge in accordance with the provisions of this act, subject to the approval of the Secretary of War, as provided by the act of Congress approved March 23, 1906.

Sec. 4. The commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge as may be constructed, as provided herein, and approaches (including the approach highways which, in the judgment of the commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary lands, easements, and appurtenances thereto, by an issue or issues of negotiable bonds of the commission, bearing interest at the rate or rates of not more than 6 percent per annum, the principal and interest of which bonds, and any premium to be paid for retirement thereof before maturity, shall be payable solely from the sinking fund provided in accordance with this act, and such payments may be further secured by a mortgage of the bridge. All such bonds may be registrable as to principal alone, or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 25 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the commission may determine. The commission may repurchase and may reserve the right to redeem all or any of said bonds before maturity in such manner and at such price or prices, not exceeding 105 and accrued interest, as may be fixed by the Commission prior to the issuance of the bonds. The commission, when it deems it to be to the best interest of the commission, may issue refunding bonds to repurchase and redeem any outstanding bonds before the maturity thereof: *Provided*, That the refunding bonds shall mature at such time or times, not exceeding 50 years from the date of approval of this act, as the commission may determine. The commission may enter into any agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the commission in respect to the purchase, construction, maintenance, operation, repair, and insurance of the bridge, the conservation and application of all funds, the security for payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law.

Said bonds shall be sold in such manner and at such time or times and at such price as the commission may determine, but no such sale shall be made at a price so low as to require the payment of interest at the rate of more than 6 percent per annum on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge constructed, and approaches and the lands, easements, and appurtenances, used in connection therewith when added to any other funds made available to the commission for the use of said purposes. The cost of the bridge to be constructed as provided herein, together with approaches and approach highways, shall be deemed to include interest during construction of said bridge, and for 12 months thereafter, and all engineering, legal, architectural, traffic surveying, and other expense incident to the construction of the bridge and the acquisition of the necessary property, incident to the financing thereof, including cost of acquiring lands. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the sinking fund hereinafter provided. Prior to the preparation of definite bonds the commission may, under like restrictions, issue temporary bonds or interim certificates, with or without coupons, of any denomination whatsoever, exchangeable for definite bonds when such bonds that have been executed are available for delivery.

Sec. 5. In fixing the rates of toll to be charged for the use of such bridge, in accordance with the act of Congress approved March 23, 1906, the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and approaches under economical management, and to provide a sinking fund sufficient to pay the principal and interest of such bonds as the same shall fall due, and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as herein provided. All tolls and other revenues from said bridge are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all such cost of maintaining, repairing, and operating, and the reservation of an amount of money estimated to be sufficient for the same purpose during an ensuing period of not more than 6 months, the remainder of tolls collected shall be placed in the sinking fund, at intervals to be determined by the commission prior to the issuance of the bonds. An accurate record of the cost of the bridge and 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. The commission shall classify in a reasonable way all traffic over the bridge so that the tolls shall be so fixed and adjusted by it as to be uniform in the application thereof to all traffic falling within reasonable classes, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge for traffic except upon payment of tolls so fixed and adjusted. No toll shall be charged officials or employees of the commission, nor shall toll be charged officials of the Government of the United States while in the discharge of duties incident to their office or employment, nor shall toll be charged members of fire departments or peace officers when engaged in the performance of their official duties, nor shall toll be charged in movement of the armed forces of the United States.

Within a reasonable time after the construction of the bridge the commission shall file with the Bureau of Public Roads of the United States Department of Agriculture a sworn itemized statement, showing the cost of constructing the bridge and its approaches, the cost of acquiring any interest in real or other property necessary therefor, and the amount of bonds, debentures, or other evidence of indebtedness issued in connection with the construction of said bridge.

Sec. 6. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the commission shall deliver deeds or other suitable instruments of conveyance of the interest of the commission in and to the bridge extending between the State of Arkansas and the State of Mississippi, that part of said bridge within Arkansas to the State of Arkansas, or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the "Arkansas interest") and that part of said bridge within Mississippi to the State of Mississippi, or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the "Mississippi interest"), under the condition that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired, by the Arkansas interest and the Mississippi interest as may be agreed upon; but if the Arkansas interest or the Mississippi interest, or any other interest hereinabove mentioned, shall not be authorized to accept or shall not accept the same under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the maintenance, repair, and operation of the bridge and approaches under economical management, until such time as the Arkansas interest and the Mississippi interest, or any other interest hereinabove mentioned, shall be authorized to accept and shall accept such conveyance under such conditions.

Notwithstanding any restriction or limitation imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of, or supplemental to either thereof, the Secretary of Agriculture, or any other Federal Department or agency of the United States Government may extend Federal aid under such acts for the construction of said bridge out of any money allocated to the State of Arkansas with the consent of the State highway commission of said State, and out of money allocated to the State of Mississippi with the consent of the highway department of said State.

Sec. 7. For the purpose of carrying into effect the objects stated in this act, there is hereby created the Arkansas-Mississippi Bridge Commission, and by that name, style, and title said body shall have perpetual succession, may contract, and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or property and apply the same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

The commission shall consist of six members to be appointed by the Secretary of Agriculture, three of whom are to be residents and citizens of the State of Mississippi and the other three to be residents and citizens of the State of Arkansas. Such commission

shall be a public body corporate and politic. Each member of the commission shall qualify within 30 days after his appointment by filing in the office of the Secretary of Agriculture an oath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall file in like manner within 30 days after his appointment. Any vacancy occurring in said commission by reason of failure to qualify as above provided, or by reason of death or resignation, shall be filled by the Secretary of Agriculture, and in filling such vacancy the Secretary of Agriculture shall at all times make the appointment so that the respective States shall at all times have equal representation on said commission. Before the issuance of bonds, as hereinabove provided, each member of the commission shall give such bond as may be fixed by the Chief of the Bureau of Public Roads of the Department of Agriculture, conditioned upon the faithful performance of all duties required by this act. The cost of such surety prior to and during the construction of the bridge shall be paid or reimbursed from the bond proceeds and thereafter such cost shall be deemed an operating expense. The commission shall elect a chairman and vice chairman from its members and shall establish rules and regulations for the government of its own business. A majority of the members shall constitute a quorum for the transaction of business.

Sec. 8. The commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the commission shall be entitled to a per diem compensation for their services of \$10 for each day actually spent in the business of the commission, but the maximum compensation of the chairman in any year shall not exceed \$1,200, and of each other member shall not exceed \$600. The members of the commission shall also be entitled to receive traveling-expense allowance of 10 cents a mile for each mile actually traveled on the business of the commission. The commission may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon shall have been paid and all other obligations of the commission paid or discharged, or provision for all such payment shall have been made as hereinbefore provided, and after the bridge shall have been conveyed to the Arkansas interest and the Mississippi interest, as herein provided, or otherwise disposed of, as provided herein, the commission shall be dissolved and shall cease to have further existence by an order of the Chief of the Bureau of Public Roads, made upon his own initiative or upon application of the commission or any member or members thereof, but only after a public hearing in the city of Helena, Ark., notice of time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date thereof, in a newspaper published in the cities of Helena, Ark., and Clarksdale, Miss. At the time of such dissolution all moneys in the hands of or to the credit of the commission shall be divided and distribution made between the interests of the States as may be determined by the Chief of the Bureau of Public Roads of the United States.

Sec. 9. Notwithstanding any of the provisions of this act, the commission shall have full power and authority to negotiate and enter into a contract or contracts with the State Highway Commission of Arkansas, and the State Highway Commission of Mississippi, the cities of Helena, Ark., and Clarksdale, Miss., or any county or municipality in the State of Arkansas and State of Mississippi, whereby the commission may receive financial aid in the construction or maintenance of the bridge and approaches thereto, and said commission, in its discretion, may avail itself of all of the facilities of the State highway commissions of the State of Arkansas and the State of Mississippi with regard to the construction of said bridge, and the commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Commissions of Arkansas and Mississippi, whereby said highway departments, or either of them, may construct, operate, and maintain, or participate with the commission in the construction, operation, and maintenance of said bridge constructed hereunder, and the approaches thereto. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Mississippi River at or near Helena, Ark., and Friar Point, Miss., and to authorize the commission to promote said object and purpose, with full power to contract with either the State Highway Commission of Arkansas or the State Highway Commission of Mississippi, or with any agency or department of the Federal Government, or both, in relation to the construction, operation, and maintenance of said bridge and approaches.

Sec. 10. Nothing herein contained shall be construed to authorize or permit the commission or any member thereof to create or obligate or incur any liability other than such obligations and liabilities as are dischargeable solely from funds contemplated to be provided by this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the commission but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

Sec. 11. The design and construction of any bridge which may be built pursuant to this act shall be in accordance with the

standard specifications for highway bridges adopted by the American Association of State Highway Officials.

Sec. 12. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 3, line 24, strike out "25" and insert in lieu thereof "20."

Page 4, line 13, strike out "50" and insert "30."

Page 7, strike out lines 13 to 20, inclusive.

Page 9, line 2, beginning with the word "and", strike out the remainder of line 2 and down through "management", in line 5, and insert in lieu thereof "as a free bridge."

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.

BRIDGE ACROSS THE MISSISSIPPI RIVER AT OR NEAR DELTA POINT, LA., AND VICKSBURG, MISS.

The Clerk called the next bill, H. R. 3224, creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. PATRICK. Reserving the right to object, Mr. Speaker, I may say this bill was reported under my name simply because I live nearer the location in question than any other member of the committee. As I understand the situation, the gentleman from Louisiana [Mr. MILLS] stated that he introduced a similar bill 2 years ago in the House and that a similar bill was introduced in the Senate, and that bill has been held up in the Senate, by Senator OVERTON, I believe, until action is taken on this bill. The gentleman from Louisiana, whose district is at one end of this bridge, introduced the bill and has knowledge of the facts concerning the matter, and would like, before the bill is passed, to present his facts to the House. The gentleman has asked that I object to the bill's being passed over, which I am only too pleased to do. I have no personal interest in the matter; it is his bill.

Mr. McGEHEE. I thought I had an agreement with the gentleman from Louisiana a moment ago that the bill be passed over without prejudice. If that is not agreeable, then I object to its present consideration.

Mr. MILLS of Louisiana. I corroborate the statement of the gentleman from Mississippi as to his agreement. The gentleman agreed to pass this bill over without prejudice and I agreed I would go on record and favor his position in the matter. However, if it is in order, I should like to make a statement to the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi that the bill be passed over without prejudice?

There was no objection.

The SPEAKER. This concludes the call of all bills eligible for call on the Consent Calendar.

EXTENSION OF REMARKS

Mr. MILLS of Louisiana asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. REED of New York asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on tomorrow after the disposition of the legislative business of the day, I may be permitted to address the House for 25 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein an article by Mark Sullivan.

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

There was no objection.

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a memorial from the Kansas Legislature regarding any agreement concerning the importation of livestock and its products from Argentina.

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

There was no objection.

The SPEAKER. Under a special order of the House heretofore entered, the gentleman from North Carolina [Mr. DOUGHTON] is recognized for 15 minutes.

Mr. DOUGHTON. Mr. Speaker, while I appreciate very much the action of the House in giving me unanimous consent to talk today, I have decided not to occupy the time. I thank the House.

The SPEAKER. Under a special order of the House heretofore entered, the gentleman from Colorado [Mr. MARTIN] is recognized for 15 minutes.

THE IMPEACHMENT OF SECRETARY PERKINS

Mr. MARTIN of Colorado. Mr. Speaker, the cloak of congressional immunity thrown about Members of Congress, relieving them of outside accountability for their utterances and acts upon the floor of Congress, is not only a very necessary but an imperative protection of the representatives of the people in the discharge of their duties. If they could be so held accountable, Congress could be destroyed by the use and abuse of the outside accountability of Members of Congress.

It is to be regretted, however, that cases arise in which the cloak of immunity thrown about Members of Congress is not accompanied by the veil of secrecy similar to that investing grand jury proceedings for the initial protection of public officials from unjust and unfounded impeachment proceedings.

It is still more to be regretted when, after months of Nation-wide publicizing of unjust and unfounded charges against a public official, the final result is heralded by no blare of trumpets and is scarcely brought to the notice of the public, which for months and months has been fed with promises that a national public official would be shown to have been guilty of high crimes and misdemeanors and of betrayal of public trust, warranting the infliction of the official death penalty.

It is to be regretted that a case which thundered so long and loudly in the index has dwindled to almost less than a whisper in the text.

I refer to the impeachment proceedings against the Secretary of Labor Frances Perkins, Commissioner of Immigration James L. Houghteling, and Solicitor Gerard D. Reilly, of the Department of Labor. I want to note at this point the final disposition of this famous case, a case in which the accused had already been tried ex parte on the charges involved in the impeachment proceedings by the Committee on Un-American Activities, and the hearings before which committee furnished the material for the charges, as shown by the resolution of impeachment.

The final disposition of the case is to be found in the CONGRESSIONAL RECORD of Friday, March 24, page 3273. I quote:

Mr. HOBBS. Mr. Speaker, by direction of the Committee on the Judiciary, I present a privileged report upon House Resolution 67, which I send to the desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read House Resolution 67.

Mr. HOBBS. Mr. Speaker, this is a unanimous report from the Committee on the Judiciary advising this resolution. I move to lay the resolution on the table.

The SPEAKER. The question is on the motion of the gentleman from Alabama to lay the resolution on the table.

The motion was agreed to.

That is all.

If any Members were present when the foregoing proceeding was had, and were sitting within earshot, they probably would not have known what House Resolution 67 was. They probably would not have known what was going on. Not that

there was any irregularity about the proceeding. It was entirely regular. That is what I complain of, the entire regularity and propriety of the procedure, ending impeachment proceedings against three high officials of the Federal Government on charges of high crimes and misdemeanors, willful violation of their oaths of office, and betrayal of their official trusts.

It probably attracted about as much attention in the press as it did in the House. The acquittal of Government officials on charges of high crimes and misdemeanors is not news. Their conviction would have been front-page screamheads. Such a denouement, Mr. Speaker, I submit does not do justice to the victims of impeachment proceedings. If it were not for the rarity of such proceedings their repetition might well affect the dignity and integrity of the House of Representatives with regard to the public respect and confidence.

It is to be regretted, therefore, that there cannot be some thunder about the verdict as well as the indictment. There is, however, a report to which I wish to make some reference. It is the report referred to as the basis for laying the resolution of impeachment on the table. It is a unanimous report of the House Committee on the Judiciary.

The committee consists of 25 members, 15 Democrats and 10 Republicans. It is a conservative committee. It is a committee which can be charged with holding no brief or harboring no undue sympathy for the Secretary of Labor. No stronger proof could be adduced of the total collapse of impeachment charges than the unanimous report of such a committee.

That such action on the part of the committee was fully justified—not only that, but inescapable—is shown by an examination of the report. It will not be necessary to quote any of the charges made on the floor of the House against the impeached officials. The findings, or rather lack of findings, of the Committee on the Judiciary, sufficiently indicate what the charges were, and I shall only note these:

On page 1 of the report the committee states that it was directed to determine whether, in its opinion, the accused officials, Frances Perkins, Secretary of Labor; James L. Houghteling, Commissioner of Immigration; and Gerard D. Reilly, Solicitor, Department of Labor, "have been guilty of any high crimes or misdemeanors which, in the contemplation of the Constitution, requires the interposition of the constitutional powers of the House." And that the committee, "after consideration, unanimously report the same unfavorably, with the recommendation that the resolution do not pass."

The report then proceeds to the specific charges against the accused, that they "were and are guilty of high crimes and misdemeanors in office in manner and form as follows, to wit":

That they did willfully, unlawfully, and feloniously conspire, confederate, and agree together, from on or about September 1, 1937, to and including the date of the filing of this resolution, to commit offenses against the United States, and to defraud the United States, by failing, and neglecting, and refusing to enforce the immigration laws of the United States—

And so forth—

and that each of them have committed many overt acts to effect the object of said conspiracy—

And so forth. It then appears from the report that much of the investigation centered around the Strecker and Bridges deportation cases, as evidenced by the following quotation on page 4 of the report:

The committee heard every witness indicated by any of the records or suggested by any person, carefully examined the record in the Strecker case, the files of the Bridges case, the report of the Dies committee, considered all of the evidence therein contained, as well as the testimony of the witnesses, and proceeded to consider the resolution and all the facts and circumstances adduced.

Then follows the findings. Beginning on page 5, I quote:

After full consideration the committee certifies:

1. That there is no competent evidence to support the charge of conspiracy.
2. That there is no competent evidence to support the charge that the accused "unlawfully conspired to defer and to defeat the

deportation of Harry Bridges," and there is no evidence to indicate that the taking of the Strecker case to the Supreme Court was for the purpose of delaying the Bridges case.

3. That there is no evidence that the accused conspired together to release Harry Bridges after his arrest on his own recognizance.

4. That there is no competent evidence to support the charge that the accused "have committed many overt acts to effect the object of said conspiracy."

Referring to an implication against the Commissioner of Immigration, growing out of certain letters, the report on page 7 states:

There is no evidence whatsoever to support this implication.

Further, on page 7, the report says:

The accused are not chargeable with any fault that may have been imputable to Mr. Cahill (then deceased), in the absence of evidence connecting them therewith. There is no such evidence.

The last paragraph on page 7, and carrying on to page 8, completely exonerates the officials handling the Bridges case of any dereliction whatever.

Further on page 8 the report says:

5. That there is no evidence that the appeal of the Strecker case to the Supreme Court of the United States was venal or not in good faith.

In my judgment, the next quotation, on page 9, is the most devastating refutation of a charge against public officials that could be condensed into so many words. They were charged with having made an insufficient showing of proof in the trial of the Strecker case. The report says:

From this (the record) it would appear that the immigration authorities in Washington sincerely attempted to do exactly what the author of the resolution now condemns them for not doing.

6. That there is no evidence from which a reasonable inference may be drawn that the accused have failed, neglected, or refused to enforce section 137, United States Code, against other aliens illegally within the United States.

The committee then states that it had investigated certain alien cases called to its attention by the author of the impeachment resolution in support of the charges, and states:

In none did the committee find any evidence of any disposition on the part of the accused to evade their responsibility to enforce the law, or of failing, neglecting, or refusing to enforce the law against any alien.

7 (and final). That, after a careful consideration of all the evidence in this case, this committee is unanimous in its opinion that sufficient facts have not been presented or adduced to warrant the interposition of the constitutional powers of impeachment by the House.

And yet, Mr. Speaker, for months the press and the air in this country were alive with charges that the Department of Labor was exerting its official powers to protect Communists and communism in this country, and was, in effect, in league with Communists and communism. Had this campaign of misrepresentation of the Secretary of Labor and the Commissioner of Immigration been deliberately designed to destroy the confidence of the country in that Department of government, it could not have been more intensively and effectively carried out.

The country had every reason to expect—it had been dinned into their ears day and night for months—that the result of these proceedings would be to convict Secretary of Labor Perkins, Commissioner of Immigration Houghteling, and Solicitor Gerard D. Reilly of charges that they were in league with subversive influences which are seeking to destroy this Government.

Justice could not be done these public officials merely by exonerating them. All fair-minded people should reprobate and condemn the campaign carried on against them, more pregnant with possibilities of danger to our institutions than even the subversive forces they were charged with being in league with. The mountain labored but did not bring forth a mouse. It is not to be wondered at that the now chief law officer of the Nation was branded with communism from the same source.

The word "finis" has been written on this abortive attempt to destroy the first woman ever to have the honor of a seat in the Cabinet. In the interest of history the report should

be exhumed from the tomb of a million forgotten documents and embalmed in the imperishable pages of the CONGRESSIONAL RECORD. I deem it a privilege to perform this service. [Applause.]

Mr. STARNES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Colorado. I yield.

Mr. STARNES of Alabama. Knowing the gentleman as I do and having a high regard for him personally, I know he does not want to leave an unjust and unfair and untrue imputation in his speech. I want to say to him, as a member of the special committee to which he referred, that at no time did the committee take any action on these impeachment proceedings, commendatory or otherwise. Other members of that committee are present and will bear me out in the statement that that matter was never discussed in our committee, and it in no wise reflects the sentiment or the attitude of that special committee.

Mr. MARTIN of Colorado. I did not say the committee did take any action on these impeachment proceedings. I may say that a large part of the charges were made up of a certain letter. I have not mentioned any names, and I am not going to. All members know what those charges were made up of, and for months the press of the country was full of testimony that was going on before the Committee on Un-American Activities and statements issued thereon, not only smearing Governor Murphy of Michigan and Secretary of Labor Perkins, but other persons of prominence in the Government. Six of the eight pages taken up in the record by the impeachment charges consist of matter from the committee's hearings. Taking the hearings out of the charges, there is nothing left. They went as far as they could, by innuendo and indirection, to smear the President, whose appointees these officials are.

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include the statement made by Secretary of Labor Perkins on these impeachment proceedings.

The SPEAKER pro tempore (Mr. PACE). Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker, if I may be pardoned for the stereotyped statement, I hold no brief for the Secretary of Labor, and I may add that I have never met the Secretary and have no appointee in or under the Department of Labor. A reading of the brief synopsis in the report disposing of the impeachment proceedings is insufficient to show the utter lack of bases for the impeachment charges. In order that Members or others interested in the case may have a more complete picture, I am, under leave of the House, inserting in the RECORD the Secretary's statement to the Committee on the Judiciary. The bulk of this statement is devoted to the Strecker and Bridges cases, on which the charges against her rested. The statement is factual. As high lights of the statement I shall mention only two things which are characteristic, both from the standpoint of vindicating the accused and demolishing the case of the accuser.

One of the charges against the Secretary of Labor was that she appealed the Strecker case to the Supreme Court for the purpose of delaying the Bridges case. In her statement to the committee the Secretary said:

The United States attorney in the fifth court (circuit court of appeals) recommended that the so-called Strecker case should be appealed from the Circuit Court of Appeals for the Fifth Circuit to the Supreme Court of the United States. This recommendation was transmitted to the Department of Justice. In that Department the Solicitor General, after study of the case, determined to seek review. The petition for review was filed and was granted by the Supreme Court, thus indicating that in the Court's opinion, as in the opinion of Government counsel, the issues raised by the Strecker case were difficult and important and constituted a conflict of opinion in the lower courts.

So on that charge we find that the appeal was wholly handled by the Department of Justice, outside and beyond the jurisdiction of the Secretary of Labor.

Another serious charge was that the Strecker case was deliberately weakened by the accused. On this the Secretary says:

Neither I nor the Commissioner of Immigration and Naturalization nor the Solicitor's Office had anything to do with the presentation of this case * * *. My personal attention was not brought to the case until the decision of the Fifth Circuit Court of Appeals, since it was handled in the lower courts as a purely routine matter between the district director and the local United States attorneys. The district courts which first passed on the case apparently regarded the evidence as adequate to support the deportation order, since a writ of habeas corpus was not only denied by Judge Borah in the District Court for the Eastern District of Louisiana (the order subsequently reversed), but also by Judge Martineau in the United States District Court for the Eastern District of Arkansas.

Thus, step by step, the Secretary of Labor riddled the tissue of ignorance, prejudice, and misrepresentation which constituted the charges in this case.

One more quote from the Secretary:

The impeachment resolution states that the petition for certiorari (to the Supreme Court) in the Strecker case was drafted in the office of the Secretary of Labor. This is not true. The petition for certiorari was drafted in the Department of Justice and was never submitted to me for approval or disapproval.

But why continue? It would require review of every charge in the articles of impeachment, and all in the same category. Every member of a body which holds in its hands the power of life and death over executive heads of the Government should read both the report of the Committee on the Judiciary, Report No. 311, Seventy-sixth Congress, first session, and the very explicit and temperate statement of the Secretary of Labor.

STATEMENT OF SECRETARY OF LABOR PERKINS BEFORE THE HOUSE JUDICIARY COMMITTEE WEDNESDAY, FEBRUARY 8, 1939

House Resolution 67, which is before your committee, charges that I, as Secretary of Labor; James L. Houghteling, as Commissioner of Immigration and Naturalization; and Gerard D. Reilly, as Solicitor of the Department of Labor, have entered into a conspiracy to refuse to enforce the deportation laws of the United States—more particularly the act of October 16, 1918, as amended by the act of June 5, 1920—and to defraud the United States by not deporting one Harry Bridges.

At the outset I want to make it clear that whatever action has been taken in Washington by the Department of Labor in the Bridges and in the Strecker cases there has been no "conspiracy." The action has not been pursuant to an agreement, combination, or conspiracy. The responsibility for the action of the Department of Labor rests directly upon me and cannot properly be placed upon those whom the law makes subordinate to me—that is to say, Mr. Houghteling and Mr. Reilly.

In appearing voluntarily before you today I have three objectives: First, to state to you briefly the principles in the light of which I view my duty to enforce the immigration laws with respect to persons who engage in subversive activities; secondly, to state the precise facts with respect to the case of Harry Bridges, referred to in the resolution before you; and, finally, to state the precise facts with respect to the case of Joseph George Strecker, also referred to in the resolution before you and now pending in the Supreme Court of the United States.

The first point that I want to make clear is this: I believe that the Government should take immediate and effective steps against any person or any organization which offers a clear and present danger to the Government of the United States. Treasonable conduct in subversive action can evoke no sympathy, and I am certainly in favor of the punishment or deportation of anyone who engages in such conduct. And I think this is compatible with a truly American viewpoint in regard to freedom of thought.

I also wish to emphasize that I am not in accord with the principles of the Communist Party. I do not share the economic or political views of the Communists. I regard many of their tactics as an impediment to the efficient functioning of the Government as well as of society at large. I find in their insistence on party authority and their emphasis on class struggle, their conception of a dictatorship of one class, and their oft-repeated contempt for religion the negation of that individual liberty and that development of the human personality for which this country and every democracy must stand.

I turn now from these general remarks to a consideration of the nature of my duties under the immigration laws of this country. And I begin by reminding you of the solemn character of the task that has been entrusted to me. It is not commonly realized that the power which is vested in the Secretary of Labor under the immigration law is in many respects the most serious and the most drastic administrative power vested in any executive officer in our Government. While other officers and commissions are entrusted with the power of decision in respect to matters of property, the Secretary of Labor stands virtually alone among executive officers in his right to restrict personal liberty and freedom of individual

action of human beings. The Secretary of Labor has the power, in certain specific situations, not even involving a crime, to issue a warrant for the arrest of any alien in the United States; he has the power virtually to imprison that person; and he has the power to order that person to be sent back to the country of his nationality even though he recognizes that in some circumstances this is tantamount to sending an alien to his death. The Secretary is investigator, prosecutor, jury, and judge. No court tries the case or can intervene except on application for habeas corpus, and then can only review the point of law involved; not the finding of fact.

This unusual and broad authority is exercised by the Secretary of Labor upon average people, not upon people of peculiar strength, power, or malevolence. It is a power which is susceptible of exercise without adherence to those elementary standards of due process of law that are at the heart of our Constitution. Indeed, the serious abuses which have occasionally existed in immigration deportations were reviewed only 7 or 8 years ago by President Hoover's so-called Wickersham commission. The testimony collected by that commission and the report written by it bear ample witness to the necessity of proceeding with restraint and with due regard for historic safeguards against executive absolutism in all cases where this tremendous power over human liberty and human life is exercised.

It is because of the scope of the power and the extent to which it has been abused occasionally that a person charged as I am with the enforcement of the immigration laws must proceed with a sense of the importance of the judicial duty cast upon him. I have imposed restraints upon the arbitrary use of this power and I have sought to build and maintain confidence in our institutions by proceeding in all cases with scrupulous fairness.

And now one more general word before I come to the specific details of the Bridges and Strecker cases. I have sworn to uphold the Constitution of the United States. I took that oath without reservation and I have carried it out to the best of my ability. I have tried to do justice both to citizens and aliens so far as in me lay. I have spent most of my adult life in the service of the people of my country working to improve their living and laboring conditions and at some sacrifice of personal comfort. I have done what I could in time to make this great country of ours a little nearer our conception of the city of God. For 18 years I have served in public office, where my record is an open book. I have consistently favored not only enforcement of law but also a firm adherence to the basic American standards of fair play. I feel confident that whether examined minutely or at large my record as Secretary of Labor will show a consistent purpose not merely to support the ideals of democracy, of orderly government, and of freedom, but a purpose to assure all persons subject to the Government, whether citizen or alien, that those ideals are being carried forward in actual day-to-day practice. I have applied this to my administration of the immigration law and to the case in point.

I turn now to consider the Bridges case and the Strecker case. Bridges came from Australia to the United States on April 12, 1920. So far as I am aware, no suggestion was made until 1934 that he was subject to deportation under the immigration laws. In 1934, during the longshoremen's strike, some informal requests for his deportation did reach the Department, but these requests were not buttressed by any evidence. For the most part they did no more than ask for the removal from the American scene of a person believed by them to be an undesirable labor agitator. Our investigation showed that Bridges had led up to that time an uneventful life, without a police record, either here or in Australia. He was active in the International Longshoremen's Union beginning in 1934, but he had done nothing forbidden by law. On this state of facts no step could lawfully be taken to deport Bridges.

As I need hardly say to you, as Secretary of Labor I have no general commission or power to remove an alien merely because I believe him to be "undesirable," or because he is believed to be, or is in fact, a labor agitator. I can and am required to direct deportation upon certain grounds specified by Congress, such as that the alien involved has entered the United States unlawfully, or that he has become a public charge, or that he has been sentenced for a crime involving moral turpitude, or that he himself advocates the overthrow of the United States by force or violence, or belongs to an organization which so advocates. In 1934 there was no substantial evidence indicating that Bridges fell within these or similar categories.

Indeed, it appears from page 54 of the resolution which is before you that the author of the resolution does not suggest that the conspiracy which he believes exists occurred until long after 1934, to wit, in September 1937. However, I am trying to give your committee a full report and not a mere technical answer to the charge before you. Therefore, I am giving you my complete recollection of the Bridges case. On this basis of full disclosure I shall proceed.

Between 1934 and 1937 there were a number of inquiries directed to the Department of Labor with the purpose of finding out what the facts, so far as we knew them, were respecting Bridges. In connection with these inquiries, I asked the Immigration and Naturalization Service to prepare for me a memorandum setting forth the facts in our possession. Such a memorandum was prepared and material in it was used to compile a reply which went from this Department to any person who inquired about the Bridges case. The memorandum set forth that there was at that time no evidence that Bridges was a member of the Communist Party or that he believed in or advocated the overthrow of the Government of the United States.

It is entirely likely that Bridges may have seen one of these letters at some time as they were sent to anyone who wrote making inquiry, and several hundreds of such inquiries were received. The memorandum was not in any sense confidential but was prepared for general correspondence. This is the only information with regard to the content of the case that Bridges ever had.

R. P. Bonham, district director of the Immigration and Naturalization Service at Seattle, Wash., on September 22, 1937, made application to the central office in Washington of the Immigration and Naturalization Service for a warrant for the arrest of Harry Bridges on various grounds. Supporting this application there were four depositions which had been taken in Seattle.

When this application arrived in Washington the case was referred to the Solicitor's office for an opinion. The problem it presented was in many respects unusual. It is rare indeed that in a case where an individual is alleged to be a radical who seeks the overthrow of the United States by force or violence all the testimony comes elsewhere than from the alien's own mouth or from written documents which he has prepared or circulated. In the light of the nature of the evidence and of the sources from which it emanated, Mr. Houghteling, the Commissioner of Immigration and Naturalization, felt the need of corroborative or documentary evidence. The solicitor of the Department of Labor, Mr. Gerard D. Reilly, and I after reviewing the depositions were in doubt if the deponents were trustworthy, and, if they were not, whether their testimony could be otherwise corroborated. The bitter factional fight between maritime unions on the Pacific coast had resulted in so many charges and countercharges of a derogatory nature that we thought caution indicated in the evaluation of this evidence. To determine these questions it seemed best to me to instruct Mr. Reilly to proceed to the west coast, there to interview the deponents.

Mr. Reilly did go to the west coast and there held hearings. He then returned to New York on October 18, 1937, to obtain a deposition from Bridges himself. This deposition while squarely denying some of the allegations of the depositions taken on the west coast did not put the matter at rest either in Mr. Reilly's or in my mind.

It was while the Department of Labor was reviewing the case following clues and seeking further evidence in an investigation by R. P. Bonham and others that the Senate Committee on Commerce, then considering general maritime legislation, became interested in Bridges.

On January 22, 1938, in response to an inquiry from a member of the committee, Senator ARTHUR H. VANDENBERG, of Michigan, I wrote a letter summarizing the course of the Bridges case up to that date. Then in February 1938 the solicitor, Mr. Reilly, and I testified with respect to the Bridges matter before the same Senate Committee on Commerce. I am told that at that time Mr. Reilly stated that under the decisions as they then were it appeared as though a prima facie case could be made out against Bridges.

Information as to what Mr. Reilly had testified before the Senate committee immediately became available to the public through newspaper channels. This prompted Bridges, on February 3, 1938, to ask for a specific bill of particulars of any charges we might make against him. To this letter I, of February 8, replied that it was our regular practice to set forth in the warrant the specific charges on which the proceedings in immigration matters are predicated and that we should follow our usual procedure.

On March 5, 1938, Leon R. Fouch, acting district director of the Baltimore district of the Immigration and Naturalization Service, in accordance with instructions from the central office, served upon Bridges a warrant for his arrest. Acknowledgment of that service was made by Bridges and the case was set down for hearing in San Francisco on April 25, 1938.

There is some suggestion, particularly at pages 19 and 20 of the resolution before you that Bridges threatened me and others in the Department of Labor with violence and showed us a want of respect, which led to our following a procedure out of the ordinary. As a matter of fact I have never heard of any threats of violence to myself or other officers of the Department of Labor in connection with the Bridges case, and I am quite unaware of any impertinence shown by Bridges to officials of the Department. I say this merely to indicate that neither through fear nor cowardice were any officials of the Department of Labor at any time swayed from their duty in connection with the Bridges matter.

There has been an implication that in the case of Bridges the accusations made against him not only charged membership in the Communist Party but also accused him of personally advocating the overthrow of government by force and violence. No evidence is cited in support of this, and, as a matter of fact, there is no such evidence. It is possible that the author of the resolution had in mind the same extracts from two or three affidavits which Congressman DIES drew to my attention in open letter on August 30, 1938. These consisted of certain uncorroborated remarks attributed to Bridges in private conversation by two or three of the affiants. These quotations consisted of a derogatory statement with respect to battleships, contemptuous remarks with regard to the President, threatening and intemperate remarks with respect to rival union factions, all of them falling far short of amounting to advocacy of the overthrow of the United States Government by force and violence.

Although the Department of Labor had planned to hold hearings in the Bridges case on April 25, there occurred on April 6, 1938, an event which was not foreseen when Mr. Reilly testified before the Senate Committee on Commerce. The United States Circuit Court of Appeals for the Fifth Circuit, sitting in Louisiana, delivered its opinion in the case of *Kessler v. Strecker*. This opinion, by one of

the Nation's most distinguished jurists, Judge Hutcheson, was to the effect that an alien who was acknowledged to have been a member of the Communist Party was not on that ground deportable under the immigration laws. I was advised by competent counsel that if Judge Hutcheson's opinion in that case was sound it would be impossible to deport Bridges or other Communists on evidence of party membership. Judge Hutcheson's opinion (taken together with recent rulings of the Supreme Court of the United States in the Herndon and De Jonge cases) led to serious doubt as to whether older cases under the immigration law were still a guide and whether they applied to the Communist Party as it now functions. In view of this, the legal advisers provided for me by law, the United States attorney in the fifth court (circuit court of appeals) and solicitor, recommended that the so-called Strecker case should be appealed from the Circuit Court of Appeals for the Fifth Circuit to the Supreme Court of the United States. This recommendation was transmitted to the Department of Justice. In that Department the Solicitor General, after study of the case, determined to seek review. The petition for review was filed, and was granted by the Supreme Court, thus indicating that in the Court's opinion, as in the opinion of Government counsel, the issues raised by the Strecker case were difficult and important and constituted a conflict of opinion in the lower courts. I might also point out that the decision of the Fifth Circuit Court of Appeals was regarded by the press and public as an important opinion. Newspapers interpreted it as holding that Communists were not deportable under the immigration laws. Letters and telegrams were received from civic organizations and veterans' organizations urging an appeal in the Strecker case.

Despite the action of the Supreme Court in granting the application for certiorari the resolution before you impugns the good faith of the Government in seeking a review. The resolution makes certain insinuations which so far as I, who am not a lawyer, can, I should like to discuss:

(1) The resolution states that in the Strecker case the circuit court of appeals did not make a final determination in favor of the alien but merely directed that the case should go back to the district court with instructions to the district judge to hold a hearing de novo to determine what the nature of the Communist Party is. Therefore, the resolution implies that the case did not have to be appealed. But the truth is that the direction by the circuit court of appeals to the district court, far from being a reason for not appealing to the Supreme Court, was an additional reason for seeking Supreme Court review. The circuit court's order in effect transferred from an administrative agency to a Federal district court the duty of receiving evidence and determining the facts with respect to an alien and his deportability. District Judge Borah, to whom the order was directed, told the United States attorney his court had no jurisdiction to do this.

As the Government noted in its brief, this order seems to be contrary to the immigration statutes and seems to be a novel departure from the usual canons of administrative law. On that administrative law issue alone I am told that the case is of such moment that it should be appealed to the Supreme Court of the United States.

(2) The resolution implies that the Strecker case was not so definitely in conflict with decisions of other courts that the case should have been appealed to the Supreme Court of the United States. The Solicitor General of the United States takes a different point of view from the author of the resolution. He determined that a petition for certiorari should be filed with the Supreme Court, and it seems to me that the Supreme Court of the United States in granting the writ of certiorari has in fact agreed with the Solicitor General that there was a serious conflict between the circuits which required decision by the Supreme Court itself.

It is interesting to note that the considered opinion of the Solicitor General after his analysis of the case in determining that a petition for certiorari should be filed coincided with the views of the United States attorney at the time the circuit court of appeals handed down its decision, since he wrote to the Attorney General a few days later recommending the case be carried to the Supreme Court. In his letter he stated that while the circuit court of appeals had made an attempt to distinguish the case before it from the holdings of the seventh circuit and the ninth circuit, that a fair reading of those cases would show that the opinion of the Court was contrary to those holdings and therefore "it may be fairly said that there is a conflict between the circuits involved on the question of whether the Communist Party of America is an organization within the terms of the statute."

(3) The resolution implies that the Government of the United States, by failing to introduce certain so-called "stock exhibits" with respect to communism in this particular case, deliberately weakened the presentation of the issue to the Supreme Court. There are no "stock exhibits" used by the Department in the preparation of deportation cases where communism is an issue. This was apparently a phrase which the author of the resolution extracted from the solicitor's letter to the Attorney General but the resolution fails to quote what the solicitor went on to say, namely, that "I have analyzed the documentary evidence at some length in the foregoing cases in order to show that the proof advanced in these cases, to show that the Communist Party advocated forcible overthrow of the United States Government and circulated printed matter advising the same course of action, did not differ in any material degree from the documents which the Fifth Circuit Court of Appeals may have regarded as insufficient." I think a comparison of the documents introduced as evidence in

the Strecker case which are set out in pages 33 to 41 of the Government's brief in the Supreme Court with the documents quoted in appendix B of the brief (pp. 80 to 92 inclusive) will bear out the accuracy of this statement.

There was evidence presented before the Department in the Strecker case which showed the teachings of the Communist Party, inasmuch as that it included typical Communist documents containing language and phraseology which in the past has been regarded by the courts as an adequate basis for deportation. Even if additional evidence had been presented, it is doubtful whether it could be called other than cumulative testimony. In the end, the question is whether membership in the Communist Party is membership in an organization that teaches and advocates the overthrow of the Government by force or violence. And Judge Hutcheson's opinion in the Strecker case raises and discusses this point in such a way as to compel the attention of administrative officers determined to act lawfully.

As for the charge that the case was deliberately weakened, I should like to draw the attention of the committee to the following facts. The warrant for Strecker's arrest was issued on November 25, 1933, many years before the Bridges case began. The hearing on the warrant occurred on January 23, 1934, where evidence was presented showing that a Communist Party membership book had been issued to the alien, and that he had made certain admissions under oath to an immigration officer on October 25, 1933. The examining inspector recommended deportation. The board of review ordered the case reopened for introducing into the record exhibits or literature to show that the Communist Party advocated the overthrow by force or violence of the United States Government. At this second hearing the inspector, apparently preferring to present evidence bearing on the current teachings of the Communist Party rather than relying on historic documents which might have been challenged as obsolete, read into the record extracts from a magazine entitled "The Communist," dated April 1934, eighth convention issue, "A magazine of the theory and practice of Marxism, Leninism, published monthly by the Communist Party of the United States of America." Neither I nor the Commissioner of Immigration and Naturalization nor the solicitor's office had anything to do with the presentation of this case, and the deportation order was not brought to the Secretary's Office for signature until August 14, 1934. My personal attention was not brought to the case until the decision of the fifth circuit court of appeals, since it was handled in the lower courts as a purely routine matter between the district director and the local United States attorneys. The district courts which first passed on the case apparently regarded the evidence as adequate to support the deportation order, since a writ of habeas corpus was not only denied by Judge Borah in the District Court for the Eastern District of Louisiana (the order subsequently reversed) but also by Judge Martineau in the United States District Court for the Eastern District of Arkansas.

Whether the case was the strongest possible case which could have been presented on the issue of the significance of Communist Party membership under the immigration laws is a question upon which I, since I am not a lawyer, cannot pass judgment. I can only say that the widely reported opinion of Judge Hutcheson certainly made it clear to me as an administrative officer that the ordinary interpretation placed upon the statute by the Department had been disapproved by his court on such broad grounds that it was impossible to continue to place such construction upon the statute in the fifth circuit and made it very dubious as to whether Communist Party deportations would be sustained in other circuits until the Supreme Court had clarified the issue. An administrative officer is in no position to select an ideal test case for the highest court. He can only obtain a Supreme Court ruling on cases still actually pending which have already run the whole gamut of administrative hearing, administrative order, district court review, and circuit court of appeals decision.

(4) The resolution states that the petition for certiorari in the Strecker case was drafted in the Office of the Secretary of Labor. This is not true. The petition for certiorari was drafted in the Department of Justice and was never submitted to me for approval or disapproval. I do not mean to say that I have any criticism of the Department of Justice's procedure in this regard, for the preparation of such a document does not fall within my duties or privileges.

(5) The resolution states that there has been a failure to present to the Supreme Court of the United States an important issue in the Strecker case which was particularly raised by the warrant of deportation signed by Turner W. Battle, assistant to the Secretary of Labor. That issue is whether Strecker is subject to deportation on the ground that he personally believes in and has advocated the overthrow of the United States Government by force or violence. As a matter of fact, the issue which is alleged to have been kept from the Supreme Court of the United States is squarely presented in the brief filed by the Government in that Court, pages 50 to 55. The Solicitor General, on behalf of the United States, there argues that "there was evidence in the record before the Secretary of Labor to support the finding in the deportation warrant that respondent (i. e., Strecker) believes in and advocates the overthrow by force or violence of the Government of the United States." The issue of membership in the Communist Party was raised particularly, as it was the one raising a conflict between circuit courts.

Summarizing the foregoing, I think it fair to say that there is substantial reason to believe that the Strecker case presents fundamental issues which arise in the interpretation of the Immigration Act of October 16, 1918, as amended by the act of June 5, 1920.

The resolution implies that Bridges and other similar cases should not have been postponed pending the decision of the Supreme Court in the Strecker case, even though the decision of the circuit court held that membership in the Communist Party was not legally grounds for deporting an alien.

This action in postponement was taken on the advice of competent legal advisers and it is the usual administrative practice in order to prevent unnecessary expense and effort in conducting litigation which may turn out to be useless or inadequately developed after the Court has made a decision in a case on appeal.

Also I want to point out to you that there is no hazard to our population or institutions involved in these postponements because of the fact that if Bridges or any other alien at any time takes any action to overthrow the Government of the United States by force or by violence, or if he commits any crime, he can and will be promptly arrested, tried, and punished or deported under the terms and requirements of law.

In this statement I have tried to explain clearly the principles upon which I have acted and the details of the administrative action in the Bridges and Strecker cases. The problems which the immigration laws present are serious, intricate, and of the highest public importance. They affect principally the lives of human beings rather than property. The administration of these laws, because so few restraints on procedure are imposed by law, calls for the most scrupulous application of the principles of fairness, justice, and impartiality inherent in our constitutional democracy. Any miscarriage of justice in human affairs which cannot be corrected is unendurable to the American mind. It is of the utmost importance to see that no such suspicion of injustice is possible. The immigration laws have peculiar significance to the future of our country and it is incumbent upon those who administer them to aim at certain important goals; to preserve for this country its institutions, its ideals, and its Government safe from any foreign forces which present a clear and present danger to the continuance of our way of living; to improve rather than harm the economic and social and moral stability of our population; to promote the assimilation or Americanization of such foreign-born people as lawfully become permanent residents; and to demonstrate to such foreign-born, who together with their families are likely soon to become our fellow citizens, that our American institutions operate without fear or favor and in the spirit of fair play, to the stranger within our gates as well as to the native born.

It is out of this demonstrated capacity of our institutions that is born that confidence, that hope, that self-discipline, that admiration which has resulted in the passionate love of country and devotion to its way of life which characterize both native and foreign-born Americans. The intensity and personal character of this devotion to our country is almost unique in world history and rests upon man's voluntary and almost consecrated association of himself with the ideals of fairness and respect for human personality which he experiences in daily realistic practices of our Government and our society.

It is because I share the confidence of other Americans in the capacity of our institutions to protect me against injustice that I have satisfaction in the consideration of these charges, and my denial of them, by this committee of Congress now considering them. I recognize the right of anyone who has valid evidence of wrongdoing to attack my record or my character and particularly in public office, and I have no resentment. This is also a part of our democratic method to safeguard against administrative absolutism. But I have entire faith and confidence in the capacity and intent of those who are in charge of the operation of our institutions, not only the courts, but the Congress and its committees, to protect me and to secure my rights and my reputation if I have done no wrong. Americans are sensible—steady people and have lively faith that no excitement and no political pressures and no questions of the popularity or unpopularity of a case can interfere with the operation of justice, and that only intelligence and faithfulness will move those persons who stand sworn to be for us, by our consent, judges an office fraught with a deep sanctity. This faith exists and must be confirmed daily by those of us who hold high office so that liberty may not perish from the land.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

PRESENT ADMINISTRATION COMMENDED

Mr. PATMAN. Mr. Speaker, I desire to commend the present administration, under the leadership of President Franklin D. Roosevelt, for the many great accomplishments during the past 6 years. I expect to mention before I conclude one problem that has not been solved.

In 1935 we adopted the Social Security Act. By reason of the enactment of that law millions of people are receiving checks monthly from the Government and from the various States. We cannot say too much in praise of the social-security law.

During this administration the farmers have been helped. They are being helped through the Farm Act of 1938 and preceding acts, as well as through the Farm Security Administration, through the Emergency Feed and Seed Loan, through the Production Credit Corporation, which has its

associations all over the country; through the Federal land banks and other institutions; and, certainly we owe the administration a debt of gratitude for what it has done for the farmers.

The workers have also been benefited in many ways.

The people are being saved hundreds of millions of dollars a year on their electric charges, and eventually they will receive in benefits what will be equal to \$1,000,000,000 a year of savings in electric rates by reason of the yardstick established by T. V. A.

S. E. C. ACT CONSTRUCTIVE

The S. E. C. has been very helpful. I have a neighbor who is a stockholder in an eastern concern. Just before the enactment of this law he received a notice from the company stating that this company—we will call it A—wanted to acquire the stock of company B. A beautiful picture was presented as to how it would help this company and how it would help this neighbor of mine, who was a stockholder.

He very quickly acquiesced and signed a statement that it would be satisfactory with him for company A to acquire company B. Soon after that the S. E. C. law became effective and the S. E. C. required a different statement to be sent out to these stockholders, the statement telling the truth about what would happen. This statement showed that company B was broke, and the president of company A was merely bailing out his brother, who was the owner of company B, and that it was injurious to the company and to my neighbor as a stockholder. The result was that the first questionnaire sent out to stockholders showed every stockholder voting in favor of the acquisition, while on the second questionnaire sent out every stockholder voted against the acquisition. That shows the work that the S. E. C. is doing, by compelling people to tell the truth. So the savings and investments of the people are being protected.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. GIFFORD. Before the gentleman leaves the T. V. A. will not you please put opposite the benefits received by the people just what happened to the investors in public utilities?

Mr. PATMAN. Of course I did not ask for this time to talk about the T. V. A., but I will ask the gentleman whether he can justify the billion dollars of overcharge per year to the users of electricity.

Mr. GIFFORD. I do not undertake to justify anything that happened, but what did happen to the millions of investors in public utilities?

Mr. PATMAN. I shall answer that in this way. It was in the public interest, and no one to my mind can defend the other side.

Mr. GIFFORD. And the gentleman feels that the weight of evidence is on his side?

Mr. PATMAN. Yes. Another thing we hear about is the W. P. A. Of course billions of dollars have been spent, and during the debate on the recent bill to appropriate more money for the W. P. A. you did not hear very much about the fine buildings that have been constructed in practically every county and city in America—the school buildings and the buildings of different types—for public purposes. You did not hear very much about the roads and highways and the many other good things done by W. P. A. So the W. P. A. has been worth while and has helped millions of people.

Take the C. C. C. camps. Approximately 3,000,000 young men have gone through these camps. They have come out better citizens by reason of the service that they have experienced. These young men are entitled to credit. Twenty-five dollars out of every \$30 that they received each month they sent back home to take care of their loved ones. These young men are to be commended for not only taking advantage of every opportunity to become better citizens, but for helping their loved ones who were in need as well, and certainly the administration is to be commended for that great work.

Banks and insurance companies and railroad companies have been helped, but I shall not discuss them.

The home owners have been helped tremendously. Billions of dollars have been used of Government credit for the purpose of extending the time of payment for home owners and reducing the interest rates, as well as helping people build and purchase homes; and today, my friends, do you know that the average home owner who has a loan of \$3,700 on his home will save \$1,600 on that one mortgage from the time it was made until he has paid it—\$1,600 each. One hundred and seventy-five thousand home owners have been benefited in that way on old construction, and 185,000 have been benefited that way on new construction; and that does not take into consideration the millions of home owners that have been helped indirectly by getting a lower rate of interest through the use of that yardstick which the Government has set up.

MONOPOLY NOT DEALT WITH

The problem that this administration has not dealt with is monopoly. The people in the United States have talked about monopoly for 100 years. We know of certain monopolies and monopolistic practices; we know the ones we should be after. Take, for instance, the patent monopoly. Others could be mentioned, as they are well known. Is there a doubt in anyone's mind about the patent monopoly being detrimental to the interests of the people? Not one Member of the House who would not so testify; and yet we do nothing about it. We talk about monopoly all the time. We want to investigate; we want to study. Why do that? I hope that my remarks will not be taken as critical of the Temporary National Economic Committee, because they are not so intended. That committee is doing a good work, a work assigned to it, and my remarks are not so intended.

Why continue to investigate and study this problem, when we know so many things that could be done to break up monopolies and give the average citizen a better chance?

CONCENTRATION OF MONEY

There is a tendency in this country toward concentration of money and credit. You would think the tendency would be the other way, but that is not so. The tendency is toward concentration. I have here a chart, and it is brought up to the end of 1936. I would have brought it up to the end of 1938, but it would show the same picture up to 1938 that it shows to 1936, so there was no reason why I should change it. In 1921 we had approximately 31,000 banks in this country. Those banks were scattered through the 3,072 counties, and they were able to serve all the people of the Nation; but the number of banks has been decreasing, going down and down, and down, until at the end of 1936 and at this time there are fewer than 16,000—in fact, about 15,000 banks. Most of them were forced out under the Mellon rule from 1921 to 1933. Notice the other line on the chart, which shows resources in millions. In 1920 and 1921, if you follow that line, you will see the resources per bank going up, so that the tendency has been fewer and fewer banks with greater and greater resources.

Let me tell you where that hurts this country. Fifty years ago the local banker was watching every young man in that community. When the local banker would see a young man who was taking an interest in civic affairs and church work and becoming a good citizen, building and cultivating good will, and then going into business and prospering, the banker would say to that young man, "If you need money, I will let you have it." He would start that man out in a larger business. Some of the best and wealthiest men in this country were started that way, by building character first, locally. The local banker knew those people, but with the tendency toward larger banks and fewer banks, that banker is not observing the young people in his neighborhood like he used to. He is not looking to character for loans. He is looking to the stock market. Every morning he picks up the paper and looks at the stock market to see the prices of certain stocks.

DECENTRALIZATION

So we have to get away from that. The way to get away from it is through decentralization—more banks instead of fewer banks, but safe banks. We can have them if we have

safe banking practices. I know that a few of those small businesses and small banks are going broke. Yes; they certainly will. But in the end, even though they do, the gains to the community and the Nation will be much greater than the loss.

In connection with these banks I invite your attention to another chart which shows greater concentration. There are 24 banks in this country, 13 of them in one city, that own approximately one-third of the banking resources of all the banks in this Nation. Now, get that straight. It is hard to believe. It is an astounding statement, I know, but it is true nevertheless, that 24 banks, 13 of them in one city, own more than 30 percent, and approximately one-third of the banking resources of all the 15,000 or more banks in the entire United States. Now, follow those 24 banks on this chart. They have 484 directors. Those 484 directors are also the directors of the largest industrial and manufacturing concerns, insurance, and railroad companies in America. They interlock with industrial and manufacturing concerns and utilities that own 58 percent of the corporate wealth of the entire Nation. So the conclusion is, and no one can escape it, that a few men controlling a few banks, control a majority of the corporate wealth of the entire Nation.

ENCOURAGE LOCAL BUSINESS

Now, instead of going in that direction, which we are, we should be going in the opposite direction. The way to go in the opposite direction is to encourage the local individual with character and the local community and local banks and local institutions of all kinds.

NATIONAL DEBT

By reason of all the laws to help the people the last 6 years, we have had to go into debt. When we talk about spending tax money, oftentimes people overlook what that money has been spent for.

Let us look at the situation from a national-debt standpoint for a few moments. We have \$40,000,000,000 owing by this Federal Government to the bondholders. That is a large sum of money. That is equal to about 10 percent, or a little more, of the entire wealth of the Nation. This \$40,000,000,000 is drawing interest.

Mr. KEAN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. KEAN. The figure is over \$45,000,000,000, because the gentleman did not mention the guaranteed debt.

Mr. PATMAN. I understand the point the gentleman makes, that there are certain obligations that the Government is responsible for, that are not included in the \$40,000,000,000. That is correct. There are several billion dollars. For instance, the Home Owners' Loan and the F. H. A., and many other things, but that money will be paid back with interest.

Now, in regard to this debt of \$40,000,000,000. We are paying each year approximately \$1,000,000,000 interest on this debt. Suppose someone opposes each of us next year in the primaries or at the general election and should base his campaign solely on the theory that it is wrong for the Government to pay interest for the use of its own credit, and Congress is wrong in permitting it or causing it to be paid, and for not changing the law that compels it, and charges you and me as Members with our part of that responsibility. How would we answer it?

No one yet has been able to convince me—and I would certainly like to be convinced if I am wrong—as to why the Government should pay for the use of its own credit. I do not believe it is right. I do not believe it is logical. I do not believe it is reasonable. I do not believe it should be done. There is a billion dollars a year that is paid out that way that should not be paid.

We passed the Gold Act. The Gold Act says that the title to all gold in this country is in the Government of the United States. There is one exception that I know of, and that is, of course, where it is used in the arts and trades. It is all right to have gold in your possession for such purposes. An-

other exception is where it is held by banks in this country; by the Federal Reserve bank, for instance, in New York, for foreign central banks and foreign governments, if the Secretary of the Treasury has issued licenses for that purpose.

Today we have in New York City about seven or eight hundreds of millions of dollars in gold that is held there for foreign central banks and for foreign governments that is earmarked, that is not a part of the \$15,000,000,000 and more of gold the title to which is in the Government of the United States. What should we do with this gold? It is true that we have been turning it over to the Federal Reserve banks. That is a sort of gold certificate—we have been turning it over to them for use as they desire to use it; but what would be the most sensible way to use that gold?

No one has ever contended that more than 40 percent gold reserve is necessary as a base for the currency in any country in the world, and England for a hundred years remained on the gold standard with 10 percent gold, so there is no question about 40 percent gold being sufficient. A few years ago when we did not have much gold and we were talking about paying the soldiers by issuing Government credit, or Government currency, our opponents on the other side said that if we had gold enough to provide a 40-percent reserve as a basis for the issuance of that currency it would be perfectly all right to pay the soldiers that way, but that we did not have the gold that was necessary then. Since that time we have acquired this enormous amount of \$15,163,040,543.03 in gold as of March 30, 1939, and the title to every dollar of it is in the Government of the United States.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. GIFFORD. The gentleman must not make a statement like that. Who holds the gold certificates? How much foreign investment is here? How much of this gold belongs to nations who sent it here for investment? The gentleman spoke of the \$700,000,000, but it is billions. How much does the Treasury actually own of that gold? Only a little.

Mr. PATMAN. I did not mean for the gentleman to make a speech in my time. I like the gentleman and like to hear him talk, but not in my time.

Mr. GIFFORD. We like each other, but we differ.

Mr. PATMAN. I know we differ. Let me answer the gentleman's question now.

Mr. GIFFORD. The gentleman says the Government owns that gold.

Mr. PATMAN. I say that, and the gentleman himself says that.

Mr. GIFFORD. Oh, no.

Mr. PATMAN. Get the law and read it.

Mr. GIFFORD. Who owns those gold certificates?

Mr. PATMAN. I ask the gentleman to get the law. He has time now before I get through talking to go into the library here off the floor and get the law and satisfy himself as to what it says. The law says that title to all that gold is in the Government of the United States. If I am wrong the gentleman can get the law and read it. He can get the law in 2 minutes.

Mr. GIFFORD. The gold certificate belongs to the Federal Reserve.

Mr. PATMAN. The Federal Reserve cannot get that gold except for the purpose of adjusting balances of trade with foreign countries; and, of course, we have always had trade with foreign countries. We used to have more trade than we have now.

Mr. GIFFORD. If the gentleman will yield further, I would bother him again.

Mr. PATMAN. Just for a question, if the gentleman does not mind.

Mr. GIFFORD. He said in another campaign that he would tell the people of the country that. I want to insert in his remarks that I have no doubt he will tell our people that the Government should not borrow money but that the Government should print money.

Mr. PATMAN. I did not yield time to the gentleman to make a speech, much as I enjoy hearing him.

Mr. GIFFORD. That is what the gentleman said. When people need more money than they have, they must go out and borrow money on their credit.

Mr. PATMAN. The Government should not borrow money on its own credit, and the gentleman cannot give one good reason why it should.

Mr. GIFFORD. We all borrow money on our own credit.

Mr. PATMAN. Let us take the gentleman's home town—I do not recall the name of the gentleman's home town—but we will say that the Government wants to sell some bonds. Possibly his home-town bank will buy \$100,000 of those bonds. The bank in his home town does not actually transfer \$100,000 in money down to the Treasury; no, it does not transfer anything at all, it places a pencil mark upon the books of the bank and creates \$100,000 in money. This \$100,000 is not paid out to the Government.

As the Government pays the gentleman his salary each month, as it pays the postmaster, the city carriers, the R. F. D. carriers, and the other Government employees in his home town, they get credit for a part of it and the credit is transferred from one to the other and remains upon the books of that bank, and no money is transferred at all. The Government, however, pays the bank interest on the \$100,000.

The use of the Government's credit is better credit than the bank's credit and we should not get the banks to endorse our notes and pay the banks for that purpose; and that is exactly what we have been doing and we should not do it. If the gentleman knows any reason why we should do it I wish he would get time to answer me.

Mr. GIFFORD. I will answer that now.

Mr. PATMAN. Explain to us where logic and reason support it, but not in my time.

Mr. GIFFORD. The gentleman does not want it in his time because he does not want his own argument offset at any telling point.

Mr. PATMAN. I know what the gentleman's views are: If the Government is going to borrow money, borrow it from the banks and pay them interest, pay them for the use of the Government's own credit.

Those are the gentleman's views. I know what they are, but I think he is wrong. If I am wrong I want to be shown where I am wrong.

In regard to the use of this gold, may I say that \$15,000,000,000 in gold is sufficient for the issuance of \$37,500,000,000 of Government credit based upon a 40-percent gold reserve. If we were to issue this credit quickly or suddenly it would be ruinous inflation and would absolutely destroy our financial system and we do not want that to happen. It is not the thing to do. But we can gradually and eventually use this gold for the purpose of issuing Government credit. The best way, I think, is for the Government to first own the Federal Reserve banks. We have these 12 banks which are not Government banks. They are not Federal banks. They are owned by private banks. Not one penny of their stock is owned by the Government. The private banks have invested \$134,000,000 only in those 12 great institutions.

When those 12 banks want bonds, in open-market transactions, they buy those bonds. They own now \$2,500,000,000 of Government bonds. On whose credit were those bonds purchased? Why, on the Government's credit.

Take a Federal Reserve note that you may have in your possession or examine any Federal Reserve note and you will find on it that the Federal Reserve banks do not agree to pay that money. You will find that the United States Government guarantees payment of that note, which is a blanket mortgage on the property of all the people of this country. That is what it is. It is used absolutely free by the Federal Reserve banks owned by private corporations.

Those 12 Federal Reserve banks should be owned by this Government, and there is no reason why they should not be, because they are performing a governmental function and should be considered an arm of this great Government instead of being under obligation to private banks. Then this gold could be used and we could gradually and eventually acquire the national debt, saving the people \$1,000,000,000

a year in interest that is now being paid on Government obligations.

At one time we thought the social-security reserve fund would acquire this great debt, but in the last few days there have been developments that lead us to believe that theory is going to be abandoned. Therefore, we should look around for another place that this enormous debt can be acquired and save the people this enormous interest charge.

Mr. GORE. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

Mr. GORE. Along that line of thought, does the gentleman agree with the recommendation that we should abandon that principle of reserve?

Mr. PATMAN. No; I do not agree with that principle at all. I think it was a good principle; but I understand, for the purpose of preventing an increased payment, an increased contribution from going into effect on both the employee and employer for the next 2 or 3 years, that plan has been agreed upon. I do not say it is not justified for the reason stated. I am not going to condemn. I am going to presume it is the best thing to do under the circumstances. I think the plan to build up this enormous reserve was the best; then eventually acquire the national debt with this reserve, then as we paid this billion dollars a year interest, that money would go to the old people, to the unemployed, the helpless, the crippled, and the blind, instead of going to the private holders of United States Government obligations. But that theory has for the moment been abandoned.

Along with the payment of money we must consider velocity. I saw an interesting statement the other day made by Mr. Eccles, Chairman of the Federal Reserve Board. He says the amount of money in circulation has nothing to do with prices, citing as evidence that in 1929, compared with today, we had \$2,000,000,000 less actual money in circulation than we have today; therefore, the volume of currency has not influenced prices and economic conditions. He next cites as an example that deposit currency will not influence prices, because in 1938 we had more deposits than we had in 1929 when times were real good; therefore, neither volume of currency nor the volume of bank deposits would materially influence economic conditions. But Mr. Eccles failed to mention that velocity of money and credit has as much to do with it as volume.

I had a chart made up to try to explain that. Here on the chart are bank deposits which go back to 1920 and from there up to date.

[Here the gavel fell.]

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask the attention of the Members to the deposits from 1930 on to date. There is the line showing currency outside of banks. The currency has gone up and up and up all the time. This refers to the amount of currency in circulation. That is what Mr. Eccles said, and he is right about it. You will notice the demand deposits have been going up, up, and up since 1932. But farm prices have not gone along. Farm prices [indicating] are way down here. It will be noticed, however, that farm prices have closely followed the total business transactions. The way to ascertain the total business transactions is to take the volume of deposit currency or deposits in the banks and add the aggregate to the amount of money that is in circulation, then multiply that by the velocity, or the turn-over, each year, and you get the total business transactions.

There is no accurate way of determining the turn-over of actual currency, or pocketbook money, because there is no check made of it, but there is a very accurate way of determining the total business transactions in checks. We have that. The pocketbook-money transactions are estimated to be about 25 percent in addition to the check transactions. So, by adding 25 percent to the check transactions, you will get a rough estimate.

Mr. HARRINGTON. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. HARRINGTON. In connection with banking monopoly, does the gentleman think that has anything to do with the situation that a great many of the small towns have been faced with; that is, finding themselves in the grasp of certain monopolies, particularly its relation to chain stores?

Mr. PATMAN. I think so.

Mr. HARRINGTON. I may say to the gentleman I am very much in favor of his chain-store tax bill. I hope it may be reported out. I also believe the gentleman is making a very interesting statement in connection with the money situation.

Mr. PATMAN. I thank the gentleman for the help he has given in the past on the chain-store bill. Of course, in the chain stores, interstate chains, especially, there is trend toward monopoly. You let a few people get control of the retail distribution of this country and what is going to happen to the local communities? What is going to happen to the man who thinks character is the greatest asset?

A few years ago when you were addressing a graduating class you would say to the young men, "You are the architects of your own fortunes. You can do anything you want to do." And you believed that, and the young men could almost do it. But can you truthfully tell them that today?

I know in my home town there are young men who start in working for a dry goods company. They get to be good. They are expert salesmen. They know the business; they know how to buy. They are ready to go out on their own, so to speak, and start a store of their own. Suppose one of these young men goes to the bank. He says to the banker, "I have a few thousand dollars I have saved during the 15 years I worked for the dry goods company. I want to put that with the money I can borrow and go into the dry-goods business. Will you let me have some money for that purpose?"

The banker, being his friend, will say, "Young man, do not do that. You will lose your money. When you build your business up, one of these New York concerns will come in and go into business next door and sell below cost for awhile and put you out of business and destroy your business. They can do it, because they have thousands of stores over the country where they can make profits, and they will sell here at a loss until they put you out of business. Do not go into that business."

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The gentleman stated there is about \$2,000,000,000 more in circulation now than there was in 1929. I assume that is correct.

Mr. PATMAN. That is what I understand it to be; yes.

Mr. KNUTSON. Can the gentleman tell the House why it is that money has almost ceased to flow in this country?

Mr. PATMAN. I do not believe there is any way you can determine it. There are 130,000,000 people in this country, and you know money is used every day and all the time.

Mr. KNUTSON. The reports I get are that there is no money in circulation today in the rural sections of the country. Can the gentleman tell the House why that is?

Mr. PATMAN. Of course, there is no way to tell how much money there is in actual circulation.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. VOORHIS of California. I believe the gentleman answered that question himself awhile ago in commenting on Mr. Eccles' statement, when he pointed out that what Mr. Eccles failed to mention was the velocity of circulation of bank deposits and whether some of them may not be entirely idle. It seems to me what the gentleman himself said awhile ago is the appropriate answer to the question of the gentleman from Minnesota.

Mr. HARRINGTON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. HARRINGTON. Does not the gentleman believe that the operation of the interlocking directorates, which was so

plainly shown on the chart the gentleman exhibited a few minutes ago, has something to do with the velocity of money in circulation?

Mr. PATMAN. Certainly, because they get this money and carry it to their vaults in New York City and it stays there. It is idle, it is hoarded. You have to get this money out among the masses some way where they will spend it for goods and services.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield for a question.

Mr. KNUTSON. In addition to lack of confidence, what other reasons are there that money is not circulating at the present time?

Mr. PATMAN. Money, of course, is circulating. There are billions of dollars of pocket money in circulation. We see it every day.

Mr. KNUTSON. About the only money that is circulating now is what the Government is putting into circulation in the form of benefits.

Mr. PATMAN. I do not believe that all of it is what the Government is putting in circulation.

Mr. KNUTSON. There is no incentive for private owners of money to keep their money.

Mr. PATMAN. Oh, yes; in days gone by, as well as now, they had plenty of incentive to invest their money.

Mr. KNUTSON. The Government takes all the returns in the form of taxes.

Mr. PATMAN. Not in every case.

Mr. KNUTSON. Almost.

Mr. PATMAN. I know there are many things that can be said about our tax system taking so much of the profits, but I do not agree it has paralyzed business.

Mr. HARRINGTON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. HARRINGTON. Does not the gentleman believe monopoly has something to do with the lack of circulation?

Mr. PATMAN. I believe monopoly has a great deal to do with it; in fact, it is one of the principal reasons.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from North Dakota.

Mr. BURDICK. Is not the main reason for money not circulating that about all the security the average fellow has has already been taken, and they will not lend him any money unless he has security?

Mr. PATMAN. Character used to be the best security in the world. That is the point I am trying to make. We are getting away from character. We are getting away from the local communities. We are getting away from the man who is really a worth-while citizen. Now we have absentee ownership and absentee control by people who know nothing about the local people who have good character and who would be good risks. These absentee owners would be glad to let them have money if they only knew them, but they do not know them.

Going back to this illustration of the young man who wants to go into business, he will ask the banker, "What about the grocery business? I believe I can go in the grocery business and make money. I have lots of friends." The banker says, "No, one of these New York stores will come in here and go in opposition to you as soon as you get your business built up and will sell way below cost. They have always done it to destroy competition, and they admit it. They will destroy your business and you will have no chance. Do not go into the grocery business."

"What about the drug business?"

"The same thing. The very minute you even go out into the suburbs of a city and build up a business in the drug business one of these large concerns will come in and go into competition with you, backed by the great resources of thousands of other stores where they can sell at a tremendous profit and practically have a monopoly, they sell below cost until you are put out of business."

[Here the gavel fell.]

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

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

There was no objection.

Mr. GIFFORD. Mr. Speaker, reserving the right to object—

Mr. PATMAN. I have already been allotted the time, but I will yield to the gentleman.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent that when the gentleman completes his statement I may be allowed to proceed for 10 minutes.

Mr. PATMAN. In view of that request, I ask unanimous consent to proceed for 10 additional minutes instead of 5.

Mr. GIFFORD. Reserving the right to object, Mr. Speaker—

The SPEAKER. Let the Chair submit the request.

Mr. GIFFORD. I will make it 30 minutes then.

Mr. PATMAN. I will withdraw my request and will be satisfied with only the 5 minutes already allotted as I have taken quite a bit of time already.

Mr. GIFFORD. Then I will ask for 10 minutes.

The SPEAKER. The gentleman from Texas is recognized for 5 additional minutes.

Mr. PATMAN. The same way with the drug business—

Mr. MURDOCK of Utah. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MURDOCK of Utah. I think the gentleman's statement was that our demand deposits today are about the same as they were in 1929.

Mr. PATMAN. A little higher today.

Mr. MURDOCK of Utah. Is not that made up, to a great extent at least, by the deposits of the Federal Government which are being checked against?

Mr. PATMAN. No; the computation I have does not include Federal Government deposits at all.

Let me finish this statement, as I have only a few minutes, and I want to apologize for taking so much of your time.

Then there is the insurance business. You take the insurance business out of your local town and, while you will not destroy it by any means, you will cripple it. The people who are directly and indirectly dependent upon insurance for a livelihood will be put out of business locally along with absentee ownership of local business.

Are you going to tell this young man to go into the printing business? That is a good trade. I do not know of a better trade than printing. No; if absentee ownership gets control of all these towns in the country, they have all their printing done in one place or in one shop, and they do not need a local printer.

What about the newspapers? Well, as they get control they quit using the newspapers for advertising purposes. They get out their own advertising in their own printing plants.

So where is this young man going and what is he going to do? He has trained and equipped himself for a business career; what kind of business or profession will you ask him to engage in? Is it law? Absentee owners only use a few lawyers in some of the larger cities; and suppose he is the best and most influential young lawyer in the city, yet if there is another lawyer there who happens to have a connection with New York interests that own these concerns, he gets retained to look after their legal business and not this particular lawyer.

So along with absentee ownership you destroy your local banks, you destroy your local business, and then you destroy character as security, which is the greatest asset in this country of ours. [Applause.]

The SPEAKER. The gentleman from Massachusetts [Mr. GIFFORD] asks unanimous consent to address the House for 10 minutes. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield to me for a unanimous-consent request?

Mr. GIFFORD. I yield.

Mr. VOORHIS of California. Mr. Speaker, I have asked for 25 minutes to address the House tomorrow. I would like to change that request and ask that my time may be transferred and that I may address the House for 25 minutes at the conclusion of the remarks of the gentleman from Massachusetts.

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

There was no objection.

Mr. GIFFORD. Mr. Speaker, in view of the interest that I thought was manifested in the remarks of the last gentleman, I have asked for 10 minutes. Some statements should not go unchallenged. Everyone knows how able the gentleman from Texas is. We all know how able the gentleman who is to follow me also is. So, I am a volunteer between two difficult opponents, and yet someone should make a few remarks lest these arguments, if uninterrupted, have too much weight with those who may read them.

The question is "printed money against borrowed money." The line is gradually drawing closer all the time.

I have taken this floor many times, asserting that our debt was too great and that too much debt money has been created. I have declared that it was a very highly dangerous situation that we are in, and that it may be only one short step to actual printed money.

The gentleman from Texas [Mr. PATMAN] several years ago advocated paying the soldiers' bonus by simply printing the money needed. The soldiers did not want to be made the guinea pigs in that operation and they made themselves heard most emphatically to the effect that the Government should not try the experiment of printed money on them and let them bear the curse that might very likely follow such an experiment.

I have argued always that there ought to be a due date on borrowings; that a slight fine, fee, or interest should be paid for the privilege of using other people's money. I can see no reason why governments should not be charged interest for borrowed funds the same as individuals. However, I am fully familiar with the dangerous, although plausible, argument that a government should not pay so-called tribute to banks, but should be permitted to print actual money on its own credit without limitation, a definite pay day, or cancellation of promises. If I have something free and unencumbered, why cannot I print money against it? Yes; even that has often been argued.

Mr. PATMAN. Does not the gentleman see a distinction in this? When we borrow money from a foreign government we should pay interest. That is right. But when we borrow money based on our own credit why should we pay interest?

Mr. GIFFORD. Oh, the distinction is of slight importance to many, I grant, but the voyage on which the gentleman wants to embark is one which many other nations have attempted to take, and always with the same dire results. When we embark on simply printed money, with no time limit, with no interest, then people quickly get very much disturbed over their nation's credit.

It has always been so, and when you go on the stump next year, as you suggest, and try to explain to the people that the Government should not have to borrow money on its own credit, just put it more plainly and ask, Why should not the Government print money ad libitum rather than borrow money as individuals have to do? Although we are now in greater danger from printing bonds, the line of demarcation is very great. Once that Rubicon is passed and money, merely printed money, is used not only to pay the cost of our Government but for the loaning of many billions, such as we have witnessed in the last 6 years, it would be the beginning of the end. Sound money is all that holds the Nation together. Your pocketbook constitutes a very delicate nerve in your system.

Why is not money being used? I say to the gentleman that one of the things that the administration has done which he probably thinks is wonderful is the guaranteeing of bank deposits. People in the little communities who have always lived "off each other," circulating what little money they may have had, now find their deposits insured. Safety

is all they think about now, and they will not risk that money any more. They even do not want their bankers to put it to work. Insured by the Government. How comforting. How safe. That is one of the conditions created on the other side of the ledger, and there is always the other side. In fact, most of the cures offered by this administration are far worse than the diseases themselves. Some of us have to protest these innovations. I think I am one of those conservative—I hope I am—sent here to watch people like the gentleman from Texas [Mr. PATMAN], who plainly sees national diseases and who has a powerful brain and truly wants to find remedies. When he can assure himself he has found a remedy, as he so often does, his enthusiasm knows no bounds and he must be restrained. I often think I should go back over his original speeches a decade ago and see if they check up with what he now advocates, with a good deal more of moderation.

If he should go on the hustings next year and argue that the Federal Reserve banks should not be agents of the Government, and that we should not pay interest to the Federal Reserve, then somebody should be there to contend the issue. These banks get very little interest and remuneration for the service that they perform. Often during these days will it be debated, "Shall the Government print money or shall the Government continue to borrow money?" May there be those ready to refute this dangerous suggestion.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. PATMAN. If the gentleman will take the report of the Federal Reserve Board, he will discover that practically all of the earnings of the Federal Reserve banks last year came from interest on United States Government bonds, bought on the Government's own credit.

Mr. GIFFORD. Yes; and the Riggs National Bank, with perhaps three-fourths of its assets in Government bonds, is the real source of its earnings. There seems nowhere else to make any earnings with so much of their funds idle. You have wiped out the initiative of our people and put the Government in business, so that lending to the Government is the only way that there is left to earn money.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. BURDICK. While the gentleman is making this explanation of the use of money, I wish he would tell us how it came about that we have used Lincoln's issue of \$450,000,000 worth of greenbacks successfully ever since they were issued without paying interest.

Mr. GIFFORD. Oh, we know that a little poison sometimes is good for our system, but if we take a lot we know what happens. We were forced to use this method to a degree during Lincoln's day. We let the national banks issue a certain amount of bank notes that we might have a little real money in circulation to buy postage stamps and theater tickets. Ninety-five percent has been so-called check money.

Mr. BURDICK. And just how much more would the gentleman recommend?

Mr. GIFFORD. Oh, I do not know exactly how much more of such poison we could take into the money system, but not a very large amount. I may have suggested this before, when some of us pretend to talk about money. Is it not marvelous that a man should know so much about money who never has any? [Laughter.]

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. DONDERO. The complaint in my district is that the banks are simply counters over which to make change. Nobody can get a loan any more, either for industry or mercantile affairs or business. Can the gentleman explain why that is?

Mr. GIFFORD. Absolutely. Everybody is playing safe with this Government of ours today. Anybody that has a dollar seeks its safety only. When you begin to print, the telegraph wires will work overtime transferring to safer havens. Not much of the fifteen billions of gold belongs to the Government. "We have hot money in this country," as the President termed it. He wanted to know how much of

it we had. We found there was some \$6,000,000,000 of that so-called hot money. Foreigners had nearly a billion of gold on deposit, and their investments here, if sold, might call for transfer of nearly five billions in gold. Gold certificates have been given to the Federal Reserve banks which are owned by member banks. Thank goodness they are still owned by member banks and perhaps not yet fully controlled by political appointees. The gentleman would like the Government to take them over.

Mr. Speaker, I offered myself for 10 minutes as a lamb for slaughter. I shall now let the gentleman from California [Mr. VOORHIS] continue the skinning of these brief arguments. [Applause and laughter.]

The SPEAKER pro tempore (Mr. LARRABEE). The time of the gentleman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to insert in the CONGRESSIONAL RECORD my own speech, including a congressional breakfast broadcast on money made by Members of this Congress or ex-Members.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a radio address delivered by me.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an article entitled "The American People Do Not Want War."

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein some resolutions from the State Legislature of Nebraska.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD a radio address I recently made.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 25 minutes.

OUR NATIONAL MONETARY POLICY

Mr. VOORHIS of California. Mr. Speaker, I was not very much impressed by the remarks of the gentleman from Massachusetts [Mr. GIFFORD] about his being a "lamb for slaughter." I have a very deep and profound respect and also affection for the gentleman from Massachusetts, but I certainly do not feel sorry for him. I feel that he is quite capable of taking care of himself. [Applause.]

Now, Mr. Speaker, it was my intention to make this talk tomorrow instead of today, but there has been so much said this afternoon on this general subject that I thought perhaps the best thing to do was to go ahead with it and do the best I could.

TWO CONDITIONS WHEN GOVERNMENT SHOULD NOT PAY INTEREST

The first thing I want to say is in answer to something the gentleman from Massachusetts said. There are two times when I believe that the Government of the United States should not pay interest when it utilizes its own credit. The first of those times is when the Government of the United States is lending money on adequate security. As a matter of fact, no private bank has to sell bonds in order to make a loan on adequate security. What happens when a farmer comes into a private bank with a mortgage on which he wants to borrow, is that the banker loans on the borrower's security; creates a deposit to make the loan.

I see no reason, therefore, why the R. F. C., the Home Owners' Loan, the United States Housing Authority, or the Farm Credit Administration should have to go out and sell Government-guaranteed obligations for bank credit before

they can make a secured loan to the American people. If we eliminate the interest on the bonds from the situation, we would then be able to lend either at a reduced rate of interest or else we would have a handsome income to the Treasury of the United States, and a large proportion of the answer to our unbalanced Budget.

The second time when I do not believe the Government should pay interest when it uses its own credit is when the Government of the United States is engaged in the task of seeing to it that the volume of actively circulating money in the Nation keeps pace with the increased capacity of the Nation to produce wealth. I believe this one factor is perhaps the most important single factor which has been neglected in all of our economic calculations for many, many years.

Mr. BREWSTER. Mr. Speaker, will the gentleman yield? Mr. VOORHIS of California. I yield.

Mr. BREWSTER. On the first point as to the analogy of the farmer who goes into a bank to borrow, would the gentleman see any distinction that in the case of the Government it would be both borrower and lender, and that when the farmer comes in there is presumably a check by the banking authority as to whether or not the security is good. When you substitute the Government coming in and either borrowing or issuing its own currency, you have no check on the extent to which that agency may go.

Mr. VOORHIS of California. As a matter of fact we have no effective check on the inflation of private bank credit; and the Federal Reserve Board in a statement last January, as proof of that fact, stated that if the banks ever started in on an inflation of bank credit that there was not a power in their hands that would be effective in checking it; and may I further say that ultimately our reliance in any one of these Government credit agencies must be a reliance on the Congress itself, and people in charge of the agencies over which Congress can exercise control. In spite of attacks and criticisms by the minority, these Government credit agencies have made a remarkably excellent record. Their collection records are very fine indeed in spite of the fact that many of their loans have been distress loans.

Mr. BREWSTER. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I hope the gentleman will be very brief. I may say to him that I have 57 pages of manuscript to cover in the brief time at my disposal. Obviously I shall not be able to read them all. I hope the gentleman will not take much of my time.

Mr. BREWSTER. I have no desire to distract the gentleman's attention from his speech, but only last year we wrote off more than \$2,000,000,000 of these Government obligations.

Mr. VOORHIS of California. We wrote off money these agencies had given outright, not as a loan, but as a gift to the relief agencies.

Mr. BREWSTER. Why did we have to write that off?

Mr. VOORHIS of California. It was just a financial device to get money into the hands of the relief agencies at a time of real emergency.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield for one question?

Mr. VOORHIS of California. I yield.

Mr. MURDOCK of Arizona. We have heard a great deal of criticism on the floor of this Chamber, have we not, to the effect that many of these Government lending and credit agencies have been overcautious.

Mr. VOORHIS of California. Yes; we have in some cases.

Now I want to say a few words on the subject of money, because I have a bill before the House, H. R. 4931, which I believe in very deeply and which is the main reason I have asked this time today. I know that one argument that may be made against that bill or any other similar bill that attempts to free the American people and their Government from their present bondage to the private bankers of the country is going to be the argument that we must have sound money. And so at the outset I want to make it plain that my bill will give us a far sounder money than we have now—for most of our money today consists, as I shall show, of nothing

substantial at all but merely of bankers' promises to pay, backed by the credit of the people's government. I shall show that this so-called sound money disappears and reappears as bank loans are called or new ones made and that the whole affair is essentially a hit-and-miss proposition.

Under H. R. 4931 the value of our money would be maintained at a decently stable level and its volume geared to the flow of goods and services in the Nation. We would have a far sounder money than we have ever had before, for it would be money that could not be inflated or deflated but would bear a constant relationship to the real wealth of America.

TO KEEP A "FREE ECONOMY"

We in this country and in this House are frequently confronted with a great many talks on the general subject, What is the matter with America? I am one of those who believe that our country basically is the greatest country in the world, that it is going to remain that way; and I think that one reason for it is that the American people have always had the ability when confronted with a new and difficult problem to make an adjustment to the problem. We are called upon to make such an adjustment now. I am hopeful it can be made in the field of improving the flow of buying power in the Nation. I firmly desire to maintain a Nation of freedom for the individual, and to the greatest possible extent, a free economy, and in my remarks this afternoon I am going to point out to you what I believe is necessary to be done to maintain a system where we do enjoy a basic freedom such as has always marked America. I am convinced that our ability to do this depends upon our ability to see that the flow of purchasing power in the Nation matches the capacity of our farms and industries to produce. If we cannot do that then we are going to have great difficulty in maintaining freedom in our economic system. So it is with this idea in view and with this hope in mind that I am speaking to you this afternoon.

I am convinced that the industries of America would be producing a great abundance of goods in this country today if we did just one thing, if we saw to it that that one hundred or more billions of dollars' worth of goods and services could be distributed regularly and continuously to the consumers of the Nation. People are in want today not because there are not raw materials and not because our producers cannot produce goods but simply because there has been a break-down in our system of distribution; and remember that money is the link that ties production on the one hand to consumption on the other; it is the vital link that connects these two functions.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. BURDICK. We hear complaint as to what we are going to do with all this surplus cotton. We are trying to find an outlet for it. Does not the gentleman think we have an outlet for it right here at home?

Mr. VOORHIS of California. I am positive that we have. This by way of preface.

THREE ESSENTIALS OF WORKABLE MONETARY SYSTEM

My bill, H. R. 4931, consists of three parts, and I am not coming to those right away, but I want to get them before you. The first is the establishment of a central monetary authority in this country. The second is giving this monetary authority the powers necessary to control our monetary system, which no agency has now. The third is specifying in a mandate from the Congress how these powers shall be used to promote the general prosperity and welfare of the people of the country.

WHAT HAS HAPPENED TO THE CONSTITUTION?

The Constitution has a clause in it, article I, section 8, which says that Congress shall "coin money, regulate the value thereof, and of foreign coin."

Does this mean that Congress shall coin pennies and quarters? The Supreme Court has decided in the *Legal Tender* cases that this power also included control over the issuance of bank notes and paper money. And surely, since over 90 percent of our business is done with what may be termed "check-book money" or bank credit, the power of Congress

to regulate the value of money would be meaningless unless it extends to this money substitute as well. And so I believe the constitutional duty of Congress to regulate the value of money must extend to all kinds of money, including check-book money.

What today actually does regulate the value of the purchasing power of our money in this country? There are four agencies in this Nation which, as a matter of fact, have something to do with it. In the first place, the United States Treasury issues silver certificates in exchange for silver bought from domestic or foreign producers. In the second place, the mint, when it pays United States notes for newly mined gold at the rate of \$35 an ounce, and when it coins the small change of the country—the pennies, nickels, dimes, quarters, half dollars and silver dollars. In the third place, the Federal Reserve System, when it issues Federal Reserve notes and extends Federal Reserve credit to the member banks of the Federal Reserve System. In the fourth place, our 15,000 commercial banks, when they create check-book money in the process of making loans. So I can say without fear of contradiction that it is not the Congress which coins the money of the Nation, and not the Congress which regulates its value, but four different agencies, of which the two most important are the privately owned Federal Reserve System and the privately owned 15,000 commercial banks of the Nation. Each of these four agencies I have mentioned can by increasing or decreasing the volume of our money affect its value. If there are many dollars in active circulation, the individual dollar buys fewer goods and services than if dollars are scarce. The power of these agencies to affect the volume of our money therefore gives them power to regulate its value.

In addition, we have given the President the power to change the gold content of the dollar, and we have given the Secretary of the Treasury the power to change the price of silver and gold and of the foreign exchanges. These discretionary powers were given these gentlemen at a time when the country was in a state of emergency and in the absence of any governmental agency which might have been prepared to use these powers for the purpose of protecting the dollar from detrimental influences from abroad. Recently there has been a demand to abolish these powers. My bill provides that these powers shall be taken from the President and Secretary of the Treasury and given to the monetary authority set up in my bill.

Under this condition I am willing to take the powers away from the Executive, but so long as we do not have a properly constituted monetary authority set up by the Congress to do that job, just so long I am not willing to take this power away from the President and the Secretary of the Treasury and place it in the hands of the privately owned Federal Reserve System.

By far the most powerful agency in our Government that regulates the value of our money is the Federal Reserve System. The Board of Governors of that system exerts a tremendous influence over the commercial banks of this country by opening up market operations and by buying bonds in the open market it can put new money into the banks and put them into a position to expand deposit currency; by selling Government bonds it can reduce the cash resources of the banks and thus enforce contraction.

The Board has power to change the reserve requirements of banks; that is, it may say to the banks that instead of holding \$12 of cash behind \$100 of demand deposits the banks now must hold \$20 of cash reserve; in this manner the Board may reduce the ability of the banks to expand or the Board may lower reserve requirements and thus facilitate the possible expansion of bank money. But nowhere does the Board have any power to actually and directly bring about an expansion of the actively circulating money in this country. It can cut it down if it wants to, and it can put more reserves into the banks, but it cannot get that bank credit out of the banks and into use throughout the Nation.

HOW OUR PRESENT SYSTEM WAS SUPPOSED TO WORK

Our present banking system was supposed to function on the principle of "automatic expansion." Let us see whether

it does. It was assumed that as more goods and services were being produced the necessary expansion in the volume of means of payment was to be automatically brought about by additional borrowing by business from the banks. The money thus created would again automatically be destroyed as business repaid its bank loans after having been paid itself. In this manner the volume of our means of payment was supposed to expand and contract with the volume of short-term or self-liquidating commercial loans. The banks monetized temporarily goods in process of production or distribution. In actual practice, however, what happened? What has really happened is that in times when we did not need an expansion in this manner, when a boom was in progress, these credits have been expanded vigorously, even though the country certainly did not need more money in circulation, and, on the other hand, credits and loans have been contracted sharply at times when more money was desperately needed to overcome deflation, bankruptcy, and depression. The system has and must by its very nature continue to work exactly in the opposite direction from the public interest of the United States.

Another practice that has grown up recently is the practice of monetizing not only short-term, self-liquidating loans but long-term loans and the purchase of securities. In this manner the banks have interfered with what is essentially the function of savings, since savings must in the end be the source of funds for long-term investment. They have also disturbed the rate of interest on long-term investment and, most serious of all, by creating demand deposits on the basis of long-term loans which could not be repaid within reasonably short periods of time, the banks filled their portfolios with slow assets which froze completely when in the depression of 1929-33 they were supposed to be repaid.

This monetization of long-term loans contributed substantially to the failure of about 10,000 banks in this depression. Likewise, the monetization of securities purchases not only sent the stock market skyrocketing but provided the banks with assets of fictitiously high value and led straight to the stock market crash of 1929, the deflation of those values, and disaster not only for the banks but for everyone else.

We have come into a period where the banks are not willing any longer to supply America with a circulating medium through the process of monetizing these loans of various kinds. I do not want to go into the reasons for that, but I do know that it is true. Furthermore, our industries have found other means of financing themselves. They have built up cash reserves in some cases and they have offered their investments directly to the public for purchase, so that the trend seems to be in the direction of not more but less commercial loans. I am not blaming anybody for this, but I am pointing out that we are in an indefensible position when we contend that America can continue to depend upon the creation of bank credit brought into circulation through the making of loans for the very existence of a circulating medium in this country.

Congress' responsibility to coin money and regulate its value, therefore, has been delegated to a number of different agencies. In some instances this power has been usurped, but the central responsibility for keeping in circulation the amount of money this Nation needs to carry on an expanding trade has been placed nowhere, nor is there any agency to which has been given the definite responsibility of regulating the value of money so as to give us the stability of purchasing power without which the exchange value of every service and every commodity and the size of every debt is subject to change without notice and without regard to consequences. Without that stability, all business is a gamble, periodic farm foreclosures are a certainty, and the honest investor is at the mercy of the smart speculator.

The Federal Reserve Board has recently delivered itself of a number of statements, the gist of which boil down approximately to this, that there is very little that the Board can do about it, that, after all, the trouble is that the people get discouraged sometimes and then they get encouraged at other times, and it is pretty hard for the Board to have any effective influence on economic conditions in the country.

If you will look through the statements of the Board made from time to time in the past, you will find they said that what the Board is supposed to do is to work for "economic stability," but they never have told us just what that economic stability was nor just exactly how they were going to work toward it.

I do not propose to go into a long talk today about the Federal Reserve Board, except to say that I am convinced that what this country needs today is not people who will say, "This is none of our responsibility" and not people who will say, "Because we cannot solve the entire problem, therefore we do not propose to do anything," but rather people who can give us a constructive program and a direction in which we can move toward a solution of this economic problem.

H. R. 4931 SETS UP REAL MONETARY AUTHORITY

In this bill it is proposed that we set up a new Federal Reserve Board consisting of seven members, as it does now. It is proposed that the present so-called open-market committee be abolished and that its powers be put into the hands of the Board, and that the Board be given the power to determine the price of gold and silver and to buy these precious metals, and to determine foreign exchange rates. The Board is not required to buy gold from abroad, but may do so if it sees fit.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Texas.

Mr. PATMAN. Some of our conservative friends are opposing the change of our national debt limit that is being advocated, and wherein it is proposed that we should increase the debt limit of \$45,000,000,000. Those of us who would like to use the Government's credit could well join with them and oppose it, could we not, so as to force the use of the Government's credit instead of these tax-exempt interest-bearing bonds?

Mr. VOORHIS of California. I believe that logically we certainly could. I am not ready to say definitely what my position will be at that time, but I think that logically the gentleman is absolutely correct and that we have been attempting through all this time to borrow into circulation the volume of money necessary to accommodate business in this country, and paying interest on it, when as a matter of fact the Government credit was really behind every dollar of the bank credit that has been borrowed into circulation during this time. The bonds themselves have backed the very credit on which the bond's interest has been paid.

Mr. BREWSTER. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Maine.

Mr. BREWSTER. Does the gentleman feel we have too much or too little money now in circulation?

Mr. VOORHIS of California. I believe we have too little money in circulation.

Mr. BREWSTER. The gentleman wants to get it out?

Mr. VOORHIS of California. Yes.

Mr. BREWSTER. In spite of the enormous possibilities of inflation?

Mr. VOORHIS of California. I am coming to a provision in my bill that will be the answer to what the gentleman has in mind. I do not know whether I am going to get there, but I am coming to it.

[Here the gavel fell.]

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 10 additional minutes to complete his statement.

The SPEAKER pro tempore (Mr. LARRABEE). Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. VOORHIS of California. I thank the gentleman very much.

TWELVE FEDERAL RESERVE BANKS SHOULD BE GOVERNMENT INSTITUTIONS

Most important of all in connection with the establishment of a central monetary agency that can really handle this job, my bill provides exactly what the gentleman from Texas

has been talking about this afternoon, as does also a very excellent bill of the gentleman [Mr. PATMAN], for the Government purchase of the capital stock of the 12 Federal Reserve banks, which I believe to be essential and necessary. After all, the Federal Reserve banks are the banks of issue of the United States of America and as such they ought to be national institutions. They have been given gold certificates which give them a certain lien against a portion of this gold stock.

They execute the open-market policy of the Board, and as a matter of fact, purchase with Government credit Government bonds when they see fit. Anybody that wants to ask that question and find out the truth about it will find that when the Federal Reserve Board goes out and buys bonds it buys those bonds with pure Government credit. I believe the advantage from being able to do that should accrue to the American people and not to an institution that is the property of a certain number of member banks.

Furthermore, if this were done, if some \$132,000,000 were spent to acquire the capital stock of these banks, we would obtain a definite answer to all the confusion, whatever it may be, that exists about this gold. Then we would be in a position to utilize those 12 Federal Reserve banks as the central factors in giving us a monetary system that really could be controlled. But even that is not a complete answer to the problem, nor does it answer the question that the gentleman from Maine has just mentioned.

All these powers are still insufficient to give the Board complete control over the volume of our money, because nine-tenths of our business is carried on by means of demand bank deposits created by the commercial banks on the basis of fractional reserves.

Now, how, specifically, can the commercial banks create money? They can do it, because they are required to hold on the average only about \$20 in cash for every \$100 they lend and promise to furnish on demand. The promises of the bank to furnish money are permitted to circulate as money, and they perform the functions of money, provided the people do not all come to the bank and ask for their money. If they do, as they did in 1932 and 1933, they find the money is not there, and unless the Government interferes the banks fail. Ten thousand banks disappeared in this depression, largely because their depositors asked for their money, which they believed they had in the banks.

It is a little difficult for me to understand the criticism of the gentleman from Massachusetts [Mr. GIFFORD] of the guaranty of bank deposits, because I think that is the main reason we have not had a similar situation since that time.

What the people actually had in the banks were merely the banks' promises to pay on demand. The banks "were sorry"—so were the depositors.

This practice of permitting the banks' promises to circulate as money actually affects the volume of our money in circulation in this manner. When a bank makes a loan, what it lends is not actual money but its "credit," and this credit takes the form of a "demand deposit." The bank credits the account of its customer with, say, \$1,000, and he can draw against this \$1,000 as if it were actually in the bank. The bank has, by a stroke of the pen, increased its demand liabilities and also the total of demand deposits in circulation in the country. Reversely, when the loan is repaid to the bank, the demand deposits of that bank are reduced by that \$1,000, and the total of all demand deposits in circulation are reduced by that much. This is how bank loans first increase and then decrease the volume of money in the country. It is the process that accounted for the destruction of \$8,000,000,000 of America's circulating medium between 1929 and 1932, when the banks were calling and refusing to renew outstanding loans, and when the real property of the American people was falling once again into banks' hands because the people could not make good in cash the promises the bankers had loaned to them.

So it seems to me that if we are going to ever have a controlled monetary system we have got to say that behind demand deposits the banks have to carry one dollar for every dollar of demand deposits outstanding. We have got to make

a distinction between the demand deposits which function like money, on the one hand, and savings and investments upon the other. We have got to require that banks hold demand deposits in trust for their deposits. H. R. 4931 provides for exactly that.

If we require the banks to hold a real dollar or a deposit in a Federal Reserve bank or a Government bond behind their demand deposits, then we will know that if there is a certain volume of demand deposits in existence in the country that that is real money, that it cannot be manipulated upward or downward in hit-or-miss fashion by 15,000 different banks. Then and only then will we be able to have a controllable system.

Furthermore—and this is the main reason for this provision—if we find then that we need in circulation an additional volume of money in order to compensate for increased productive capacity or increased population, we can safely put in circulation an increased volume of money without laying the basis for a possible 6-to-1 expansion in the form of bank credits based on 20-percent reserves. It is important also to have a much greater degree of segregation between the investment and savings department of a bank on the one hand and the demand deposit department upon the other. Savings and time deposits are, in effect, investments on the part of the depositor who comes to the bank and says to the bank, "Here is some of my money, please invest it for me"; but when a man makes a demand deposit he means that he wants to be able to get that money at a moment's notice and that demand deposit really amounts to actual cash.

This 100-percent reserve system I am proposing is not a new system at all. It is the original system of deposit banking as it was carried on for centuries. The fractional reserve system is relatively young. It dates from the seventeenth century and was invented by the goldsmiths of London who, because they had facilities for storage, were entrusted with the precious metal and money of the people of London. The goldsmiths soon found out that the people were satisfied to transfer their deposits by means of the receipts the goldsmiths had given them, and seldom asked for their money. So the goldsmiths handed out more receipts than they had metal or money in storage, thus beginning the system of pyramiding deposits. It was essentially a breach of trust, but it soon became such a general practice that people ceased to think of the system of fractional reserve banking as a sort of legalized fraud which, strictly speaking, it really is.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. Yes.

Mr. HINSHAW. Does gold enter in upon this monetary scheme outlined in the gentleman's bill?

Mr. VOORHIS of California. I believe that gold is mostly a psychological proposition.

Mr. HINSHAW. Does it enter in as a base of this money in any way?

Mr. VOORHIS of California. I have not brought it into the bill at all as a required base.

Mr. HINSHAW. Is it in circulation?

Mr. VOORHIS of California. Not in direct fashion. I do feel that for psychological reasons gold as a reserve behind our money and credit is perhaps useful, but I think it is only useful because the people think it is. I believe what gives money its value is what the money will buy.

Mr. HINSHAW. I believe it is generally conceded that the Government under the present Gold Purchase Act is purchasing in the neighborhood of one and a half billion dollars of gold per year at \$35 an ounce.

Mr. VOORHIS of California. Sometimes we do, and sometimes we do not purchase that amount.

Mr. HINSHAW. It is on the average about that.

Mr. VOORHIS of California. Yes.

Mr. HINSHAW. Then it would be conceded that the people of the United States are exchanging for that approximately one and a half billion dollars worth of goods and services.

Mr. VOORHIS of California. Most of that gold has been bought by issuing bonds.

Mr. HINSHAW. And if purchased abroad, it must also sell foreign exchange.

Mr. VOORHIS of California. I think so.

Mr. HINSHAW. If we were to completely abandon the use of gold for money, as the rest of the world practically has today, what would the gentleman guess would be the free market price per ounce for gold?

Mr. VOORHIS of California. I do not want to guess; but I do know this: That we are in effect off the gold standard. All the Government of the United States is doing is maintaining a certain price for gold which pertains throughout the world. The main thing about it is this: If the private banks had that gold, or if the Federal Reserve banks had gold certificates against it, as they do for part of it, they are privileged to expand at the ratio of two and a half dollars of notes for every dollar of gold they have—

Mr. HINSHAW. I admit that.

Mr. VOORHIS of California. But I want the gentleman to admit more. The Treasury when it has the gold is forestalled from utilizing the gold as a basis for expansion. It occurs to me that it would not hurt so much if we bought that gold, providing that we could use it as a basis for expansion. I do not think gold is necessary. I think it is psychologically useful.

Mr. HINSHAW. I agree with the gentleman; but under the circumstances we do not have gold monetized in this country, but simply the statement in which we say that our Federal Reserve currency is backed by 40 percent gold.

Mr. VOORHIS of California. It is backed by gold certificates, and they are supposed to be a call on the gold, which the Federal Reserve banks cannot get.

Mr. HINSHAW. That is a fiction, that we could get the gold.

Mr. VOORHIS of California. We know that it will not disappear. They are pretty safe about it. My main objection is that the Federal Reserve gets the gold certificates at all and that the advantages from the possession of the gold do not accrue to the whole American people.

Mr. HINSHAW. I want to know what the gold is worth when it is not used for currency.

Mr. VOORHIS of California. I am in favor of making use of the gold as a backing for credit and currency, but I do not want to be understood as saying that it is a single bit necessary to have gold backing in order to maintain the value of our money.

Mr. HINSHAW. I want to know what the loss is we will suffer through purchasing it.

Mr. VOORHIS of California. We would not suffer any serious loss at all, providing we put our Government in the position which any sovereign government ought to hold—namely the position of being the only agency in the Nation that has the right to bring money or credit originally into circulation. To put our Government in that position is the main purpose of my bill.

THE CENTRAL PRINCIPLE

And now in the few moments I have left let me say with the greatest possible emphasis that the main reason for depriving the banking system of its power to create money as the 100 percent reserve system would do is in order to place this power in the hands of a public agency of the American people, acting under direction of the Congress.

If, by the introduction of 100 percent reserves we put the banks in the position of making loans not with fiat credit but with real money we must then see to it that the money-creating power is exercised in the public interest by the Government of the United States itself. This should always have been the case, but in recent years every time it has been proposed for the Government to expand the volume of money, by using some of the gold or in some other way, the objection has always, and I think quite properly, been raised that to do so would inevitably add to the excess reserves in the banks and to the consequent danger of an uncontrolled inflation of bank credit at some future time.

And let me say here, emphatically, that my main reason, though not the only one, for wanting 100-percent reserves is

in order to give us a controllable monetary system and one in which the Congress can safely provide for bringing into circulation regularly, year by year, a volume of money and/or credit which bears a scientific relationship to the needs of the Nation, its people, and its businesses for such money. This is the end and aim of my whole bill. It is the only way we can obtain stability in the buying power of our dollar over considerable periods of time. H. R. 4931 will give us that stability.

And the justification and argument for it are these. Money, in any sane economy, must be the means of moving goods and services from producer to consumer. It should not be a factor that decides whether goods and services are to be moved from producer to consumer, neither should it be an all-important commodity bought and sold like other commodities and subject to manipulation for private advantage by those who deal in and control it. So far as possible, the relation of money to commodities—its value in terms of commodities—should be constant, for until this is the case we will not produce our goods and services for the good and logical reason that they are needed and can be sold at a fairly assured value, but will instead continue to produce goods only when we think their value in terms of money is going to rise and will refrain from producing them when we think their value in terms of money is going to fall. Until we have a dollar whose purchasing and debt-paying power will remain relatively constant for a generation—as the President has said—we cannot proceed with any assurance to the solution of the problem of the unjustly high prices for monopoly goods and services and the unjustly low prices for agricultural products. To those who contend that due to declining costs of production we should seek a declining price level I have two answers. First, that as a historical fact we never have had any period of prosperity on the declining price level, and that so long as we retain a free economic system we never can expect production and employment to be full on a declining price level. And second, that if Government controls the issue of money and can direct it into the hands of those who need and will spend it—as, for example by paying pensions to the aged—the benefits of declining production costs will be passed on to the consumers of the Nation even more certainly than can be done by a declining general price level with its almost certain consequence of unemployment.

THE PEOPLE'S MONEY

For these reasons my bill provides that the function of creating money, removed from the hands of private banks by the 100 percent reserve system, shall be exercised by the Federal Reserve Board as agent of the Congress.

The economic advantage from the creation of money and credit would accrue to the Government and people of the United States under the terms of this bill. Unless that economic advantage does accrue to the whole people, there can never be a balance between production and consumption in the Nation and we will face the break-down of our free institutions. In the past the commercial banks have failed disastrously to supply this need. As we have seen, the banks have invariably expanded when they should have contracted, and contracted when they should have expanded. Instead of increasing our debt, as we now do, in order to increase our volume of money, we will in the future, if this bill passes, reduce our debt with every dollar of new money put into circulation.

LIMIT TO INCREASE IN MONEY IS PRODUCTIVE-CAPACITY SOLUTION TO PROBLEM OF NATIONAL DEBT

H. R. 4931 does not propose inflation nor deflation. It provides for a sufficient increase in the volume of money to maintain stability in the dollar in an economy of expanding production. It says the more consumers there are and the larger volume of production there is, the more money is needed to move the goods and services.

If we would do this, pass this bill, put this one factor to work, we would free America from her bondage to debt. The fact is the people of the Nation by their industry and their inventiveness are even now paying off that debt. Only our

bookkeeping system does not give them credit for it, but says to the people's Government, "You must never monetize the net increase in national population and productive capacity until you have made your propitiation in the form of interest to those who now hold the monopoly of the right to create your money."

Under H. R. 4931, approximately half of the national debt would, in effect, be turned into cash upon passage of the bill. For bonds held by the banks would be required to be held as part of reserves behind demand deposits and would, as they matured, be paid off by public creation of credit even as they were bought in the first place by private creation of credit. The interest on the bonds which the banks would receive, meanwhile, would be like compensation to them for their services to demand depositors and would be the means of keeping service charges low or making them, in some instances, unnecessary. Furthermore, the bill provides that as expansion of the volume of money is called for one of the ways it can be used is for retirement of the public debt. The passage of this bill would, therefore, allay once and for all the concern of this Nation over the public debt situation. Instead of trying to pay old debt by contracting new debt or adding to taxes, we would have a system whereby the people of America, through the process of increasing wealth production, would earn into circulation the money with which to pay their debt.

There are many matters concerning this bill that I have not been able to touch; many questions that I know remain unanswered. I shall try to complete my defense of this legislation—and that of other Members who are working in this field—at a later date. I hope I have helped to open the way for further constructive thought and discussion.

The SPEAKER. The time of the gentleman from California has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CORBETT (at the request of Mr. McDOWELL), for the remainder of the week, on account of death in his family.

To Mr. CLAYPOOL, for 5 days, on account of illness in his family.

To Mr. GEYER of California (at the request of Mr. VOORHIS of California), indefinitely, on account of serious illness.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 572. An act to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and to encourage, as far as possible the further development of strategic and critical materials within the United States for common defense; to the Committee on Military Affairs.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 14 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 4, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Tuesday, April 4, 1939, at 10 a. m., on social-security legislation in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the subcommittee of the Interstate and Foreign Commerce Committee on the trust-indenture bill (H. R. 5220). The hearings are to be held in the Interstate and Foreign Commerce Committee room beginning April 4, 1939, at 10 a. m. The hearings will be con-

tinued on April 5 and 6. Proponents of the bill will be heard on the 4th and opponents on the 5th and 6th.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, April 4, 1939, at 10:30 a. m., to continue hearings on the project for the Connecticut River, Conn. and Mass.

COMMITTEE ON FOREIGN AFFAIRS

There will be a meeting of the Committee on Foreign Affairs in the committee rooms, Capitol, Tuesday, April 4, 1939, at 10 a. m., for the consideration of H. R. 5031, for the relief of the sufferers from the earthquake in Chile and discussion as to the procedure with reference to amendments to the neutrality law.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, April 5, 1939, at 10:30 a. m., for the public consideration of H. R. 2777, H. R. 3824, H. R. 4096, H. R. 5409, H. R. 5451, H. J. Res. 117, and S. 18.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. IV of the Committee on the Judiciary at 10 a. m. on Wednesday, April 5, 1939, on the bill (H. R. 4236) to provide for the more expeditious settlement of disputes with the United States, and for other purposes. The hearing will be held in the Judiciary Committee room, 346 House Office Building.

There will be a public hearing before Subcommittee No. III of the Committee on the Judiciary at 10 a. m. Wednesday, April 12, 1939, on the bill (H. R. 5138) to make unlawful attempts to overthrow the Government of the United States, to require licensing of civilian military organizations, to make unlawful attempts to interfere with the discipline of the Army and Navy, to require registration and fingerprinting of aliens, to enlarge the jurisdiction of the United States circuit court of appeals in certain cases, and for other purposes. The hearing will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment for construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (WELCH).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (WELCH); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (THOMAS F. FORD); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (GEYER of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (BLAND); H. R. 1785, motorboat bill (BLAND); H. R. 1795, motorboat bill (HENDRICKS); H. R. 1809, inspection of motorboats, 15 gross tons up (MAGNUSON); H. R. 2398, regarding pilots on yachts (ANGELL); H. R. 3837, inspection of motorboats, 15 gross tons up (CONNERY).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (BLAND).

Thursday, April 13, 1939:

H. R. 2404, surgeon and hospital on vessels (SIROVICH); H. R. 2660, limitation of liability (SIROVICH); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (SIROVICH).

Wednesday, April 19, 1939:

On Wednesday, April 19, 1939, at 10 a. m., the Committee on Merchant Marine and Fisheries will resume hearings on the bill H. R. 5130, to amend certain provisions of the

Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

597. Under clause 2 of rule XXIV a letter from the chief scout executive, Boy Scouts of America, transmitting Twenty-ninth Annual Report of the Boy Scouts of America (H. Doc. No. 17), was taken from the Speaker's table, referred to the Committee on Education, and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. THOMASON: Joint Committee Investigating the Tennessee Valley Authority (Rept. No. 361). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK of Arizona: Committee on Irrigation and Reclamation. H. R. 5076. A bill to authorize further relief to water users on United States reclamation projects and on Indian reclamation projects; without amendment (Rept. No. 362). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. H. R. 5226. A bill to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes; without amendment (Rept. No. 363). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. H. R. 4108. A bill to provide for the transfer of United States Employment Service records, files, and property in local offices to the States; without amendment (Rept. No. 364). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. Senate Joint Resolution 59. Joint resolution authorizing the Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons; with amendment (Rept. No. 365). 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. POAGE: Committee on War Claims. H. R. 2687. A bill for the relief of Elbert R. Miller; without amendment (Rept. No. 366). Referred to the Committee of the Whole House.

Mr. GAVAGAN: Committee on War Claims. H. R. 3345. A bill for the relief of the Ninety Six Oil Mill, of Ninety Six, S. C.; with amendment (Rept. No. 367). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 2103) granting a pension to Marcellus W. Mace; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5386) granting a pension to Charity Cooper; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CARTER:

H. R. 5495. A bill to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, relating to loans to

drainage, levee, and irrigation districts and other organizations; to the Committee on Agriculture.

By Mr. CHANDLER:

H. R. 5496. A bill to amend the Classification Act of March 4, 1923, as amended, to create a mechanical service, and for other purposes; to the Committee on the Civil Service.

By Mr. DEMPSEY:

H. R. 5497. A bill to amend the Fair Labor Standards Act of 1938; to the Committee on Labor.

By Mr. DOXEY:

H. R. 5498. A bill to make applicable to the years after 1939 the special provisions relating to cotton baleage and acreage allotments which apply for 1939; to the Committee on Agriculture.

By Mr. MAAS:

H. R. 5499. A bill to amend the Naval Reserve Act of 1938 (Public, No. 732, 52 Stat. 1175); to the Committee on Naval Affairs.

By Mr. MAPES:

H. R. 5500. A bill to amend part II of the Interstate Commerce Act, otherwise known as the Motor Carrier Act, 1935, as amended by the act of June 29, 1938; to the Committee on Interstate and Foreign Commerce.

By Mr. MOTT:

H. R. 5501. A bill authorizing the Secretary of Commerce to convey a certain tract of land to the State of Oregon for use as a public park and recreational site; to the Committee on Merchant Marine and Fisheries.

By Mr. VOORHIS of California:

H. R. 5502. A bill to authorize the Secretary of the Interior to provide public facilities and accommodations by the purchase, construction, maintenance, and operation of hotels, lodges, and other buildings and structures, inclusive of necessary fixtures and incidental equipment in (certain) national parks, national monuments, national parkways, and other areas under the jurisdiction of the Department of the Interior; to the Committee on the Public Lands.

By Mr. CONNERY:

H. R. 5503. A bill relating to the eligibility of persons for appointment in the classified civil service; to the Committee on the Civil Service.

By Mr. MALONEY:

H. R. 5504. A bill to amend section 5136 of the Revised Statutes, as amended (U. S. C., Supp. VII, title 12, sec. 24); to the Committee on Banking and Currency.

By Mr. RANDOLPH:

H. R. 5505. A bill to amend sections 7 and 13 of the Fair Labor Standards Act of 1938; to the Committee on Labor.

By Mr. O'CONNOR:

H. R. 5506. A bill to authorize the Secretary of the Interior to contract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River storage reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont.; to the Committee on Indian Affairs.

By Mr. PATMAN:

H. R. 5507. A bill to amend title 28, section 41, subdivision 1; to the Committee on the Judiciary.

By Mr. PETERSON of Florida:

H. R. 5508. A bill to amend the Communications Act of 1934 so as to prevent monopolies and to prohibit excessive duplication of broadcast programs in any area; to the Committee on Interstate and Foreign Commerce.

By Mr. MOTT:

H. J. Res. 256. Joint resolution making an emergency appropriation for the protection of property on Bayocean Peninsula and in Tillamook, Oreg.; to the Committee on Appropriations.

By Mr. TAYLOR of Colorado:

H. Res. 152. Resolution providing for the expenses of the investigation of the Works Progress Administration under House Resolution 130; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution No. 3, with reference to House bill 2, known as the general-welfare bill; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution No. 29, urging the Secretary of Agriculture of the national administration to continue the stabilization program for butter prices; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GUYER of Kansas:

H. R. 5509. A bill granting a pension to Bertha Carson; to the Committee on Pensions.

By Mr. HARTLEY:

H. R. 5510. A bill for the relief of Angelo Piccolo; to the Committee on Claims.

By Mr. JENSEN:

H. R. 5511. A bill granting a pension to Jessie Meryhew Bowen; to the Committee on Invalid Pensions.

By Mr. KRAMER:

H. R. 5512. A bill granting a pension to Florence V. Mercer; to the Committee on Invalid Pensions.

By Mr. McANDREWS:

H. R. 5513. A bill to promote Col. Harvey C. Carbaugh, United States Army, retired, to the grade of brigadier general, United States Army, retired, with emoluments, including retired pay of that rank on retired list; to the Committee on Military Affairs.

By Mr. POAGE:

H. R. 5514. A bill for the relief of L. W. Marek, Jr.; to the Committee on Claims.

H. R. 5515. A bill for the relief of Virgie B. Weaver; to the Committee on War Claims.

By Mr. RANDOLPH:

H. R. 5516. A bill for the relief of Charlotte E. Hunter; to the Committee on the District of Columbia.

By Mr. TAYLOR of Tennessee:

H. R. 5517. A bill for the relief of Elmer A. Norris; to the Committee on Claims.

By Mr. WOOD:

H. R. 5518. A bill for the relief of Seymour Consolidated School District No. 6, of Webster County, Mo.; 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:

2252. By Mr. CONNERY: Petition of the Building and Construction Trades Council of Boston, and vicinity, endorsing Senate bill 591, permitting expansion of the housing and slum-clearance activities of the Federal Government; to the Committee on Banking and Currency.

2253. Also, resolution of the Building Trades Employers' Association, Inc., of Springfield, Mass., protesting against the use of relief labor on all operations in the building-trades line under Works Progress Administration projects; to the Committee on Ways and Means.

2254. By Mr. CURLEY: Letter of Metropolitan Lodge, No. 598, Brotherhood of Railroad Trainmen, of New York City, opposing regulation of the miles or hours of train- and yard-service men during any given month; to the Committee on Interstate and Foreign Commerce.

2255. Also, petition of Gov. Herbert H. Lehman, Governor of the State of New York, urging the granting of the addi-

tional funds requested by the Social Security Board for the administration of unemployment insurance laws; to the Committee on Ways and Means.

2256. By Mr. FITZPATRICK: Petition of A. E. Johanson and other members of the biology department of the James Monroe High School, urging the passage of House bill 3794, to purchase lands to form John Muir-Kings Canyon National Park; to the Committee on the Public Lands.

2257. Also, petition of A. E. Johanson and other members of the biology department of the James Monroe High School, Bronx, New York City, N. Y., urging the passage of House bill 3648 and Senate bill 1188, to authorize the President to set aside perpetual wilderness areas in the national parks; to the Committee on the Public Lands.

2258. Also, petition of A. E. Johanson and other members of the biology department of the James Monroe High School, urging the passage of House bill 4170, to purify polluted streams; to the Committee on Rivers and Harbors.

2259. By Mr. FLAHERTY: Memorial of the General Court of Massachusetts, memorializing Congress in favor of legislation providing for the reimbursement by the Federal Government of cities and towns for the amount of welfare aid and relief granted by them to aliens; to the Committee on Ways and Means.

2260. By Mr. GUYER of Kansas: House Concurrent Resolution No. 12 of the Kansas State Legislature, urging the enactment of antilynching legislation; to the Committee on the Judiciary.

2261. Also, House Concurrent Resolution No. 10 of the Kansas State Legislature, urging certain extensions of provisions of Federal housing laws; to the Committee on Banking and Currency.

2262. Also, House Concurrent Resolution No. 16 of the Kansas State Legislature, urging the continuance of the embargo on importations of livestock and livestock products from Argentina and other countries infected with disease, and asking the discouragement of trade agreements whereby the terms of such embargoes may be circumvented; to the Committee on Agriculture.

2263. Also, Senate Concurrent Resolution No. 28 of the Kansas State Legislature, urging legislation for the deportation of aliens who do not within a reasonable time signify their willingness, desire, and intention to qualify and assume the obligations of citizenship of the United States of America; to the Committee on Immigration and Naturalization.

2264. By Mr. HART: Memorial of the Legislature of the State of New Jersey, memorializing the Congress of the United States to refuse enactment of legislation which would becloud the sovereign rights of the State of New Jersey in its submerged lands; to the Committee on the Judiciary.

2265. By Mr. HAVENNER: Petition of the Senate of the State of California, memorializing the President and the Congress to take favorable action on House bill 4102, being a measure introduced at the Seventy-sixth Congress, first session, to provide for the coinage of fractional minor coins; to the Committee on Coinage, Weights, and Measures.

2266. By Mr. HOUSTON: Petition of citizens of Newton, Kans., and vicinity, urging enactment of a law to limit hours and mileage of certain railroad employees; to the Committee on Interstate and Foreign Commerce.

2267. By Mr. HOOK: Petition of Charles Cronenworth and 515 others, to preserve Works Progress Administration program and prevent widespread lay-offs and aid recovery; to the Committee on Appropriations.

2268. By Mr. JOHNS: Joint resolution of the Wisconsin State Legislature, memorializing the Congress of the United States to take heed of the great public opinion in favor of the general-welfare bill (H. R. 2) by giving that measure careful consideration and enacting it into law; to the Committee on Ways and Means.

2269. Also, joint resolution of the Wisconsin State Legislature, urging the Secretary of Agriculture of the national administration to continue the stabilization program for butter prices; to the Committee on Agriculture.

2270. By Mr. MARTIN J. KENNEDY: Petition of Hans Rees' Sons, New York City, urging passage of House bill 5119; to the Committee on Ways and Means.

2271. Also, petition of the Moran Towing & Transportation Co., Inc., New York City, concerning appropriation for river and harbor work; to the Committee on Appropriations.

2272. Also, petition of the Arizona legislative board, Brotherhood of Locomotive Firemen and Enginemen, Douglas, Ariz., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2273. Also, petition of San Diego Lodge, No. 389, International Association of Machinists, San Diego, Calif., urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2274. Also, petition of Field and Construction Lodge, No. 132, International Association of Machinists, New York City, urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2275. Also, petition of Peter C. Giambalvo, national supreme master, Independent Order Sons of Italy, New York City, urging passage of House bill 2856; to the Committee on Immigration and Naturalization.

2276. By Mr. KEOGH: Petition of the city of Long Beach, official committee, Long Beach, Calif., concerning the Nye resolution and the Hobbs bill; to the Committee on the Judiciary.

2277. Also, petition of the American Lithuanian Society Council, Brooklyn, N. Y., concerning the Lithuanian Republic; to the Committee on Foreign Affairs.

2278. Also, petition of the Julius Friedlaender Co., Columbus, Ga., opposing the Fulmer bill (H. R. 57); to the Committee on Agriculture.

2279. Also, petition of the Columbus Bagging & Tie Co., Columbus, Ga., protesting against the Fulmer bill (H. R. 57); to the Committee on Agriculture.

2280. Also, petition of the United States Printing & Lithograph Co., Brooklyn, N. Y., concerning pay-roll tax provisions and to the Wagner Labor Relations Act; to the Committee on Labor.

2281. Also, petition of the State of Utah, Department of Public Education, Salt Lake City, Utah, concerning Senate bill 1305, Federal-aid bill; to the Committee on Education.

2282. Also, petition of the Bozeman Chamber of Commerce Employers' Division, Bozeman, Mont., concerning social security; to the Committee on Ways and Means.

2283. Also, petition of Friends of the Public Schools of America, Chicago, Ill., concerning Senate bill 1305 and House bill 3517, Federal-aid legislation; to the Committee on Education.

2284. Also, petition of the Brotherhood of Railroad Trainmen, Metropolitan Lodge, No. 598, New York City, protesting against any proposed legislation regulating and limiting the miles and hours of train- and yard-service men during any given month; to the Committee on Interstate and Foreign Commerce.

2285. Also, petition of the Columbian Educational Association of Washington, D. C., concerning House bill 3517, Federal-aid legislation; to the Committee on Education.

2286. Also, petition of the Colonial Iron Works Co., Cleveland, Ohio, concerning contemplated increase in Federal taxes to aid business recovery; to the Committee on Ways and Means.

2287. By Mr. KRAMER: Petition of citizens and voters of the Thirteenth Congressional District of California, relative to the Ludlow amendment; to the Committee on the Judiciary.

2288. Also, petition of individuals in the transportation groups of railroads, relative to regulation of earnings by law; to the Committee on Interstate and Foreign Commerce.

2289. By Mr. MARSHALL: Petition of the Steel Workers Organizing Committee, Lodge No. 1861, of Cincinnati, Ohio, opposing Senate bill 1000; to the Committee on Education.

2290. Also, petition of Catherine Meyer, secretary of the Federation of Flat Glass Workers of America, Local No. 59, of Cincinnati, Ohio, relative to their vigorous opposition to

Senate bill 1000 as an amendment to the Wagner Labor Act; to the Committee on Education.

2291. By Mr. MOTT: Petition signed by citizens of Oregon, protesting against the passage of any legislation returning prohibition to the District of Columbia; to the Committee on the District of Columbia.

2292. By Mrs. NORTON: Petition of the Legislature of the State of New Jersey, memorializing the Congress of the United States to refuse enactment of legislation which would becloud the sovereign rights of the State of New Jersey in its submerged lands; to the Committee on the Public Lands.

2293. By Mr. PFEIFER: Petition of the Board of Harbor Commissioners of the City of Long Beach, Calif., opposing the adoption of Senate Joint Resolution No. 24; to the Committee on the Public Lands.

2294. Also, petition of the Julius Friedlaender Co., Columbus, Ga., opposing the passage of House bill 57, the Cotton Net Weight Act; to the Committee on Agriculture.

2295. Also, petition of the Brooklyn Paper Stock Corporation, Brooklyn, N. Y., opposing the Fulmer net weight bill (H. R. 57); to the Committee on Agriculture.

2296. Also, petition of the Washington Committee for Aid to China, Washington, D. C., concerning neutrality legislation; to the Committee on Foreign Affairs.

2297. Also, petition of the Brotherhood of Railroad Trainmen, Metropolitan Lodge, No. 598, New York City, concerning the Lea railroad rehabilitation bill; to the Committee on Interstate and Foreign Commerce.

2298. Also, petition of the United States Printing & Lithograph Co., Brooklyn, N. Y., concerning the Wagner Labor Relations Act; to the Committee on Labor.

2299. By Mr. SCHIFFLER: Petition of John S. Hall, clerk of the house of delegates, Charleston, W. Va., urging that the Congress of the United States appropriate moneys for the construction of a dam on the Little Kanawha River; to the Committee on Appropriations.

2300. By Mr. TINKHAM: Petition of residents of Massachusetts, protesting against the proposed return of prohibition to the District of Columbia; to the Committee on the District of Columbia.

2301. By Mr. TREADWAY: Petition of citizens of Shelburne Falls and Buckland, Mass., urging the enactment of legislation prohibiting the advertising of liquor by press and radio; to the Committee on Interstate and Foreign Commerce.

2302. By the SPEAKER: Petition of K. S. Trimble, of San Francisco, Calif., petitioning consideration of their resolution with reference to Works Progress Administration deficiency appropriation; to the Committee on Appropriations.

SENATE

TUESDAY, APRIL 4, 1939

(Legislative day of Monday, April 3, 1939)

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

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

O Saviour of the world, at whose coming the springs of our humanity were purified, and by whose life the ways of God were justified to men: Help us at this holy season to unbar our hearts to the wondrous things Thou dost impart. Man of Sorrows, Fountain of Love, give to us all in our every endeavor the deftness of love, and in all our deliberations the wisdom of love; and may we truly share with Thee Thy love made perfect through suffering. We pray for all who are trouble-tossed and weary, for all in whose homes there is sorrow and woe, for all those broken beneath the blows of adversity, for the transgressor scourged at length by his own deeds, for all prisoners and captives, and for all who are desolate and oppressed.

Let Thine arms of everlasting mercy be about us still and evermore, Thou blessed Burden Bearer, 'till the last lost sheep

of the wilderness is brought back home and every note of sadness turned to joy. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, April 3, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	La Follette	Radcliffe
Andrews	Downey	Lee	Reed
Ashurst	Ellender	Lodge	Reynolds
Austin	Frazier	Logan	Russell
Bankhead	George	Lucas	Schwartz
Barbour	Gerry	Lundeen	Schwellenbach
Barkley	Gillette	McCarran	Sheppard
Bilbo	Glass	McKellar	Shipstead
Bone	Green	McNary	Smathers
Borah	Guffey	Maloney	Smith
Brown	Gurney	Mead	Stewart
Bulow	Harrison	Miller	Taft
Burke	Hatch	Minton	Thomas, Okla.
Byrd	Hayden	Murray	Thomas, Utah
Byrnes	Herring	Neely	Townsend
Caraway	Hill	Norris	Tydings
Chavez	Holman	Nye	Vandenberg
Clark, Mo.	Hughes	O'Mahoney	Wagner
Connally	Johnson, Calif.	Overton	Wheeler
Danaher	Johnson, Colo.	Pepper	White
Davis	King	Pittman	Wiley

Mr. MINTON. I announce that the Senator from West Virginia [Mr. HOLT] is absent from the Senate because of a death in his family.

The Senator from North Carolina [Mr. BAILEY], the Senator from Illinois [Mr. LEWIS], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from Idaho [Mr. CLARK], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Massachusetts [Mr. WALSH] are unavoidably detained.

Mr. McNARY. I announce that the senior Senator from Kansas [Mr. CAPPER] is absent because of a death in his family.

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

RETIREMENT OF EMPLOYEES IN THE CANAL ZONE

Mr. CLARK of Missouri. Mr. President, on March 14 the Senate passed Senate bill 1215, to amend the Canal Zone Code. It is a bill recommended by the War Department, having to do only with two very meritorious cases in the Panama Canal Zone. Almost at the same time the House passed House bill 3577. The Senate bill was referred to the Committee on Merchant Marine and Fisheries in the House, and the House bill was referred to the Committee on Interoceanic Canals in the Senate.

Inasmuch as the bills are identical and each of them has already passed the House in which it originated, and each embodies a meritorious proposition which is recommended by the War Department, I ask unanimous consent that the Committee on Interoceanic Canals be discharged from the further consideration of House bill 3577, and further ask for the present consideration of the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Missouri for the discharge of the committee? The Chair hears none, and the Committee on Interoceanic Canals is discharged from the further consideration of House bill 3577.

The Senator from Missouri asks unanimous consent for the present consideration of the bill. Is there objection?

There being no objection, the bill (H. R. 3577) to amend the Canal Zone Code was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first paragraph of subsection (b) of section 94 of title 2, Canal Zone Code, as amended by section 2 of the act of June 24, 1936 (49 Stat. 1904), is amended to read as follows:

"(b) Any employee to whom this article applies who shall have served for a total period of not less than 5 years, and who, before