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Congressional Record

PROCEEDINGS AND DEBATES OF THE 76th CONGRESS, THIRD SESSION

SENATE

TUESDAY, MAY 28, 1940

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

Lord of infinite power and might, who art revealed chiefly in showing mercy unto Thy children, who didst condescend to wear the robe of our humanity that man might discover the potentiality of his greatness as a Son of the Most High: We beseech Thee to bestow upon every citizen of our country a new and deeper consciousness of his responsibility to God and to the world. Help us first to be true to ourselves, and it must follow as the night the day we cannot then be false to any man. Help us to realize that religion is but another name for patriotism to God, and henceforth we shall appraise men not as to whether they are great or small but whether they are right or wrong in the use of the power that has been put into their hands, and grant that we, as a people, may never abuse it unless it be to err on the side of mercy.

Steady us by the refining hand of discipline; may we know no fear save that of being false to Thee; may we hate nothing but the sin that mars the life and unmakes the character of man, and in this, our testing time, may we speak with a voice not to inflame but to convince the world of the courage, hope, and nobility of purpose of America, as we seek not to conquer men or nations but their prejudices which fan to flame the passions in this unholy war.

We ask it in the name and for the sake of Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Monday, May 27, 1940, 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	Capper	Gibson	Johnson, Calif.
Ashurst	Caraway	Gillette	Johnson, Colo.
Austin	Chandler	Guffey	King
Bailey	Chavez	Gurney	La Follette
Bankhead	Clark, Idaho	Hale	Lee
Barkley	Clark, Mo.	Harrison	Lodge
Bilbo	Connally	Hatch	Lucas
Bridges	Danaher	Hayden	Lundeen
Brown	Davis	Herring	McCarran
Bulow	Donahay	Hill	McKellar
Burke	Ellender	Holman	McNary
Byrd	George	Holt	Maloney
Byrnes	Gerry	Hughes	Mead

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Miller	Pittman	Smathers	Truman
Minton	Radcliffe	Smith	Tydings
Murray	Reynolds	Stewart	Vandenberg
Neely	Russell	Taft	Van Nuys
Norris	Schwartz	Thomas, Idaho	Wagner
Nye	Schwellenbach	Thomas, Okla.	Walsh
O'Mahoney	Sheppard	Thomas, Utah	Wheeler
Overton	Shipstead	Tobey	White
Pepper	Slattery	Townsend	Wiley

Mr. MINTON. I announce that the Senator from Rhode Island [Mr. GREEN] is unavoidably detained from the Senate.

The Senator from California [Mr. DOWNEY] is absent on official business for the Committee on Banking and Currency.

The Senator from Florida [Mr. ANDREWS], the Senator from Washington [Mr. BONE], and the Senator from Virginia [Mr. GLASS] are necessarily absent.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] is necessarily absent from the Senate in connection with his duties at the New Jersey State Republican Convention.

The Senator from North Dakota [Mr. FRAZIER] is necessarily absent.

The Senator from Kansas [Mr. REED] is absent on official business for the Committee Investigating Campaign Expenditures.

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

CEREMONIES IN CONNECTION WITH UNVEILING OF PAINTING OF SIGNING OF THE CONSTITUTION

Mr. BARKLEY. Mr. President, while the Members of the Senate are here, I wish to make an announcement.

At the last session the Congress appropriated a sum of money to employ an artist to paint a picture of the signing of the Constitution of the United States. The joint committee appointed for that purpose employed Mr. Howard Chandler Christy to paint the picture, and it has been completed. At 3 o'clock tomorrow afternoon there will be joint ceremonies in the rotunda of the Capitol unveiling and accepting the picture. Those who have seen it have pronounced it one of the most remarkable of the pictures that have been painted and hung in the Capitol of the United States.

Because Senators are here, I now make the statement that about 2:45 o'clock tomorrow I shall ask the Senate to take a recess for about an hour in order that we may proceed to the rotunda, and there, in conjunction with the Members of the House and others who are permitted to attend, unveil and accept the picture.

AMENDMENT OF LAW RELATIVE TO ESTABLISHMENT OF POSTAL AGENCIES

The VICE PRESIDENT laid before the Senate a letter from the Acting Postmaster General, transmitting a draft of proposed legislation to amend section 4021 of the Revised Statutes

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and to repeal section 4023 of the Revised Statutes relating to establishment of postal agencies, which, with the accompanying paper, was referred to the Committee on Post Offices and Post Roads.

PETITION AND MEMORIAL

The VICE PRESIDENT laid before the Senate a resolution of the Fiscal Court of Franklin County, Ky., favoring the making of prompt provision for the national defense, and also urging that the loyal support of all Americans be rendered the President of the United States in the present critical state of international affairs, which was ordered to lie on the table.

Mr. JOHNSON of California presented the following joint resolution of the Legislature of the State of California, which was referred to the Committee on the Judiciary:

Assembly joint resolution protesting the proposed attack upon the title of the State of California to its tide, submerged, and overflowed lands

Whereas more than 90 years ago the State of California, as one of the United States, by virtue of its sovereignty and the act of its admission to the Union, became the owner, in perpetual trust for its people, of all lands within its boundaries submerged by the waters along its shore, of all lands covered by the ebb and flow of its tides, and of all the lands beneath its navigable streams and lakes; and

Whereas for over 90 years the sovereign State of California has maintained uninterrupted jurisdiction over said lands, and during said years has expended vast sums of moneys of its citizens in building structures thereon and in dredging and improving its ports and harbors and in building bulkheads and breakwaters therein and thereon, and in doing all and every of the things that a free people find essential to be done to make its sovereign lands available for the beneficial uses of its citizens in commerce, education, and recreation, and in aid of the United States in the exercise of its functions in fishing and navigation, as specified in the Constitution; and

Whereas minerals have been found beneath certain of said lands, and the State of California, in the interest of conservation thereof and for the benefit of its people, has caused said minerals to be produced, thereby obtaining for the State and its people an income exceeding \$900,000 per annum, thus lightening the enormous tax burden now resting upon the citizens of California; and

Whereas the title of the sovereign State of California to these lands and privileges over which it has for so long maintained unquestioned jurisdiction and expended so much of the treasure of its citizens has been sustained by numerous decisions of the Supreme Court of the State of California and by the Supreme Court of the United States in cases in which the principles involved were clearly at issue; and

Whereas certain officials of the Government of the United States have for 2 years or more endeavored, and are now endeavoring, to obtain the sanction of the President of the United States and of the Congress of the United States for the filing of court proceedings on behalf of the United States against the State of California and those holding under and subservient to the State of California, with the object of wresting from the State of California and those holdings under said State said sovereign rights so long maintained and exercised: Now, therefore, be it

Resolved jointly by the Assembly and the Senate of the State of California, That the Legislature of the State of California protests the said proposals to attack the title of the sovereign State of California in and to said lands, and asserts as a free State within the Union, subject to and under the protection of the Constitution, that it condemns said attempt and will oppose the same by all lawful means; be it further

Resolved, That the secretary of state of the State of California shall certify to the passage of this joint resolution and shall forward a certified copy thereof to the President of the United States, to the Vice President of the United States, to the President of the Senate and Speaker of the House of Representatives, to the Secretary of State, to the Secretary of the Navy, and to each of the Members of the United States Senate and House of Representatives representing the State of California or any district thereof in the said Congress.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Callo-way, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7737) to amend the Judicial Code by adding a new section thereto, designated as section 266a, to provide for intervention by States in certain cases involving the validity of the exercise of any power by the United States, or any agency thereof, or any officer or employee thereof, and for other purposes.

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

H. R. 8815. An act to grant per diem compensation to the appointed members of the Board of Steam and Other Operating Engineers of the District of Columbia, and for other purposes;

H. R. 8846. An act to provide for the retirement of certain members of the Metropolitan Police Department of the District of Columbia, the United States Park Police force, the White House Police force, and the members of the Fire Department of the District of Columbia;

H. R. 9115. An act to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the Municipal Center;

H. R. 9791. An act to amend the District of Columbia Unemployment Compensation Act;

H. R. 9804. An act to amend and clarify section 6, subsection 2, of the act approved June 1, 1938, known as Juvenile Court Act of the District of Columbia, and for other purposes; and

H. J. Res. 551. Joint resolution providing for the taking effect of Reorganization Plan No. V.

REPORTS OF COMMITTEES

Mr. CHANDLER, from the Committee on the Judiciary, to which was referred the bill (H. R. 7020) to amend section 2 of the act of March 4, 1931 (46 Stat. 1528), in regard to service of process on the United States in foreclosure actions, reported it without amendment and submitted a report (No. 1707) thereon.

Mr. O'MAHONEY, from the Committee on the Judiciary, to which was referred the bill (H. R. 8119) to amend the Criminal Code so as to confer concurrent jurisdiction on courts of the United States over crimes committed on certain Federal reservations, reported it without amendment and submitted a report (No. 1708) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 5404. A bill to extend the provisions of the Forest Exchange Act, as amended, to certain lands so that they may become part of the Ochoco National Forest, Oreg. (Rept. No. 1709); and

H. R. 9394. A bill to provide for the establishment of the Cumberland Gap National Historical Park in Tennessee, Kentucky, and Virginia (Rept. No. 1710).

Mr. BAILEY, from the Committee on Commerce, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

S. 3617. A bill granting the consent and approval of Congress to an interstate compact relating to control and reduction of pollution in the Ohio River drainage basin (Rept. No. 1711);

H. R. 7116. A bill to authorize defraying cost of necessary work between the Yuma project and Boulder Dam (Rept. No. 1712);

H. R. 9118. A bill to provide for the reimbursement of travel expenses to certain employees of the Corps of Engineers, United States Army (Rept. No. 1713); and

S. J. Res. 260. Joint resolution to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels (Rept. No. 1714).

Mr. RADCLIFFE, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 222) to provide that the compact creating a Potomac Valley Conservancy District may become effective if agreed to by a majority of the parties authorized to enter into it and by Congress, reported it with amendments and submitted a report (No. 1715) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 4024) to authorize the construction or acquisition of naval aircraft, the construction of certain public works, and for other purposes, reported it with amendments and submitted a report (No. 1716) thereon.

Mr. BYRNES, from the Committee on Banking and Currency, to which was referred the bill (S. 3998) to increase the

credit resources of Commodity Credit Corporation, reported it without amendment and submitted a report (No. 1717) thereon.

He also, from the same committee, to which was referred the bill (S. 2568) to amend the Federal Credit Union Act (June 26, 1934, ch. 750, par. 1, 48 Stat. 1216, sec. 1761), reported it with amendments and submitted a report (No. 1718) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. NEELY:

S. 4052. A bill for the relief of Lawrence F. Long; to the Committee on Military Affairs.

By Mr. SMITH:

S. 4053. A bill to provide for the designation of an individual's domicile and residence when making income-tax returns; to the Committee on Finance.

By Mr. MEAD:

S. 4054. A bill relating to the classification of substitute driver-mechanics in the Postal Service; to the Committee on Post Offices and Post Roads.

By Mr. KING:

S. 4055. A bill to provide for the acquisition of a site and the erection thereon of a post-office building at Manti, Utah; to the Committee on Public Buildings and Grounds.

By Mr. SCHWELLENBACH:

S. 4056. A bill to authorize the maintenance and operation of fish hatcheries in connection with the Grand Coulee Dam project; to the Committee on Irrigation and Reclamation.

By Mr. SHEPPARD:

S. 4057. A bill to authorize the acquisition of certain additional lands for military purposes; to the Committee on Military Affairs.

By Mr. PEPPER:

S. 4058. A bill granting a pension to Mattie Fox Miller; to the Committee on Pensions.

By Mr. CONNALLY:

S. 4059. A bill to provide for military instruction and training for members of the Civilian Conservation Corps; to the Committee on Military Affairs.

By Mr. ELLENDER:

S. 4060. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.; to the Committee on Commerce.

(Mr. Byrd introduced Senate Joint Resolution 266, which was ordered to lie on the table, and appears under a separate heading.)

By Mr. JOHNSON of Colorado:

S. J. Res. 267. Joint resolution providing for the acquisition by the Railroad Retirement Board of data needed in carrying out the provisions of the Railroad Retirement Acts; to the Committee on Interstate Commerce.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and a joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 8815. An act to grant per diem compensation to the appointed members of the Board of Steam and Other Operating Engineers of the District of Columbia, and for other purposes;

H. R. 8846. An act to provide for the retirement of certain members of the Metropolitan Police Department of the District of Columbia, the United States Park Police force, the White House Police force, and the members of the Fire Department of the District of Columbia;

H. R. 9791. An act to amend the District of Columbia Unemployment Compensation Act; and

H. R. 9804. An act to amend and clarify section 6, subsection 2, of the act approved June 1, 1938, known as Juvenile Court Act of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. J. Res. 551. Joint resolution providing for the taking effect of Reorganization Plan No. V; to the Select Committee on Government Organization.

EXTENSION OF REDUCED INTEREST RATES ON LAND-BANK LOANS—AMENDMENT

Mr. WHEELER submitted an amendment intended to be proposed by him to the bill (H. R. 8450) to extend for 5 additional years the reduced rates of interest on Federal land bank and land bank commissioner loans, which was ordered to lie on the table and to be printed.

SECOND DEFICIENCY APPROPRIATIONS—AMENDMENTS

Mr. BILBO submitted an amendment intended to be proposed by him to the second deficiency appropriation bill, 1940, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place, insert the following:

DEPARTMENT OF AGRICULTURE

EXTENSION SERVICE

Administration and coordination of extension work: For an additional amount to coordinate the extension work of the Department and the several States, Territories, and insular possessions, fiscal year 1941, \$15,000; such amount to be used for such work in improvement of the production, handling, and marketing of cotton.

Mr. NYE (for himself and Mr. GURNEY) submitted an amendment proposing that the funds continued available by the Treasury and Post Office Departments Appropriation Act, 1941, during the fiscal year 1941 for refunds of processing and related taxes shall be available during such fiscal year for the payment, authorized under such regulations as may be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, to any person who raised or produced and marketed hogs for slaughter on which there was levied, collected, or paid a processing tax under the provisions of the Agricultural Adjustment Act of 1933, or his legal representative, of so much of such tax as was in fact borne by such person, and so forth, intended to be proposed by them to the second deficiency appropriation bill, 1940, which was referred to the Committee on Appropriations and ordered to be printed.

REPORT OF SELECT COMMITTEE ON REORGANIZATION PLAN V

Mr. BYRNES, from the Select Committee on Government Organization, to which was referred the joint resolution (H. J. Res. 551) providing for the taking effect of Reorganization Plan No. V, reported it with an amendment.

ADDRESS BY SENATOR WALSH AT JEWISH VETERANS' MEMORIAL EXERCISES

[Mr. WALSH asked and obtained leave to have printed in the RECORD a radio address delivered by him on the occasion of the Jewish Veterans' memorial exercises held in Washington on May 23, 1940, which appears in the Appendix.]

RADIO FORUM DISCUSSION ON MUNITIONS, MEN, AND MORALE—ADDRESS BY SENATOR AUSTIN

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD the introductory remarks of G. Gould Lincoln, political editor of the Washington Star, and the address delivered by himself in the radio forum arranged by the Washington Star on May 27, 1940, on the subject Munitions, Men, and Morale, which appear in the Appendix.]

ADDRESS BY EX-PRESIDENT HOOVER ON DEFENSE PROGRAM

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article from the Times-Herald of May 28, 1940, under the heading "Hoover urges industrialist leader as 'czar' to direct arms program in United States preparedness," which appears in the Appendix.]

FRIENDS OF THE LAND

[Mr. LEE asked and obtained leave to have printed in the RECORD a list of officers, trustees, and sponsors of the organization known as Friends of the Land, together with an article entitled "New Steps to Save the Land," by Morris Llewellyn Cooke, published in the Survey Graphic for April 1940, which appear in the Appendix.]

OPINION OF THE SUPREME COURT IN SUNSHINE ANTHRACITE COAL CO. CASE

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD the opinion of the Supreme Court of the United States in the case of the Sunshine Anthracite Coal Co., appellant, against Homer M. Atkins as collector of internal revenue for the district of Arkansas, which appears in the Appendix.]

TRJAN HORSEPOWER—ARTICLE BY FRANK C. WALDROP

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Frank C. Waldrop, published in the Washington Times-Herald of May 28, 1940, entitled "Trojan Horsepower," which appears in the Appendix.]

UNITED STATES AIR POWER

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD an article from the Washington (D. C.) Times-Herald of May 28, 1940, and an article by John T. Flynn, published in the Washington Daily News of May 28, 1940, on the subject of the air power of the United States, which appear in the Appendix.]

APPROPRIATIONS FOR THE MILITARY ESTABLISHMENT

[Mr. HILL asked and obtained leave to have printed in the RECORD a table showing the appropriations for the Military Establishment from 1925 to 1940, inclusive, which appears in the Appendix.]

INFORMATION AS TO NUMBER OF ALIENS EMPLOYED BY THE GOVERNMENT

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 273) as follows:

Resolved, That it is the sense of the Senate that each executive department, independent establishment, and other agency in the executive branch of the Government shall furnish to the Senate immediately full and complete information with respect to the number of aliens employed by such department, establishment, or agency, or compensated in whole or in part from Federal funds appropriated for such department, establishment, or agency, and such information shall include, among other things, statements with respect to the compensation being paid to each such alien, the type of services he is performing, and the length of time he has been employed in any capacity by any agency of the Government.

Mr. BARKLEY. Mr. President, I ask that the resolution go over. The information sought by the resolution is contained in Senate Document No. 30, which embraces 213 pages, giving a list of the aliens employed in all the departments of the Government. I do not see any reason why we should again call on the departments to furnish this information when it is now available. I ask that the resolution go over. The Senator from North Carolina [Mr. REYNOLDS], who submitted the resolution, is not now present.

The VICE PRESIDENT. The Chair thinks he ought to say to the Senator from Kentucky that, while he does not know of any objection, the Senator from Maryland desired to address the Senate on the resolution or indicated he would take advantage of the resolution to address the Senate. Of course, he could address the Senate by unanimous consent.

Mr. BARKLEY. I did not understand the Senator from Maryland wanted to proceed on this resolution.

Mr. TYDINGS. That is what I wanted to do, and I shall be glad if the Senator will withhold his request until I finish.

Mr. BARKLEY. Very well.

THE FINANCIAL FLANK

Mr. TYDINGS. Mr. President, the intense, bloody, and tragic holocaust now raging in Europe has filled the peoples of all neutral countries with grave concern for the future. None of us knows how long the war will last, to what countries it will spread, or who the victor or the vanquished will be when the last great battle is fought.

Here at home we have been not only surveying the present happenings but trying to prepare for the possible future happenings as well. With admirable speed, Congress has made provision for the enlargement of the matériel and per-

sonnel of our Army, Navy, and air forces. Measures to improve and make more efficient these forces have likewise been contemplated and enacted. In short, as far as military and naval equipment are concerned, money has been generously and quickly appropriated, in the face of threatening world conditions, to put us in a reasonable state of preparedness at the earliest possible time.

However, one flank of our national defense has been left deplorably and pitifully exposed. Further neglect of this exposed flank may not only plunge us into difficulties equal to or greater than those we are now preparing against, but may, in spite of all our preparations, subject this country to a degree of misfortune, chaos, and misery far beyond what can now be imagined. I refer particularly to the financial front, which is always a necessary component in times of peace, and even more so in times of war, of a nation's preparedness and national-defense arrangements.

Let me outline briefly this neglect, and present a weakness in it which may in the end undermine and set at naught all our military and naval preparations for defense on land, sea, and in the air.

First, at the beginning of the bitter conflict abroad our national debt had climbed from \$20,000,000,000 in 1920 to approximately \$45,000,000,000 in 1940, an increase of \$25,000,000,000. We must add to this amount the loans and collateral obligations of many billions more which in the present state of world and national affairs should be carried as a part of our national indebtedness until they are paid in full or in part. Added to these two large items of our national debt must likewise go the exceptionally large appropriations recently made, and which we shall yet make before adjournment, to buy planes, to build warships, to equip our Army, to secure sea bases, to establish training fields for personnel to be fashioned into Army and Navy pilots, to increase the officers and men of our Military and Naval Establishments, and to do countless other things which will add many more billion dollars to our national indebtedness.

Thus, it is safe to assume that without spending any more money for the purposes enumerated this program, in the face of present national income, will run the national debt to a figure somewhere between fifty and sixty billion dollars. It is composed mainly of three items: First, the present national debt; second, the collateral direct and indirect obligations for which the Government is responsible, which will be repaid perhaps only in part; and third, the cost of the present national-defense program, as outlined by the President to Congress, and as exemplified in bills already passed, or to be passed, before adjournment. I repeat that these three items will run our national debt up to from fifty to sixty billion dollars.

During all the depression, which started in 1929, to meet the emergencies which it occasioned, we have been living on the future, spending money that we did not have, which was not being raised in taxes, but which was being borrowed. In the present emergency, occasioned by the European war, not only are we continuing along this pathway for our purely domestic requirements, but we are walking the same road of borrowing against the future for our present expanded national-defense program.

That is the present picture before the Nation. Let us for a moment survey the probable future picture before the Nation.

First, world trade is seriously disrupted from its orthodox channel. The belligerent countries, which formerly bought many things from us, are more and more looking to parts of their own empires to produce the things which, in normal times, they purchased from the United States. As this continues, it is not unlikely that many American commodities will be over-produced, causing serious financial difficulties for our producers in both farm and factory, driving prices down to a point below the cost of production, and eventually leading to widespread unemployment. The warring European nations, in order to protect their currencies and to keep their trade in balance as much as possible, are bound to buy as little from us as they can, and to buy more

from parts of their own dominions. Instead of selling them the ordinary products which they would require in peace time, the United States will more and more become a purveyor of products, raw and manufactured, which the warring countries are unable to secure from lands already under their flag.

Sooner or later this situation is bound to cause some economic confusion and disaster at home, which, in all probability, will require additional billions from the National Treasury for alleviation. Thus, in the end, the war will see our domestic troubles accentuated in many respects, and an ever-mounting increase in our national debt as week after week goes on, and the consequences of the struggle abroad are wrought out on our own domestic scene.

Then, too, the war in Europe will some day be over. When it is over, millions of men who have been for some time engaged only in fighting will go back to their homes. They will turn from war to peace, whatever the conditions of that peace may be. They will not go back to immediate employment, for the domestic economy of each of the belligerent nations will have to be completely reorganized. The millions of men and women now working in the munitions factories of the belligerent countries will find this work terminated with abrupt suddenness when the guns of war at last are silent; for their governments, seeking to save expense wherever possible, will instantly cancel all unfilled war orders.

Thus, while the millions of fighting men are returning home to look for jobs in civil life, their ranks will be swelled by millions of munitions workers who have overnight been thrown out of work by the cessation of hostilities. Considering that the fighting men, victors and vanquished alike, will be coming home to lands many of which, if not all, will be lands of widespread disillusionment, hardship, and bitterness, the unemployment which all will face in the warring countries will be stupendous, and strong measures are likely to be needed; for the readjustment from war to peace is automatically more abrupt in most cases than is the readjustment from peace to war.

Confronted with such problems, together with the huge debts which the belligerent nations are now rolling up, with the waste of war and the destruction of treasure, these countries are likely to be very poor customers for the products of our own and other neutral countries. Besides, we do not know what kind of a world will confront us after this struggle is over. We do know that the ordinary methods of trade and commercial intercourse are likely not to return to international dealings for some time after the peace is made. This condition will aggravate our domestic problems, and cause whatever government is then in power to take financial steps to deal with the domestic situation all over again. This is sure to be very costly.

Added to all of this, we must still put more dark strokes upon this dismal picture, even if we stay out of the war entirely.

Consider the thousands upon thousands of American workers whose employment in farm, factory, mine, and forest is connected in some way with the present international emergency—making planes, growing cotton, manufacturing ammunition, or producing supplies primarily for the belligerent nations. Add to these thousands the persons employed in doing the same thing for our Army and Navy. Certainly, with the cessation of hostilities in Europe, every belligerent country will take advantage of the cancellation clause in its contracts with our people to stop instantly the further purchase of supplies and war material now being bought here. This will automatically throw out of employment tens of thousands of Americans who are now working steadily in these pursuits. If the peace seems to be durable, our own Government will, to some extent, curtail many of the expensive preparedness activities which the present emergency has forced upon us. This will do its share toward adding to the unemployment, and increase greatly the number of unemployed of normal times, with which we have been dealing for the past 8 years, by means of governmental financial aid.

That is the mildest picture which can be drawn at this time. We are proceeding steadily toward it, and moving along without making financial provision to cushion the terrific impact upon our financial structure which all of these occurrences will cause.

I said in the beginning that we were neglecting to prepare for one of the most serious aspects of our national defense, the financial front. That flank is dangerously exposed, and if it remains exposed, the results may be fatal or tragically serious in the years that are to come. We should not delude ourselves with the thought that simply by passing appropriations for the increase of the Army, Navy, and air forces, and by taking other measures to provide ourselves with an adequate national defense, we have suitably prepared this country for the future. Most decidedly we have not. Most decidedly we shall not, unless we change our handling of the financial arrangements of this Government.

I believe the American people realize this. They want this defense and they want it quickly, on every front vulnerable to attack. I would label this the "sixth column," which may in the end undermine and undo all that we hope we are doing to make the United States secure. If this "sixth column," an unbalanced governmental financial condition, is not dealt with, we will face all the dire consequences of such neglect in an utterly inexcusable state of unpreparedness.

As soon as we have provided the ways and means of money and the methods to put the Army, Navy, and air force in a condition for our adequate defense at the earliest possible moment, Congress, before it adjourns, should write a tax bill embodying the policy of "pay as you go" as nearly as we can, and put our financial defenses in equally strong condition. We will need this financial preparedness whether we go into war or stay out of it. In any case, can we escape the consequences of the world chaos which will result when the last cannon has fired its last shot on European battlefields? The international chaos and desolation, the bitterness, the disillusionment, the moral backwash, which follow in the wake of every war, the increased unemployment at home and abroad, the disruption of world trade, the loss of America's markets, the international barter system, the decline in the value of securities, the long dreaded walk up the road of reconstruction and rehabilitation for the belligerent countries, the complete change in international economics of the last two decades, will all leave our flank exposed, and subject us to terrific losses and the burdens of anguish and despair.

Against our governmental financial structure all of these foes to peace, prosperity, and security will simultaneously make a furious assault. Even though we made adequate financial preparation, we would have to fight valiantly to defeat these combined attacks upon American solvency and financial stability. It will affect every person—the worker in every factory, the farmer behind every plow, the clerk in every counting house. We know these forces are even now forming their deadly ranks to attack us on this financial front. Why not prepare against this attack, too, while we have time? Why not make these trenches secure to hurl these devastating enemies in disorder to the rear? Why not be ready for their furious onslaught? There is only one way we can get ready. It is a hard way, but if we act in time, we can repel the foe who will in fury descend upon us.

That way is to levy taxes now, envisioning the combination of circumstances with which we are likely to be confronted. We should stay in session after we have appropriated the money—which we have not got—and raise the money which we intend to expend. If we go before the country without having dealt with this matter, without having put our governmental finances in a state of adequate defense, we shall not have achieved that measure of preparedness which the American people on all sides are demanding that we achieve. We will have left our financial flank exposed, and then when the pressure is exerted on us there, even though we may have built our lines of military and naval preparedness well, we may find that, by our

neglect of the financial front, the enemy has broken through and is destroying our form of government, and is taking from our people the fruits of their toil for the last 333 years.

Congress should pass a tax bill at this session of Congress. The American people want it. They know it is necessary. They know we will not be completely prepared without it. They are willing to bear their fair share of this load as a part of our national defense, which must be second to none. We must meet this issue, not after the November elections, but now.

In the present state of world turmoil, democracies have been completely overwhelmed with catastrophe, resulting from a lack of action. Always it has been said of them "too late or too little," as the dark clouds of disaster have pressed closer and closer. Let us in the United States resolve that it shall not be said of us "too late or too little"—let us resolve that this democracy shall endure, and that we will put it into such a condition, before we adjourn, that it will be bound to ride safely the ominous waves of international disorganization and disaster. We can only do it the hard way. There must be patriots here who will face this foe with the same zeal and determination we would expect from our fighting men on land and sea and in the air, should they have to face a foe.

The time to act is now. Failure to act now is to leave our financial flank exposed, and take the chance of subjecting 130,000,000 people of this country to consequences which in many respects are no less than the ravages of war itself. We should not go home until we have enacted a tax bill to put a firmer foundation under our financial defenses.

Let Congress build its financial defense no less strong than it is now authorizing the Army, Navy, and air forces to build up theirs.

If we, before adjournment, make our financial flank as strong as it can be made and as imperative need requires that it be built, then we can rest assured that with this legislation, together with the measures expanding the Army, Navy, and air force, and auxiliary agencies, already enacted or to be enacted, we are meeting all the defense needs of this dark hour. More, we can rest assured that here in Congress we have done our part as well as we shall expect our fighting men to do their part, should attack come to us. To do less than this is to invite attack. To leave our financial flank exposed is to invite defeat in spite of all our military and naval preparations.

Even if we escape war, the Four Horsemen who ride in the wake of every war will be upon us. Unemployment, international trade disruption, poverty and disease, disillusionment and distrust—all will assail us—and our financial front must not give before these enemies, which are equal to the might of a great and powerful enemy army.

Our financial flank must be repaired, strengthened, and made invulnerable against all foes, both foreign and domestic.

FEDERAL FINANCES AND PROPOSED FISCAL COMMISSION

Mr. BYRD. Mr. President, I have listened with much interest and full approval to the wise and eloquent words of the Senator from Maryland.

The report that the President proposes to ask Congress to increase the debt limit to the extent of \$5,000,000,000 should bring to the American people a realization of our present insecure and dangerous financial condition. Certain eventualities in the European war may force this country for our self-preservation to make a colossal expenditure for national defense, estimated by some to reach ultimately a sum of \$20,000,000,000.

Whatever may be the outcome of the European war, I feel confident in saying that the American people, until peace is firmly established throughout the world, will never be content with the inadequate national defense that has existed in recent years.

New expenditures for national defense must be met either by new taxes or by new debts. In facing this situation our problem would be vastly simpler today if our Government were operating under a balanced budget. But, to the contrary, we are now entering the tenth consecutive year of huge deficits, which have pyramided the Federal debt from sixteen billions in 1930 by the addition of more than thirty

billions of accumulated deficits when the appropriations already made are expended.

It is regrettable, and to me deplorable, that in the crisis which confronts us today only a small fraction of the new expenditures which created this accumulated deficit has been used for national defense. In fact, about 8 percent of the accumulated deficits can be accounted for by new expenditures for enlarged national defense. This is shown by the statement made by the President last Sunday when he said that in the past 7 years the Navy has spent \$1,487,000,000 more than in the preceding 7 years, and the Army \$1,292,000,000 more. The aggregate of these two sums, which represent an expenditure for national defense in excess of what may be termed "normal" peacetime expenditures, constitutes only 8 percent of the accumulated deficits. So 92 percent of the additions to the public debt due to excess deficit spending is on account of new appropriations for other purposes. Such deficits have occurred, notwithstanding that the Federal tax income has been more than doubled since 1933, with new taxation responsible in a large measure for such increase.

In 10 years our Federal Government has collected \$45,000,000,000 and will have spent, under the appropriation bills now passed, seventy-five billions.

It has been obvious for some years—in fact, since Hitler began his aggressions—that the disturbed conditions of the world made it imperative for our self-protection to rearm. Believing that, I have consistently voted for national-defense appropriations during this period.

Financial preparedness is just as important as military preparedness. We must have in America both sound finances and adequate national defense. The time to face the acute situation realistically is upon us. It is the impelling duty of Congress in the current critical circumstances to eliminate every extravagance, to abolish every unnecessary expenditure, to devote our resources to the vital necessity of preparing ourselves to meet any contingency and any crisis that may occur.

I state as a plain and obvious fact that nothing substantial has been done to institute methods of economy in our governmental operations. From July 1, 1939, to May 22, 1940, the Government spent in cash \$7,689,000,000. In the corresponding period from July 1, 1938, to May 22, 1939, the Government spent \$7,389,000,000, showing an increased expenditure for the present fiscal year of approximately \$300,000,000. During the past fiscal year \$340,000,000 more for national defense was expended than for the preceding fiscal year. Therefore it is apparent that there has been no reduction in spending for purposes other than national defense.

Today the Federal Government employs on the regular pay roll, as reported by the Civil Service Commission, 945,836 employees, as compared to 566,986 in 1933.

With respect to the appropriations for the fiscal year beginning July 1, 1940, the estimated economies are a myth. No net economies or reductions in expenditures have been accomplished. In January the President submitted to the Congress a Budget of \$8,500,000,000. In the bills pending the appropriation for relief has been changed from 12 to 8 months without reduction in amount, so that it is probable, and in my judgment certain, that the fund now appropriated, originally proposed for the full year, will be expended within 8 months, requiring another appropriation for relief effective March 1, 1941, of at least \$500,000,000 to complete the fiscal year. This, together with such other increases as made by Congress, will bring about total expenditures in excess or at least equal to the peak expenditures since deficit spending began, and this does not include the emergency spending for defense under plans and appropriations that have been originated in Congress within the last 30 days.

It is not necessary now to raise the debt limit to make available the funds being appropriated, and to do so would merely be an invitation for further extravagances and unnecessary expenditures.

As an alternative for increasing the debt limit at this session of Congress, I propose a horizontal increase of 10 percent

in all income taxes due and payable in 1940 on incomes earned in 1939. This will produce a total of \$230,000,000. I likewise propose a 10-percent tax on miscellaneous internal revenue, which will produce \$250,000,000 for the full year and \$125,000,000 for the one-half year. I also propose additions in other excise taxes, so that there will be a total increase in taxes of not less than \$600,000,000, and that this tax be known as a national-defense contribution.

I believe the American people are in the mood for sacrifice; I believe they realize the seriousness of the situation confronting them; I believe they prefer to make a beginning toward a sound fiscal system rather than continue to throw discretion to the winds and blindly spend money we do not have and money that must be added to the public debt. Those who pay the taxes must sacrifice, but on the other hand those who receive the benefits of public spending must also make their sacrifice.

I propose that every expenditure beginning July 1, 1940, excepting expenditures for national defense and interest on the public debt, be reduced by 10 percent. This could be done by a simple rider on one of the appropriation bills making such a reduction. It will save to the country a total of \$500,000,000, and together with the increase of 10 percent in taxation will improve the Federal Treasury to the extent of about \$1,000,000,000 each year, and will in my judgment do so with less disturbance to business and to the operations of the Government than any other emergency plan that can be devised.

This, I realize, is but a temporary step to solve the financial problems confronting us, but I know of nothing that would bring to a greater degree to the American people a realization of the situation confronting us than on one hand to increase taxes and on the other hand to diminish expenditures, and use such funds for our national defense. This reduction of 10 percent in expenditures should apply to the salaries of Senators and Congressmen; it should apply to all employees receiving wages in the higher brackets; it should apply to the pensioners and the farmers, so that all may know they are making a direct contribution to place the country in a condition of preparedness to meet any and all contingencies.

I then propose that the Congress create a commission composed of three Senators, three Representatives, and three outstanding businessmen, to be appointed by the President, and that this commission devote itself to presenting to Congress when it convenes next January a plan to eliminate expenditures of government for nonessential purposes; to reduce such expenditures for necessary purposes to the extent that elimination of waste and duplicated effort will provide, and to recommend such revision in the Federal tax system as may be necessary in order to place the United States on a sound financial basis that will enable it to preserve our solvency; to provide for the essential functions of government; and to make such imperative expenditures as may be necessary in order to provide adequately for its national defense.

It is too late in the present Congress to undertake this study. It should be done with care and wisdom. These emergency provisions of a 10-percent increase in taxation and a 10-percent reduction in spending will carry us safely on until Congress meets again. The actual debt limit, as estimated by the Treasury, is \$45,612,000,000. The debt today is \$42,439,000,000, leaving a surplus within the legal debt limit of \$3,173,000,000. To this should be added the proposal of the President to recapture \$700,000,000 from Government corporations, as provided in the Budget, and a reduction in the working balance, it being proposed by the Secretary of the Treasury to reduce the working balance to approximately \$1,100,000,000. This will enable the Federal Government to spend between four and five billion dollars in excess of revenue before the present legal debt limitation is reached, and this estimate does not take into consideration either an increase in taxes or a reduction in expenditures. This sum will be ample to make all the expenditures possible for

national defense until Congress meets again and to meet the regular expenditures of the Federal Government.

Mr. President, I ask unanimous consent to introduce a joint resolution to establish a temporary national fiscal commission, and ask that it be printed in the Record and lie on the table.

There being no objection, the joint resolution (S. J. Res. 266) to establish a temporary national fiscal commission, was received, read twice by its title, ordered to lie on the table and to be printed in the Record, as follows:

Resolved, etc., That there is hereby established a temporary national fiscal commission to be composed of 3 Members of the Senate, to be appointed by the President of the Senate; 3 Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, and 3 businessmen, to be appointed by the President. A vacancy in the commission shall not affect the power of the remaining members to execute the functions of the commission, and shall be filled in the same manner as the original appointment. The commission shall select a chairman from among its members. The commission is authorized and directed to make a full and complete study and investigation for the purpose of acquiring such information as will enable it to make recommendations to the Congress for congressional action designed to accomplish (1) the elimination of nonessential Federal expenditures, (2) impounding in the Treasury of the United States of unexpended appropriations made for nonessential purposes, and (3) such revision of the Federal tax system as may be necessary in order to place the United States in such a sound financial condition as will enable it to make such imperative expenditures as may be necessary in order to adequately provide for its national defense. The commission shall report to the two Houses of Congress the results of its study, together with its recommendations, at the earliest practicable date.

Sec. 2. (a) The Commission shall have power to appoint subcommittees to assist the Commission in its work. The members of the Commission shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the exercise of the functions vested in the Commission.

(b) The Commission, or any subcommittee thereof, shall have power to hold hearings, to sit and act at such times and places, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems advisable. Subpenas shall be issued under the signature of the Chairman of said Commission and shall be served by any person designated by him. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpoena, or to testify when summoned, under authority of this joint resolution.

(c) The Commission shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties. The Commission is authorized to utilize the services, information, facilities, and personnel of the departments and other agencies of the Government.

(d) All authority conferred by this joint resolution shall terminate upon the submission of its report to the Congress.

Sec. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$, or so much thereof as may be necessary, to carry out the provisions of this joint resolution.

ORDER OF BUSINESS

Mr. LEE obtained the floor.

Mr. BARKLEY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Yesterday the Senate ordered that the calendar should be called today upon the conclusion of the morning business. All that has happened so far today is by unanimous consent. I understand the Senator from Mississippi [Mr. HARRISON] desires to address himself to the subject which has been discussed today, and I think he should have that opportunity. If the discussion is to continue, it ought to be understood that it is by unanimous consent; and while I myself have no objection, I think we all ought to understand that the regular order may be called for at any time until 2 o'clock.

The PRESIDENT pro tempore. In answer to the Senator's suggestion, the Chair calls his attention to the fact that the unanimous-consent agreement provides that "on tomorrow, after the completion of the routine morning business, the calendar be called for the consideration of unobjected-to bills." The Senate is now on routine morning business. There is a resolution coming over from a previous day, which is now

under discussion before the Senate. Therefore, until the morning business is concluded, the calendar may not be called.

Mr. HARRISON. Mr. President, I understand that the Senator from Oklahoma [Mr. LEE] is recognized.

The PRESIDENT pro tempore. The Senator from Oklahoma is recognized.

Mr. HARRISON. I should like to ask the Senator whether or not he intends to speak in connection with the matter which has been discussed. I think that matter has a direct bearing upon a matter with respect to which I have been in conference since 9 o'clock this morning. I think it is proper that I should at least express myself on the matter. I shall not consume more than 5 or 10 minutes.

Mr. LEE. Mr. President, of course, the Senator will have that opportunity. I wish to direct my remarks to the same subject.

Mr. HARRISON. Very well. I shall wait until the Senator has concluded, and sometime in the course of the day I shall address the Senate. I do not want to do so while many Senators are at lunch.

MOBILIZATION OF FINANCIAL RESOURCES

Mr. LEE. Mr. President, I agree with the thoughts and sentiments expressed by the Senator from Maryland [Mr. Tydings] and the Senator from Virginia [Mr. Byrd] that we should strengthen America financially, and that at this time we should consider a financial mobilization, as well as methods of mobilizing industry and manpower.

However, neither of the Senators referred to an excess-profits tax. Even before a declaration of war there is a rising crescendo of prices, which results in unconscionable profits due to an emergency which no one can control. While we are considering methods of taxation, I believe we should also consider an excess-profits tax which will guard against the mistakes of the last war and against excess profits.

The people of America have never flinched from their duty, so far as the protection of America is concerned, but during the last war the people of America developed a pretty strong feeling against war profits. I was encouraged to hear the President say in his fireside chat that there would be no war profiteers, and that no one would become rich and fat out of our national-defense program at this time.

While we are considering methods of financing our national defense, I believe we certainly should give consideration to excess-profits taxes which would prevent profits such as existed in the last war. Some profits over the 4-year period ran as high as 400 percent. I understood the chairman of the Munitions Investigating Committee to announce on the floor of the Senate that the Du Ponts made a profit of 400 percent over the 4-year period.

One airplane company, for 3,660 motors, received a cold profit of \$3,934,500. Another airplane company, for 6,500 motors, received a naked profit of \$15,000,000. Two airplane companies—Standard Aircraft Corporation and the Standard Aero Co.—were overpaid, according to a Government audit, \$6,500,000. They immediately went into liquidation. When the truth was discovered, it was found that those two companies were owned by the Japanese company of Mitsui & Co. Mitsui & Co. was paymaster to the Mikado of Japan, and at one time was paymaster to the German international spy system.

Those are only some of the profits which resulted from the last war. Already we see, by the action of the stock market, that the stocks of those companies which would furnish the materials which we need for national defense are beginning to soar, indicating the prospect of tremendous profits. Therefore, while we are considering taxation, I believe it is appropriate for us to consider excess-profit taxes, which not only would help us pay for defense but would prevent profiteering.

No government has ever yet been able to pay for a war of any major consequence as the war proceeded. The best any government has been able to do was to pay as much as it could. France, with a steep war tax during the last war,

was able to pay only seventeen-and-a-fraction percent of the cost of the war. England, with one of the steepest taxes known, was able to pay only 36 percent of the cost of the war while the war proceeded. Therefore, when we begin to consider methods of financing a war, we cannot look to income alone as the basis of financing war. If we are to have a method of financing war, we must look to other methods than merely income. We could not finance a war of major consequence on the income of this country. Therefore we must consider methods of borrowing money in order to finance war.

Agreeing with what the two Senators who have just occupied the floor have said concerning taxes, that is not enough. We have no system for financing war today, except the same system we used before.

DEFECTS OF THE VOLUNTARY METHOD OF FINANCING WAR

Mr. President, I suppose that the wish which is uppermost in everybody's mind today is that we shall be able to keep America out of war. President Roosevelt has repeatedly expressed his determination to keep this country out of war. Speaking as an ex-service man, I shall support to the utmost of my ability such legislation as, in my opinion, will prevent the United States from being drawn into war.

TWO GENERAL FIELDS OF PROFITEERING

It is my firm belief that one of the best ways to prevent war is to take the profits out of war. Then, if war is forced upon us, we will fight in defense of our country, but the burdens of war will be more fairly distributed if no one is allowed to profiteer.

There were two general fields of profiteering during the World War. One was the field of commerce and industry; the other was the field of war finance.

Profits resulting from commerce and industry can be recovered by means of an excess-profits tax. Such a measure is now pending before this body. It bears the signatures of 50 Senators. This bill provides a steep tax schedule which is intended to recover for the Government all profits which result from war and use those profits to pay the cost of war. I am one of the coauthors of that bill. I give it my hearty and enthusiastic support.

But some of the greatest profits resulting from the World War were not made in the field of commerce and industry, but rather in the field of war finance. No doubt the greatest number of war profiteers made their profits in the field of commerce and industry, but I believe the greatest profits were realized in the field of war finance. The total amount of profits may have been greater in the field of commerce and industry than they were in the field of war finance, but I believe that a study of the facts will reveal that the greatest war profiteers were in the banking business during the war.

INDICTMENT NO. 1: THE OLD VOLUNTEER METHOD OF FINANCING WAR PUTS A PREMIUM ON WAR BY GUARANTEEING WAR PROFITS

Congress recovered some of the profits made in the field of commerce and industry through an excess-profits tax. This tax, in my opinion, was repealed before it should have been, but the point I wish to make is that war profits which were made in the field of commerce and industry were subject to this tax.

But the profits resulting from war finance were clean and clear, and could not be reached by means of taxation. I wish to impress this point: That, whereas the profits resulting from commerce and industry can be recovered by taxation, the profits from war financing cannot be reached by taxation, because the war bonds were tax exempt.

We still have the same system for financing war by which we financed the World War, if you could call it a system; that is, we financed by means of tax-exempt bonds.

Today, if we should be called upon to finance a war, and if we should undertake to finance it in the same manner in which we financed the World War, we would say, in effect, to the bankers and financiers: "Come on, boys, and profiteer again. We will double the interest rates and guarantee you tax exemption." That is exactly what we did

before. Unless we provide a better system, that is exactly what we would do again, if war should come.

Let me remind you again that I am addressing myself to the subject of war profits in the field of finance only. I am not discussing profits from commerce and industry, but what I am saying now applies to profits resulting from financing war under a system of tax-exempt bonds.

PROFITS FROM HIGH INTEREST RATES AND TAX EXEMPTION

Ordinarily in peacetimes the big bankers are glad to get 2 percent interest, or even less, on their money with the privilege of tax exemption, but along comes a war, and instead of getting a lower rate of interest in order to pay their share of the burdens of war, they get double the amount of interest and still enjoy exemption from taxation.

In most cases the big financiers faced no physical dangers in the World War and received twice as much for their money as they could get in normal times. Therefore, it would be to their interest to want war, would it not? They could afford to spend some money in paid propaganda in order to jingo up the war spirit and still make a profit out of war.

I am not accusing anyone of anything. I am simply stating the facts, and these facts are that under our system of war finance a rich man receives twice as much interest for lending his money as he does in peacetimes. I am further saying that he is permitted to keep all of this war profit and that this Government cannot touch a dime of it by taxation.

According to the Treasury Department, it is estimated in round figures that we have paid already in interest on the war bonds up to 1934, \$12,000,000,000, and we cannot touch a dime of this \$12,000,000,000 by taxation because it is tax exempt. And remember, that estimate was only up to 1934, and this is 1940. But the Treasury Department was unable to give me an estimate of how much it would be now because most of those bonds have been refinanced.

PROFITS FROM DISCOUNTED BONDS

The profits resulting from high interest on tax-exempt bonds represent only one phase of the profits which the big bankers enjoy. A second manner in which they profiteered was by purchasing Liberty bonds from poor people at a great discount and benefiting by that discount.

Thousands and thousands of soldiers in the training camps purchased Liberty bonds on the installment plan and paid for them out of their soldier's pay, but very few of those soldiers were financially able to hold their bonds. Therefore, they sold them at a discount. Those bonds wound up in the hands of the big bankers, who were able to buy them at a great loss to the soldiers. A discount of 20 cents on the dollar was not unusual. This profit was enjoyed by the big financier and the corresponding loss was borne by the soldier.

Thousands of wage earners who were unable to spare the money from their pay checks were forced by pressure of one kind or another to buy bonds they were not able to keep, and consequently, as soon as the bonds were paid for they were discounted and sold to people of more means who profited at the loss of these wage earners.

Not only were soldiers and wage earners forced to sell bonds at a great sacrifice to themselves and profit to those of more means, but thousands of farmers and small-business men were forced by pressure of one kind or another to borrow money at the banks at high rates of interest and buy bonds which they were not able to hold but which they discounted and sold to the banker in order to pay him the money they had borrowed. Then by raking and scraping they paid the difference between the note and the discounted bond, accepting the loss as a part of their patriotic duty to the Government.

Most of what I am saying needs no substantiation because it is still fresh in the minds of those who were of age at that time. But I wish to quote from Mr. Nathaniel R. Whitney, who has written a book entitled "Sale of War Bonds in Iowa." This book evidently was carefully prepared, since there are many footnotes which refer to the source of authority from which Mr. Whitney has drawn his information.

I quote from page 130:

If the individual protested that he was unable to pay for the bonds, the answer was, "the banks will enable you to do it." If he objected that the rate of interest he would have to pay the banks was higher than the rate on the bonds the retort was "the amount you lose in the way of interest is merely a tax which you can well afford to contribute to the Government in this period."

Again on page 142, he said:

It was reported that 20 of these returned soldiers and sailors called on one man who had bought only a hundred dollars' worth of bonds during the first four loan campaigns, but had scalped \$2,400 worth at from 80 to 96 cents on the dollar.

There were some who aggressively sought the opportunity to buy Liberty bonds at a discount. While I was at Camp Dix, N. J., I heard that there were certain scalpers who would buy these bonds and pay the soldiers cash, provided the bonds were sufficiently discounted, but most of the purchase of discounted bonds was by bankers.

I have no reason to believe that the bankers asked for the discount but rather I am inclined to believe that the people who were unable to hold these bonds asked the bankers to take the bonds off their hands and offered a liberal discount as an incentive. But no matter which way it happened the result was the same, and that result was more profits for the rich and greater burdens for the poor.

PROFITS FROM INSTALLMENT BUYING

Then again, not only did the financiers profit from double-interest rates, tax exemption, and discounted bonds, but they profited from the system of installment buying.

For example, let us say, Molly Smith, who was a stenographer, bought a \$50 bond, paid \$1 down, and was to pay \$1 a week for 49 weeks until the bond was paid for.

The Government asked the banks to help in the sale of these bonds and I wish to say that I believe most of the bankers deserve praise for the patriotic manner in which they assisted the Government, and what I say is not intended as sharp criticism of individuals, but the facts stand as a criticism of the system.

The Liberty Loan organization put great pressure on the banks to get their quotas in for their communities before the dead line. Therefore, the banker, in order to turn in his quota before the dead line, paid for Molly Smith's bond himself and looked to Molly Smith to finish the installment payments. But in order to make himself secure he purchased the bond in the name of the bank, or loaned Molly Smith \$49 and took the Liberty bond as security. All of which no doubt was done in good faith and in a spirit of patriotism.

Then something happened to change all of Molly Smith's plans and she stopped making payments on the bond. The result was Molly Smith lost the money she had paid down on the bond, and the bank profited by her loss.

In some cases kind family bankers protected their clients from loss of this kind, but in the excitement of the times there were many small bondholders who lost in this manner, and their loss was somebody else's gain.

PROFIT BY INFLATION

Then, again, not only did the financiers profit because of double interest, tax exemption, discount of bonds, and the installment-buying plan, but perhaps their greatest profits came because of inflation, which resulted in the Government borrowing 50-cent dollars and paying back 150-cent dollars.

Inflation always accompanies war, and deflation always follows war. Therefore a system of financing such as the one we used in the World War is made to order for Wall Street.

By the time the Government launched its borrowing campaign, inflation was in full swing. A dollar then would buy only half of what it would in normal times. Consequently the Government borrowed 50-cent dollars and with these 50-cent dollars was able to purchase only 50 cents' worth of materials. The war ended and the after-war slump came. Prices hit the bottom about the time these bonds were paid off, as the Government started calling them in 1932. A dollar then would buy at least 150 cents' worth of commodities.

Therefore the man who had loaned the most had profited the most. There was a tremendous profit of unearned increment for the Wall Street bankers as a result of our system of financing war. The small investor did not benefit by this because the bonds were out of his hands long before they came due.

When the call came for the boys to lay aside their businesses and leave their jobs and serve their country, they unhesitatingly responded, believing in their hearts that everybody in America was sharing in the sacrifice necessary to win the war.

The boy who had a job which paid him \$10 a day where he was safe and secure did not hesitate to take his place in the Army at a dollar a day and a chance to die, because he believed that everybody in the United States was ready to make similar sacrifices. He did not dream that there were those who would turn the war to profits for themselves.

The war cost America \$30,000,000,000. Only about 5 percent of that went to the pay of soldiers, and every soldier who served in the Army not only accepted the risk of physical danger but took an economic loss in order to serve his country. Every soldier took a financial loss by being in the service. The average loss to each soldier was \$2,500. I arrive at that by taking the average period of service at a dollar a day which the soldier received and comparing that with \$7 a day which he could have received at day labor had he stayed out of the service and accepted civilian pay.

But it is said that you cannot pay for patriotism. I agree—you cannot pay for patriotism, but because you cannot pay for it, there is no reason why you should penalize it.

We, as the soldiers of America, were willing to make an economic sacrifice. We were also willing to accept the physical dangers of war, but it shocked our patriotism when we came home and learned that 22,000 millionaires had been made out of a war that cost our buddies in blood and money.

Therefore the ex-service man has the full conviction that the Government should concern itself with a plan for financing war without profiteering.

Therefore, Mr. President, I indict the old system of financing war because it guarantees profiteering and thereby offers an incentive to war.

INDICTMENT NO. 2: I INDICT THE OLD SYSTEM OF FINANCING WAR BECAUSE IT AUGMENTS AND ACCELERATES INFLATION

In the first place, in order to sell the Liberty Loan bonds, the interest rates were increased over peacetime rates. Naturally, such a general increase in interest rates resulted in the increase of the cost of financing business, and this was immediately reflected in a rise in the general price level.

But the greatest cause of inflation was the great expansion of credit by a pyramiding process; that is, an individual would borrow money with which to buy a bond and then for the next bond issue he would borrow money on the first bond with which to buy his second bond, and then for the third bond issue he would borrow money on his second bond with which to buy the third bond, and so on until the result was a pyramid of bonds which had no actual security back of them.

The result of such a tremendous expansion of unsecured credit was immediate and uncontrolled inflation.

Such inflation threw the Government into a vicious upward spiral because each loan decreased the purchasing power of the money borrowed in the previous loan. This, of course, made it necessary for the Government to borrow more than would otherwise have been necessary. In other words, it prevented the Government from getting value received for its money. This, of course, resulted in big profits for the financiers and heavy taxes for the people.

Therefore this system of financing war should be replaced by a system which will give the Government some measure of control over inflation.

INDICTMENT NO. 3: I INDICT THE OLD SYSTEM OF FINANCING WAR BECAUSE IT MAKES THE RICH RICHER AND THE POOR POORER

War does not create wealth, but destroys it. Therefore, when some profit from war, others must suffer a double loss.

That means that we have an unjust system for financing war which places a premium on war and a penalty on peace

from the standpoint of the money lender, and thereby places a double burden upon the poor and average citizens who must pay this profit by the sweat of their brow, and upon the soldiers who must pay this profit in flesh and blood.

It was argued during the war that these pressure campaigns were a good thing because they forced our people to save. It is true that millions of poor people in their patriotic zeal bought these bonds.

But few were able to reap any benefits from such purchases. In the first place, the amounts that they were able to purchase were so small that if they had been able to keep the bonds until they matured, the profits to each individual would have been negligible and the amount saved would hardly have compensated for the sacrifice which was made in order to purchase the bonds.

But, as pointed out here before, these purchasers were not able to keep the bonds and they accordingly sold them, in most cases at a loss. Therefore the facts do not support the argument that all of these poor people were helped by the bond issues.

Furthermore, while the profit on each one of these small bonds was negligible, so far as each of these small purchasers was concerned, yet when all of these small bonds finally gravitated toward the hands of the big purchaser, the total of the small profits aggregated a tremendous profit for the big purchaser. Therefore this system makes the rich richer and the poor poorer.

INDICTMENT NO. 4: MR. PRESIDENT, I INDICT THE OLD SYSTEM OF FINANCING WAR AGAIN BECAUSE IT IS UNFAIR, UNJUST, AND UNSYSTEMATIC

There was no uniform method of determining how much each person should lend. There was no uniform system by which each person's ability to lend might be judged. There was no yardstick for gaging the financial ability of each individual to lend to the Government.

There were as many different standards of determining the amount that each individual should lend as there were different liberty-loan committees. It was left to each committee to determine how many dollars' worth of bonds, in the opinion of the committee, each individual should buy. The quota assigned to each individual was based generally upon guesswork. Sometimes the estimates placed by members of the committee were influenced by prejudice, particularly in the case of foreign-born citizens. A general state of excitement prevailed at the time because of the war and the estimates of the committees were influenced by their overwrought feelings.

Then, again, the individual who owned physical property which could not be hidden was at a disadvantage as compared to his wealthier neighbor who had investments in intangible assets.

Any method of raising money which depends upon patriotism, pressure, profit, haphazard guess, prejudiced estimate, or other arbitrary methods of determining the amount that each individual should lend is unfair, unjust, and unsystematic.

The old system of financing war is based upon caprice, hysteria, prejudice, enthusiasm, threats, and pressure of all description. Therefore it is bad, utterly bad.

Furthermore, when patriotism is used as a means of selling bonds the charitable, the emotional, and the patriotic are at a great disadvantage as compared to the cold-blooded, the business-minded, and the hard-hearted.

For example, old fathers and mothers who had already sent their sons to the Army were emotionally in a frame of mind which caused them to subscribe for bonds far out of proportion to their fair share, as compared to the businessman who had no sons in the service.

Furthermore, the romantic little stenographer who did not own a dollar's worth of property in the world, and had nothing but her slim weekly pay check, would subscribe for bonds far out of proportion to her fair share as compared to her employer who, by his training, was accustomed to discounting all emotional and patriotic appeals and making every decision on a cold-blooded business basis.

It is a well-known fact that the poor are, as a class, more charitable and certainly more emotional than the rich. Perhaps that is the reason they are poor and others are rich; but, be that as it may, the poor and the near poor, and even the middle class, contributed from their slim savings far out of proportion to their ability, as compared to that contributed by the wealthier class, and the pity of it was that instead of their sacrifice at the time resulting in a saving for them in the future it resulted in a loss because, as explained before, they were unable to hold the bonds and enjoy the fruits of their sacrifice, but sold them at a loss.

During one of the loan campaigns the Comptroller of the Currency announced that a roll of honor would be published of all those banks which subscribed for 5 percent or more of their total resources (p. 7, Official Bulletin, June 14, 1917). How does this compare to the subscription of an employee who does not have anything except his meager salary? Some banks, of course, subscribed more, but those who subscribed only 5 percent of their resources were placed on an honor roll.

Even though soldiers did not own a dollar's worth of property in the world, pressure was put upon them to buy bonds. I know this of my own experience, but quoting from Mr. Whitney's book, page 108, he says:

In the earlier loan drives it was customary to call upon all the soldiers to subscribe, payments on their bonds being deducted from their wages. Since the income which most of them received, however, was small, and in the majority of cases, deductions were made for war insurance and for allotments to be sent to dependents, it was decided by the Treasury Department in the third and following campaigns that soldiers should not be asked to subscribe. Of course, those who wished to do so and felt that they could afford it were permitted to buy bonds. (The Camp Dodger, April 20, 1918.)

During the third campaign, without any solicitation, the soldiers in Camp Dodge bought about \$65,000 worth of the bonds. (The Camp Dodger, May 3, 1918.)

It would have been interesting to know how many dollars' worth of those bonds were in the hands of the soldiers when they were paid, and how many dollars' worth gravitated toward the financial centers.

It would also be interesting to know what percent of the net worth of each one of those soldiers their purchase represented, as compared with the 5 percent required of the banks.

Quoting again from the same book, page 111:

The Chamber of Commerce of the United States during the first campaign urged that all employers of labor should see that the need and desirability of subscribing for bonds was impressed upon their employees. It also suggested that employees should be encouraged to make subscriptions on the installment plan, the payments being taken out of their wages.

While it may not have been general, yet there was a feeling among the people of moderate means that they were buying more bonds than the wealthier class in proportion to their ability to pay. Let me quote again from the same book, page 117:

In this campaign, the excuse, "I have already done my share and more in the first four loans," was frequently heard. Furthermore, it is interesting to note the extent to which the prevailing industrial discontent and social unrest had spread since the fourth loan. Solicitors more frequently encountered such excuses as "Let the rich buy the bonds; they are the ones who have profited by the war; the wage earners and the poor have been the chief sufferers in this war."

Then again, Mr. Whitney says, on page 122:

Cards or slips were inserted in pay envelopes;

This, of course, certainly amounted to pressure to force the wage earner to subscribe to bonds with no regard as to his financial ability to buy bonds, as compared to the employer who inserted the slips in the pay envelopes.

Quoting again from Mr. Whitney, page 128:

Third, committees were appointed to determine what constituted a fair subscription using, perhaps, taxable property or income as a basis; and fourth, definite assessments of the amounts to be subscribed were made. * * * Often, indeed, he resented the method and felt that he was treated unfairly but rarely would he risk the public condemnation which could be so easily aroused against him by refusing to subscribe.

Further providing the point that the quotas allotted to individuals in many cases were not in proportion to their ability to lend, I quote again from Mr. Whitney on page 133:

Relief-giving agencies sometimes testified that they had been compelled to increase their grants because of lessened assistance to families from relatives and friends who were buying Liberty bonds or because of the lowering of the standard of living when a family was forced to buy bonds out of an insufficient income. Men and women of small incomes sometimes reported that they were falling in arrears because of the deductions from their salaries on account of Liberty Loans.

Sometimes quotas were assigned to people in groups which made the allotments very unfair. For example, a certain quota of savings stamps would be assigned to a school, and each pupil would be required to solicit the quota assigned to each home. Let me read again from Mr. Whitney's book; on page 132 he says:

Furthermore, not all children in the public schools came from homes where there was sufficient money available for the frequent purchase of War Savings Stamps, and the excessive pressure applied in certain schools had unfortunate results.

Then again, on page 134, he says:

In the schools the spirit of competition that was aroused among the children and the methods which were used to force subscriptions in some cases resulted in driving some of the poorer children who were unable to buy out of the schools because of the gibes of the other pupils and the efforts made by the teachers to compel them to subscribe. Sometimes children refused to go to school unless they had money from their parents to purchase thrift stamps or to make payments on bonds; all this without regard for the fact that the parents themselves were subject to the same sort of pressure from their employers and their neighbors (pp. 886-889, Survey, March 22, 1919.)

Further proving the point that assessments or quotas were assigned to everybody within a certain group and that such assessments were without rhyme or reason or justice, I read further from page 133 of Mr. Whitney's book:

The New York Consumers' League investigated women's wages and living costs in New York and Brooklyn and found considerable fault with the indiscriminate exertion of pressure on employees to subscribe for bonds. One girl, who was getting \$12 a week in a department store and lived in one of the subsidized homes of the city in order to make her wage suffice, was threatened with discharge if she refused to subscribe for a bond. She purchased a bond and in order to meet the payments on it had to supplement her earnings by sewing in the evenings, working until 12 and 1 o'clock at night after standing all day at her counter. Another girl paid a dollar a week from her \$8 wage for a bond. In order to do so she lived in a cheap quarter of the city in a room costing \$1.50 a week.

Multiply these by thousands of instances like them and you must conclude that such a system of raising money is unfair and unjust.

INDICTMENT NO. 5: FURTHER, I INDICT THE OLD SYSTEM OF FINANCING WAR AS A VIOLATION OF CIVIL LIBERTIES BECAUSE IT ENCOURAGES THE USE OF EXTRALEGAL, COERCIVE, AND DICTATORIAL METHODS IN THE SALE OF BONDS

Coercion, intimidation, and threats were frequently used in order to sell bonds during the World War. Kangaroo courts were established and strong-arm committees used extralegal methods to force people to buy bonds in amounts which had been arbitrarily determined. These strong-arm methods of selling bonds depended upon war-inflamed passions of the people for their support.

The newspapers and magazines were filled with stories of sabotage and stories of spies and enemy agents in this country. Mob psychology ruled almost every public meeting and patriotism was heated to white pitch. Public opinion supported the loan committees in their decisions, no matter how drastic.

Injustices and inequalities were justified in the minds of the people on the grounds that it was war. If an individual disagreed with the committee on whether or not he was able to subscribe for bonds, he was looked upon as being unpatriotic. He was branded "a slacker" and held up to public indignities.

Coercion in different forms and degrees was used by these high-pressure committees. Threats implied and expressed were used freely.

The Treasury Department depended largely upon the banks throughout the country to sell the first bond issue. Let me quote again from Mr. Whitney's book, page 24:

Just as voluntary buying of Liberty bonds was rapidly superseded by what amounted to compulsory subscription, so the subscription for Treasury certificates became compulsory for the banks. * * * In anticipation of the Third Liberty Loan, however, instead of relying on voluntary subscriptions, the Secretary of the Treasury urged a uniform proportionate contribution of 1 percent of its gross resources from every national bank, State bank, and trust company, to be set aside weekly for investment in these certificates.

Again on page 86 of Mr. Whitney's book, he said:

Not all of the banks were willing to cooperate, and some of them had to be forced into line. Various methods were used to compel those who hung back to do their share.

Continuing on page 87:

Moreover, considerable indirect pressure was brought to bear on the banks; those which failed to give every assistance possible in floating the loans were given to understand that they might be denied any help in time of need from the Reserve banks or from their fellow bankers and the reluctant banks feared that if their names should appear on a list as having failed to subscribe they would undoubtedly lose greatly in prestige and in business in their community. On November 24, 1917, Mr. Kneath, the Federal Reserve chairman of the Iowa Liberty Loan Committee, sent a list of the total subscriptions received through the various banks in each county to the county chairmen with instructions that they have the list printed in their local papers and kept on hand for future reference. The purpose, of course, was to "show up" the banks that had not sent in any subscriptions or had sent in what were considered inadequate subscriptions.

This same system of pressure was applied to banks all over the United States. Not only was pressure used on the bankers but it was used even to a greater degree in other fields.

There were many instances where employers announced to their employees that they were expected to do their duty and their duty was the quota prescribed by a committee. This, of course, was an indirect threat of the loss of employment.

The passions of the people were so inflamed that a rumor of pro-German sympathy, even though it may have been untrue, caused them to resort to extreme methods of forcing the purchase of bonds. According to a writer in the *Atlantic Monthly* (vol. CXXIII, pp. 99-105) this pressure became so severe in Wisconsin as to merit the term "Prussianization." In Iowa the editor of the *Iowa Homestead*, August 22, 1918, spoke of the campaign period as a "reign of terror." On a later date *The New Republic*, March 29, 1919, described the means of pressure used in Iowa under the title "Borrowing With a Club."

In most cases the pressure to subscribe, backed by the fear of public opinion, caused most individuals to subscribe without hesitation. The kangaroo-court methods were even worse than the methods to which I have already referred. Again quoting from Mr. Whitney's book, page 134, he says:

These (kangaroo courts) were given various names, such as the "Incognito Military Court" of Sioux City, organized during the third loan campaign, and the "Loyalty Court," in Cedar Rapids, during the fourth loan campaign, but in most communities they were known as slacker courts or simply courts. In organization they ranged all the way from one or two men to a group of 10 or more, and their methods varied from amicable conference to the use of legal terms and pseudo-legal forms of procedure. (Liberty Loan Courts in History of War Activities in Scott County, Iowa, pp. 60-62).

A good idea of the organization and methods of these courts can be obtained from a speech entitled "Recruiting," made by Emmet Tinley in 1918. (Proceedings of the Iowa State Bar Association, vol. 24, 1918, pp. 127-137.) Mr. Tinley described the court at Council Bluffs, of which he was a member. It was composed of 10 men. * * * A special form of summons was made use of and, according to Mr. Tinley, out of 400 summoned not one failed to appear.

Those who were summoned were ordered to bring with them a statement of all property and debts. The members of this court asserted complete and final jurisdiction, though they relied to a large extent upon persuasion and explanation. Mr. Tinley described the methods in the following words:

"For instance, you may have before you a slacker engaged in mercantile business and enjoying real prosperity. He perhaps may be defiant and arbitrarily contend that the purchase of \$200 of

bonds is his full share when you feel he should have taken 10 times that amount. Just show him the picture of a real patriot; a widow whose only son is in the Army and who now washes for a living in order that she may use the allotment she receives to help pay for \$500 of her Government's bonds. Then ask his permission to take his picture and the picture of his store and his automobiles and his home in order that you may present the contrast at the next patriotic meeting, by throwing the pictures of the two characters on the screen with appropriate inscriptions. It is surprising how quickly he will see the light."

Then again, an unofficial court was established in Waterloo, Iowa, as an adjunct of the Service League, with F. C. Platt as judge. Quoting again from Mr. Whitney's book, page 138:

The proceedings were carried on very much as in a formal trial, and it was said that in all but three of the many hundreds of cases disposed of, the judgment of the court was carried out. In most of the cases before the court all that was needed was "a little explanation of an educational nature." If persons under investigation failed to appear when notified the sheriff is said to have served notice upon them, and if they then failed he brought them in and the costs were levied upon them. Apparently the power of the sheriff to compel them to appear before an extralegal court of this sort was not questioned.

In addition to kangaroo-court methods of coercion, the committees resorted to the use of boycott. Quoting again from Mr. Whitney's book, page 140:

James M. Pierce described an incident which occurred in a northern Iowa town where a family which had refused to subscribe for bonds was said to have been boycotted. Cattle they had ready to ship were driven out of the local stockyards and scattered throughout the country. Local banks in which they were stockholders forced them to sell their shares. A yellow monument was erected in the center of the town with the names of all the members of the family inscribed on it. Threats were said to have been made to burn their house and barn (*Iowa Homestead*, August 22, 1918).

Mr. President, I have quoted extensively from Mr. Whitney's book, which deals specifically with Iowa, but what was true in Iowa was true in every State of the Union. Most every person who is old enough can remember incidents similar to the ones to which I have referred, which make it unnecessary to accumulate further evidence to prove that the old method of financing war allows of extralegal, coercive, and dictatorial methods, which depend upon threats, pressure, and intimidation for success.

INDICTMENT NO. 6: THEN AGAIN, MR. PRESIDENT, I INDICT THE OLD METHOD OF FINANCING WAR AS BEING CLUMSY, WASTEFUL, AND INEFFICIENT

It depends upon high-pressure methods of salesmanship. It is not a system, but a hit-and-miss method of raising money by flamboyant fanfare. Using the World War as an example, there was great duplication of effort, overlapping of territory, and lack of concentrated energies. In most cases, it depended upon voluntary help, which was sporadic and spasmodic, according to the temper of the time.

Before the war finished the Liberty loan campaigns finally did settle down to some degree of organization, but only after enough undirected energy had been wasted to have accomplished the entire job.

CAMPAIGN WAS EXPENSIVE

If it were possible to total up the entire cost of the Liberty-loan campaigns, it would be a staggering amount. If we were able to add up all of the time which was contributed by the great army of workers and add to that the amount of money donated by the local committees; then if we could add to that the cost of the artists' talent which was donated; then if we could total up the cost of the services of entertainers, singers, actresses, and so forth, the figure would be appalling.

But because it was donated we figure it did not cost anything, but it did cost something. Not only did the people of the United States respond to the call to purchase Liberty bonds in a patriotic manner but they gave of their time and money to the campaign itself. Most of them were generous to the point of sacrifice in order to make that campaign successful.

Mr. President, I wish to pause long enough in my argument at this point to pay high tribute to the great patriots whose efforts brought success to the Liberty-bond campaign. Except for their courage and unflinching efforts, such a gigantic

task never could have been accomplished. In fact, there were many sensible and patriotic citizens who did not believe it could be done, but great men like Secretary of the Treasury William G. McAdoo and CARTER GLASS said that it could be done. To their aid came one of the greatest armies of patriotic workers ever assembled. To their aid came great actors, like Mary Pickford and Charlie Chaplin. To their aid came great industrial and financial leaders. To their aid came the rank-and-file citizens of America and accomplished the seemingly impossible. Therefore, I pause in my argument to pay tribute to them for the successful accomplishment of that Herculean task.

But in spite of the fact that it was a noble accomplishment, it does not change the fact that it was accomplished at great waste and loss of energy, not because of the men and women who gave their services but for the want of a system.

Under the direction of men and women of lesser courage, patriotism, and ability, it could not have been accomplished at all, because it is a disjointed, unsystematic, illogical method of raising money.

Cards advertising the loan appeared in street cars in 3,200 cities and towns. These cards were furnished without cost to the Government. Also electric signboards were furnished free of charge. Free advertisements were contributed on 5,000 metal billboards, and also without cost to the Government. There appeared before millions of persons every day on the screens of motion-picture houses the exhortation, "Buy a Liberty bond."

Now, in addition to all the time and energy and material and services and money that was donated by the millions of patriots in order to sell the bonds, let us consider some of the concrete expenses which were not absorbed by donation.

One of the features which most of us remember of those campaigns was the lavish use of posters and placards. Uncle Sam or the Goddess of Liberty stared at us from every window and billboard.

In the first loan drive, it was the expressed intention to have one or more of such posters in every bank and shop window in the United States. In addition two full-size display sheets were prepared for 11,000 billboards.

Every railway and streetcar station was papered with posters. The Treasury Department, for the second campaign, awarded contracts for 4,000,000 posters in 8 designs and 500,000 window cards of one design. These designs were selected from more than 150 sketches submitted in competition. (Official bulletin, September 5, 1917, p. 2.)

Then during the third loan drive, seven tons of mail matter advertising the Liberty Loan were sent out daily, including Sundays, for distribution in the Seventh Federal Reserve district alone—seven tons daily, including Sunday, for the Seventh Federal Reserve district alone. One poster for every 25 persons was displayed in streetcars, office buildings, and other public places.

More than one piece of Liberty Loan advertising matter for every man, woman, and child in the United States was sent out during the campaign.

It was estimated that during this campaign, 7,000,000 posters, 42,000,000 poster stamps, 5,000,000 motor windshield posters, 5,000,000 Boy Scout folders, 12,000,000 farmers' circulars, 12,000,000 buttons, 8,000,000 Liberty Loan primers, 300,000 Boy Scout primers, 2,000,000 source books, and about 10,000,000 miscellaneous items were distributed. (Weekly Press Matter, Treasury Department, Bureau of Publicity, No. 61, September 18, 1918.)

Now I wish to read from the Secretary of the Treasury Report on the Expenses of the Campaign, which, of course, includes only such expenses as were not donated.

First Liberty Loan: For publicity only.....	\$274, 154. 98
Second Liberty Loan: For publicity only.....	536, 521. 58
Third Liberty Loan: For publicity only.....	1, 698, 748. 61
Fourth Liberty Loan: For publicity only.....	2, 449, 855. 05
Fifth Victory Loan: For publicity only.....	3, 593, 748. 54

Grand total cost of publicity only for 5 Liberty	
Loan drives.....	8, 553, 028. 76

This figure of \$8,553,028.76 represents the cost of publicity alone in the Liberty-bond campaigns. Now let us examine the entire cost of these campaigns, including all items of expense to the Government, but not including, of course, money, services, and materials which were donated:

First Liberty Loan campaign expenditures.....	\$3, 061, 824. 98
Second Liberty Loan campaign expenditures.....	6, 306, 962. 53
Third Liberty Loan campaign expenditures.....	10, 722, 414. 77
Fourth Liberty Loan campaign expenditures.....	13, 757, 817. 13
Fifth Victory Loan campaign expenditures.....	11, 999, 890. 72

Grand total expenditures for all 5 Liberty	
Loan campaigns.....	45, 848, 910. 13

It is not my intention in listing these expenditures to criticize the amount of the expenditure. It appears to be very modest when we consider the task which was accomplished. However, if we could total up the amounts of energy, material, and services which were donated and add them to this figure, it would make an impressive expenditure.

But I do want to center attention on the fact that the voluntary system of financing war requires a considerable outlay of money in addition to a vast amount of lost motion and duplication of effort.

INDICTMENT NO. 7: FURTHERMORE, MR. PRESIDENT, I INDICT THE OLD METHOD OF FINANCING WAR BY THE VOLUNTARY SALE OF BONDS BECAUSE IT BREAKS DOWN WHEN IT IS MOST NEEDED

To prevent profiteering and to prevent injustices during wartime is very desirable, but the most important objective of all is to win the war. Everything else must be of secondary consideration to the objective of winning the war.

When a nation goes to war, it proceeds on the general assumption that if it loses the war it loses everything. Therefore it must win the war at all costs. To win the war is of primary importance.

Two things are necessary to win a war—men and money. If you are able to provide the men but unable to provide the money, you cannot win the war.

A government must be able to supply its own needs. If we were able to provide an army of 10,000,000 fighting men and were unable to arm, clothe, and feed them, we would be as defenseless as the Chinese are today. China has the largest population in the world, and from the standpoint of manpower could mobilize the greatest army in the world, but she is unable to arm and equip that army. Therefore she is at the utter mercy of a much smaller nation.

The power is written into our Constitution "to provide for the common defense." This means that our Government has power to supply its needs in times of war. It means that our Government has the inherent and constitutional power to mobilize every man, woman, and child for national defense. It means that our Government has the power to commandeer all industrial and natural resources; that it has power to utilize every dollar of the Nation's wealth for the national defense if necessary.

In other words, because it is assumed that if the Nation loses the war, it loses everything, the Government is therefore empowered to use everything to win the war.

VOLUNTARY METHOD UNRELIABLE

We learned a long time ago that the voluntary method of raising an army was inefficient, unreliable, and altogether unsatisfactory.

Furthermore, we learned that the voluntary system was unfair since it allowed those of colder and more calculating nature to shirk their fair share of the responsibilities of a citizen.

But most important of all, we learned that the voluntary system did not supply the Government with a constant stream of men as they were needed. It resulted in more volunteers than were needed for the first calls but not enough for the later calls. Therefore, the United States abandoned the voluntary method of raising an army and adopted the better method of a selective draft.

Looking back through the CONGRESSIONAL RECORD when the bill for the selective draft was pending before Congress, I find that the very same arguments were made then in support of the voluntary system of raising an army as are now

being made in support of the voluntary system of raising money.

The experience of the World War showed beyond any reasonable argument that the selective draft method is superior to the voluntary method of raising an army.

The voluntary method of raising money is unreliable because it relies upon ballyhoo and emotional appeal for its success. It is well known that as a general rule the richer a man is, the less he is affected by emotional appeal. Whether it is the cause or the effect makes no difference but the fact remains, as a general rule, that a man's sales resistance increases in direct ratio to his bank account.

It is a well-known fact that millions of poor people in America made heartbreaking sacrifices during the war in order to contribute financially what they considered was their share to win the war, but the purchase of bonds on the part of the very wealthy class was not made because of an overwhelming surge of patriotism, but those purchases were made from a cool, calculating business standpoint and such purchases involved no sacrifice whatever on the part of the ultrarich. On the contrary, they added to their already swollen fortunes.

When the announcement was made that one individual, for example, had purchased a million dollars' worth of bonds, or \$5,000,000 worth of bonds, a feeling of appreciation swept over the country and people in their hearts applauded what seemed to be a patriotic act on the part of the purchaser. But did the purchaser forego a meal? Did he forego needed clothes or even a pleasure in order that he might purchase a million or \$5,000,000 worth of bonds? Not likely.

Therefore, we had the poor who were motivated by emotional appeal making actual sacrifices in order to raise money for the war, and the rich who were motivated by business judgment increasing their fortunes by the purchase of war bonds.

Thousands of emotional people subscribed for bonds which they were unable to buy. They overestimated their ability because they were overwrought by emotional appeals. They were subscribing for bonds in amounts which they would like to be able to buy but which they actually could not and did not buy.

Therefore, a system of financing based on emotional appeal is too unreliable to depend upon during a national emergency.

Governments which have depended upon the voluntary system of financing war have found that the voluntary system breaks down right when money is most needed.

The governments then turn to the printing presses for money, with the disastrous results which always follow the issuance of fiat money.

This has been done in nations where the financial resources had not been exhausted but had simply hidden out, as they always do in time of war, and, further, because those governments had no legislative machinery for reaching the capital resources in a systematic and equitable manner. History is replete with the stories of governments which broke down within before the armies gave way on the front.

The worthless Confederate currency of the South and the depreciated "greenbacks" of the North are ample evidence of the desperate efforts which those two Governments made in order to continue fighting after the voluntary system of financing had broken down.

The United States was not in the World War very long compared to the total length of the war. Furthermore, our Nation was not in danger of attack, and we were never in doubt as to the final result. Yet under these most favorable conditions the voluntary system of financing was breaking down.

It became increasingly more difficult to raise money, as the committees who put on the Liberty Bond drives will testify. But we are now told by those who defend the old voluntary system that the bond issues were all oversubscribed, which statement is correct but very misleading.

Perhaps in your imagination you see a man at a desk handing out the bonds just as fast as he and his helpers can

hand them out, and perhaps you imagine a crowded room with men tiptoeing and waving check books and shouting bids for so many dollars' worth of bonds. And then, perhaps, you see the Secretary of the Treasury close the door while these patriotic millionaires are still begging for a chance to buy more bonds.

But that was not the case. The true picture is that in every nook and corner of the United States we had high-pressure committees going to people's places of business, going to their homes, going to public meetings, and using all of the modern methods of salesmanship in order to sell their quota of bonds.

We had strong-arm committees and kangaroo courts threatening and intimidating people to force them to buy what was said to be their quota of bonds.

The Government spent eight and a half million dollars on advertising alone in order to sell those bonds. The Government spent a total of \$45,848,000 in order to sell those bonds. It used 2,000,000 feet of moving-picture films and thousands of tons of printed advertising materials.

The most colossal campaign of propaganda that was ever launched in the history of the world was launched in order to sell those bonds.

Millions of colorful billboards were plastered all over the United States. Heartbreaking scenes appeared everywhere you turned. Uncle Sam pointed his finger toward you no matter where you looked. The Statue of Liberty with blazing eyes shouted to you to buy bonds. Pictures of broken and bleeding soldiers pled with you to buy bonds. Pictures of babies with tiny uplifted hands pled for you to buy bonds.

A captured submarine was brought into different parts of the United States and trainloads of captured war paraphernalia made tours all over the United States in order to dramatize that campaign.

Boy Scouts, 4-minute speakers, beautiful girls, torchlight parades, and bonfires were all used to create enthusiasm in order to sell those bonds.

Famous people climbed flagpoles and fire ladders in order to whip up the excitement. Ministers were asked to plead from their pulpits, which thousands of them did. Images of the Kaiser and the Crown Prince were burned in effigy, and troops of wounded and disabled soldiers made tours through the country, pleading with the people to buy bonds.

In other words, after staging the most gigantic selling campaign in the history of the world, we were able to oversubscribe the bonds.

Now let us look at the amount of oversubscription. The First Liberty Loan was oversubscribed 52 percent, the Second 54 percent, the Third 39 percent, the Fourth 16½ percent, and the Fifth Victory Loan, was oversubscribed 16½ percent. In other words, with all of the pressure and emotional appeal which the genius of America could create, the oversubscription slumped from 52 percent to 16½ percent.

How much longer do you think we could have kept up that high-pressure campaign? Yet even with that pressure the oversubscription decreased from 52 percent to 16½ percent.

But that is only half of the story. Now let us look at the rising interest rates which it was necessary for the Government to pay in order to coax enough money out of hiding to continue the war. The ultrarich did not buy bonds as a result of these emotional appeals, but they bought from a purely business standpoint. Therefore, while the enthusiasm for buying bonds was continually going down, the interest rate was going up. In other words, it was necessary to increase the interest rate for each bond issue in order to make a more attractive business proposition.

The first bond issue bore 3½-percent interest, the next 4 percent, the next 4¼ percent, and the last 4¾ percent, and if the war had continued long enough, judging from history, we would have reached the point where the Government could not have borrowed money at any rate of interest. Then we would have turned to the printing presses and destroyed ourselves, all for the lack of an efficient system for reaching the wealth which is in this country.

Financial resources have been referred to as the sinews of war. At least, we know that two things are essential to win a war. They are men and money. If we are able to supply the one but not the other, we are defenseless. In case of war, the United States should be able to supply these two essentials of war in a constant, unending stream. Therefore, the Government should have equal power to raise money as that granted to raise men.

But during the last war the Government raised an army by compulsory draft laws and raised money by public begging. Although the stream of men flowing into the Army was not diminished as the war proceeded, yet it was very evident from the facts which I have just submitted that the voluntary method of raising money was breaking down.

Had the war proceeded to the point where it would have been impossible for the Government to raise money by the voluntary system, we then would have been in the inconsistent position of a nation with adequate wealth but without the systematic machinery for reaching that wealth while we had operating a perfectly working draft system for supplying manpower.

In other words, we would have had a great Army but would have been unable to supply it with ammunition, food, clothes, or transportation, not because there was not enough wealth in our country, but because we were depending upon the unreliable method of raising money by voluntary subscription.

INDICTMENT NO. 8: THEN AGAIN I INDICT THE OLD VOLUNTARY METHOD OF FINANCING WAR AS BEING INCONSISTENT WITH A SYSTEM OF DRAFTING MEN

The Constitution says—and I quote:

Congress shall have power to raise and support an Army.

Here are two grants of authority connected by a conjunction. One says Congress has power to raise an Army; the other says Congress has power to support an Army. They are coexistent. The grant of authority is equal in force.

But during the World War, Congress exercised only one of these powers; that is, the one to raise an army. And, accordingly, Congress raised an army of 3,000,000 men, but it was necessary to feed that army and clothe that army and provide the transportation and equipment and munitions for that army. But Congress did not exercise the power granted in the Constitution to provide the money for supporting that army. The Government depended rather upon the voluntary method of raising money.

The language of the Constitution is simple and straightforward. It says in part as follows:

Congress shall have power * * * to raise and support an army * * * and to make all laws which will be necessary and proper to carry into execution the foregoing powers.

There is the explicit grant of constitutional authority for legislation to finance war.

During the last war, the Government raised an army of men by compulsory draft laws and supported that army by voluntary appeals for money.

It raised an army by force and supported it by solicitation.

It raised an army by coercion and supported it by persuasion.

It raised an army by command and supported it by entreaty.

It raised an army by order and supported it by supplication.

It raised an army by law and supported it by grace.

The Government drafted men and begged for money.

To me it is unthinkable that Congress has the power to raise an army of men by compulsion and does not have the power to raise finances by the same compulsion. The power to raise an army and the power to support an army are, in my opinion, coexistent. The one cannot exist without the other. Of what effect is an army without ammunition? Without guns? Without hand grenades? Without transportation? Without food?

In the last war the power exerted to draft men was mandatory. The power to raise money was volitional. We raised the army by mandate and fed it by volition. What an inconsistency.

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The power to equip, feed, clothe, and support an army and the power to raise an army are inseparable ingredients of war and the power to feed, clothe, and equip an army means the power to raise money in a manner as equally mandatory as the manner used to call men to the colors.

In my opinion, it is almost unthinkable that the United States, the richest Nation on the face of the earth, a Nation worth over \$350,000,000,000, should be embarrassed during a national crisis for the want of enough money to defend its boundaries against the aggression of a foreign foe.

To me it is almost unthinkable that a government which has power to draft a man and send him to his death in the front-line trenches must stage a flamboyant circus at home in order to raise enough money to buy the genuine uses.

During the darkest days of the Civil War, Abraham Lincoln went to New York to raise more money to feed and clothe and arm the soldiers. He saw that the bankers were holding out for better terms. He stood up with the fire flashing from his eyes. He said:

I can draft a widow's only son. I can take her only means of support from between the plow handles and place him at the front of the battle where his life will not last 6 minutes. But I cannot lay my hands on enough money to pay for the food he eats before he is shot.

It was true in the Civil War, it was true in the World War, and unless we do something about it now it would be true in case of another war.

HISTORY OF PLAN TO DRAFT USE OF CAPITAL IN CASE OF WAR

Mr. President, having decided that the voluntary method of financing war is not satisfactory, the next question is what plan should we adopt? In the consideration of a plan for mobilizing the financial resources of the Nation, I believe we should devote our attention to broad and general principles, before we concern ourselves with details. Because if a majority of the Members of Congress can agree upon the general principles of a plan, there will be little difficulty in working out the details.

In casting about for a proposal, let us consider the recommendations of the soldiers who fought in the World War.

That war taught us that the only fair, just, and democratic way to raise an army is by a selective draft of manpower, and by the same token we believe that the only fair, just, and efficient way to finance war is by a universal draft of capital.

The first national American Legion convention that adopted a resolution referring to the conscription of wealth was at Kansas City, Mo., in 1921. That convention recommended the appointment of a national committee to study:

The question of universal draft in time of national emergency of all persons capable of military and industrial service, together with the universal draft of land, material, plants, and capital suitable for preparation and prosecution of war.

So definite were the ex-service men in their announcements for such legislation that Congressman Royal C. Johnson, of South Dakota, who introduced the bill in Congress that created the American Legion, also introduced on September 21, 1922, a proposed amendment to the Constitution of the United States, providing as follows:

That in the event of a declaration of war by the United States of America against any foreign government or other common enemy the Congress shall provide for the conscription of every citizen and of all money, industries, and property of whatsoever nature necessary to the prosecution thereof, and shall limit the profits for the use of such moneys, industries, and property.

This was the first effort to secure legislation to draft money in case of war. It was adopted by the American Legion convention in New Orleans, October 16, 1922. From that time on until 1930, Congressman Johnson continued to reintroduce it. The Senator from Kansas Mr. [CAPPER], introduced a similar bill in the Senate. This bill was originated by those who first organized the American Legion, and the language of this bill is very plain. It says:

The Congress shall provide for the conscription of every citizen and of all money.

This was not to be the statute, but the enabling act under which the law was subsequently to have been passed. Some

thought it was necessary to have an amendment to the Constitution, granting the power to thus draft capital in case of war. But the point I want you to bear in mind is that the American Legion has been committed to the proposition of drafting money in case of war from its very organization, and that the same man who introduced the bill which provided for the organization of the American Legion was also the man who introduced the proposed constitutional amendment which was adopted by the American Legion in its national convention, and that that amendment called for the conscription of money and limitation of profits for the use of such moneys. There was no intention to confiscate the money thus drafted, but to—

Limit the profits for the use of such moneys.

In 1929, the convention met at Louisville, Ky., and adopted the following resolution:

Whereas the American Legion has, since its first caucus in 1919, advocated the universal conscription in time of war of all of the resources of the Nation, including capital, etc.: Therefore, be it resolved—

Let me emphasize the language of that resolution. Notice the phrase "including capital." The American Legion favors—

The universal conscription in time of war of all of the resources of the Nation, including capital.

Then again, at the national convention which met at Miami, Fla., in 1934, the American Legion adopted the following resolution:

Whereas constantly since its organization the American Legion has presented to the Congress of the United States a plan providing for the universal draft and conscription of capital, industry, and manpower in the event of war, etc. * * *: Therefore, be it resolved—

Again let me repeat the language of that resolution. The American Legion favors the—

Plan providing for a universal draft and the conscription of capital.

No one can misunderstand that language. In 1936 the American Legion met at Cleveland, Ohio, and adopted the following resolution:

Whereas the American Legion has continuously since its organization advocated a universal service act providing for the draft of capital, industry, etc. * * *: Therefore, be it resolved—

Here again I call to your attention the unmistakable language of the resolution adopted by the American Legion in its national convention favoring draft of capital in case of war.

In all the other national conventions similar resolutions have been adopted. Therefore, the American Legion as an organization is unequivocally committed to the proposition of drafting money in case of war.

OTHER EX-SERVICE ORGANIZATIONS FAVOR DRAFT OF WEALTH

At the 1936 encampment of the Veterans of Foreign Wars they adopted the following resolution:

Resolved, That the Thirty-seventh National Encampment, Veterans of Foreign Wars of the United States, demand a universal conscription law to be enacted by Congress as a preventive of war which shall draft wealth and industry without profit and on the same basis as manpower in the event of war; and be it further

Resolved by this encampment, That the Veterans of Foreign Wars of the United States continue to demand a policy of "profit for none" in connection with this Nation's possible future participation in war.

At the last national convention of the Veterans of Foreign Wars a resolution was adopted calling for legislation that in case of war would draft money as well as men. I wish to read that resolution:

Whereas in the event of unwanted war the wealth of the Nation should be just as much subject to conscription and mobilization as its manpower; and

Whereas under the provisions of S. 2911 introduced by the Honorable JOSH LEE, a graduated proportionate part of the wealth of every resident would in the event of war, be subject to conscription, by requiring the purchase of taxable Government bonds, paying interest of not more than 1 percent per annum, which would effectively and equitably draft the use of money and credit, thus speed-

ing up the successful prosecution of any such war: Now, therefore, be it

Resolved by this Thirty-eighth National Encampment of the Veterans of Foreign Wars of the United States, That we vigorously advocate and press for the enactment of S. 2911 effectively to provide for the conscription of wealth in the event of war.

Therefore, it is evident from these resolutions that the ex-service men favor raising money for financing a war by methods which are as equally compulsory as those used to raise an army of men.

Not only have the veterans expressed themselves as favoring a compulsory draft of capital in case of war, but both political parties are on record as favoring that method of financing a war.

The Democratic Party platform of 1924 included this statement:

War is a relic of barbarism and it is justifiable only as a measure of defense.

In the event of war in which the manpower of the Nation is drafted, all other resources shall likewise be drafted. This will tend to discourage war by depriving it of its profits.

The platform of the Republican Party for 1924 included this statement:

We believe that in time of war the Nation should draft for its defense not only its citizens but also every resource which may contribute to success. The country demands that should the United States ever again be called upon to defend itself by arms the President is empowered to draft such material resources and such services as may be required, and to stabilize the prices of services and essential commodities, whether utilized in actional warfare or private activity.

Then President Roosevelt in a message to Congress on January 28, 1938, recommended legislation—

Aimed at the prevention of profiteering in time of war and the equalization of the burdens of possible war.

Therefore, in response to this oft-repeated demand for legislation to draft money in case of war, I prepared and introduced in the Senate on the 22d day of July 1937—

A bill (S. 2911) to promote peace and the national defense through a more equal distribution of the burdens of war by drafting the use of money according to ability to lend to the Government.

This bill was referred to the Senate Committee on Military Affairs and a subcommittee was appointed to hold hearings. Accordingly, hearings were held between the dates of February 23 and March 3, 1938. The bill was favorably reported to the Committee on Military Affairs which reported the bill to the Senate, where it remained on the calendar until the end of that session.

The bill was reintroduced in the first session of the Seventy-sixth Congress under the number of S. 1650, and was placed on the calendar.

A minority report was made by the Senator from New Hampshire [Mr. BRIDGES], the Senator from Vermont [Mr. AUSTIN], and the Senator from South Dakota [Mr. GURNEY].

The plan for drafting capital which is provided in S. 1650 was written and introduced as an answer to that demand. For 20 years the soldiers have been asking for legislation to draft capital in case of war, and in all of that time no other plan for drafting capital has been presented to Congress.

There are people who say, "I favor the principle, but I do not like this particular method of doing it," when the truth is they are actually against the plan itself.

The two largest ex-service organizations have advocated legislation drafting capital in case of war. The two major political parties have in their platforms committed themselves to the principle of drafting capital in case of war, but in all of the time that has expired since the World War, no plan has been submitted to Congress for drafting capital except this bill S. 1650.

Most Members of Congress some time or other have expressed themselves as being in favor of drafting capital as well as men, and as long as the proposition is expressed in general language, it will have almost universal support, but when we undertake to reduce it to the concrete terms of a specific bill we lose the support of many who profess loyalty

to the proposition as long as it is expressed in general, abstract terms.

Therefore I believe we should undertake to agree upon the fundamental principles involved here before we debate the terms of the bill. Therefore I propose that we should determine the following general principles before we concern ourselves with the details.

First. Should the money be raised by taxation or loan?

Second. Should it be a mandatory or a voluntary method?

Third. Should the amount provided by each individual be determined by himself or by a schedule?

Fourth. Which provides a better basis for financing war, income or net wealth?

We cannot use income as the sole basis for financing war, because income does not necessarily represent an individual's wealth. For example, an employee with no capital wealth whatever may have an income as great or greater than some other individual who has considerable capital wealth but which wealth, because of certain conditions, is not at the time yielding an income which is indicative of the value of the capital.

A forced loan based upon net wealth as a backlog for determining the ability to lend is more equitable than a capital levy. While the net wealth is a fair yardstick for determining the ability to lend, by using that net wealth as security for the loan, it is not necessarily a fair yardstick for determining ability to pay taxes, since the income from the property might not be a correct method of determining the value of the property. Therefore it is advisable in case of war, where the Government must raise more money than can possibly be raised from income, to have such a system of forced loans based upon the backlog of net wealth, and then pay those loans from taxes which have been levied on income. Such a plan is a compromise between net wealth and income, that is, it uses net wealth for determining ability to lend and then uses income for determining ability to pay.

The property tax or ad valorem tax, which is now used by local communities, in many cases amounts to confiscation of property; that is, when a farm, for example, does not yield enough to pay the taxes assessed against it, then a part of the value of the farm is taken by the taxing unit of the Government. If several years in succession occur in which the farm does not produce enough to pay the taxes, then the taxing unit takes possession and ownership of the farm.

The local tax units are already taxing property to the limit on this basis. Now, therefore, if the Federal Government, in order to finance a war, should use property values instead of income as a basis for levying a tax, or capital levy, in order to pay the cost of the war, the result would be Government ownership of most of the property.

But while the Government should not use the property value as a basis for taxation, it could use the property value as the basis for a forced loan and then use income as a basis for raising taxes from which to pay off this loan.

It should be perfectly apparent that net wealth and income are not parallel, and that income is liquid and can be a basis for taxation, but that net wealth is not liquid and although it is not a good basis for taxation, it would be a good basis for lending, since it represents the real backlog of all capital within the Nation.

The wealth of the United States is estimated at \$350,000,000,000. This represents all of the capital goods in the Nation. Any system of credit based upon this backlog of actual wealth should be sound.

Now, then, as to national income, that has been estimated at \$65,000,000,000. This, of course, is liquid and can be used as a basis for taxation from which to pay the money borrowed on the basis of net wealth.

I will not quarrel with anyone as to the details of such a measure, but there are some of the fundamental principles which we should consider.

We should consider, first, are we going to finance by mandatory or voluntary methods? If we are to finance by voluntary methods, then we should not raise man power on a mandatory basis; I think that would be a great mistake.

I believe that when war comes we should consider, as England has considered, that everything is available to win the war, that we would stand to lose if we lost the war, and that means every man, woman, and child, all money and material, and every available resource of the country. As I see it, that is the only way in which this subject can be approached.

From that standpoint, shall we say that we are going to use the national income as a basis for financing war, or use the total wealth of the Nation as a basis for financing war? We cannot use the income, because it is not adequate. No nation has ever been able to finance a war on the basis of income. Besides, income is not parallel with wealth. Sometimes the income of a secretary, a stenographer, or other employee, even a soldier's income, might be greater than that of some other person who temporarily had less income, but was much more wealthy. Therefore we cannot use income as a basis for financing a war.

What should we use? Everything we stand to lose if we lose the war. What is that? It is the wealth of the United States. Economists say that, in round figures, the wealth of this country amounts to \$350,000,000,000. Then we should have a program which would make possible translating this nonliquid wealth into liquid wealth, if need be, which could be used in case of war, without issuing dollars which would not be secured by property.

Certainly we should have a tax system. This is not the tax I am talking about. We should have a tax system going along at the same time, and we should use the revenues from the taxes collected, excess-profits taxes, income taxes, and other taxes with which to retire the bonds which we would require the people of this country to buy in proportion to their ability.

The proposal which I offered changes our present system of financing war in only three major particulars.

Before I number those three, let Senators get in mind that the method I have in mind of drafting capital does not mean the seizure of property. It means raising money by a bond system such as we had in the last war. It does not mean the raising of the money we need all at one time, any more than our system of drafting men means that all the manpower we need shall be raised at one time. It means, however, a change from the old system in three major particulars.

In the first place, the purchase of the bonds would be mandatory instead of voluntary.

In the second place, the amount purchased would be determined by a fair scale or schedule according to ability, based on net wealth, instead of the amount purchased being determined by pressure, patriotism, or profit.

Thirdly, the bonds would not bear high interest rates and would not be tax exempt. In that way we could prevent profiteering, but, most important of all, in that way we could get money as we needed it.

The objective of preventing profiteering is, of course, a beneficent and good one, but that objective and all similar objectives must be pushed to the background in time of war. The primary objective must be to win the war, and the removing of profits, of course, is secondary.

Here is a plan whereby we can get money at the time we need it and, at the same time, prevent profiteering as well as hold down inflation and also equalize the burden of war by placing that burden upon each individual according to his ability to bear it.

How would we go about reducing the nonliquid wealth in the country to liquid wealth so it could be used? We must have some plan which will do that. The wealth of America is found in land, buildings, nonliquid securities. We must have a method which will reach that wealth. I believe the plan outlined in the bill to which I referred does it.

I would not quarrel with anyone as to details, but the plan amounts to this. Let us take an example. Here is a man who has \$100,000. He is worth \$100,000 net, but he does not have any cash. He is operating a factory. In the first place, because he does not have any cash, would anyone say

that he should not contribute anything toward the financing of the war? No; I think everyone will agree that he should buy some bonds. Then how much should he buy? Are we going to leave it to the high-pressure committee, or are we going to leave it to his patriotism; are we going to leave it to his desire for tax-exempt, high-interest-bearing bonds? None of those are fair criteria for measuring his ability to lend and thus equalize the burden of war.

But if we have a schedule which fixes his fair share, such, for instance, as our income-tax schedule does, would that not be a fair method of determining the amount he should lend?

Let us suppose that the Government offers a bond issue. The schedule in the bill referred to, which is not important in itself—some other schedule might be better, but a schedule is needed—is based on the income-tax schedule, which I thought was fair. According to that schedule, which would require a man worth \$10,000 to buy \$90 worth of bonds, would require the man worth \$100,000 to buy \$1,890 worth of bonds. Let us suppose this man does not have \$1,890 lying around. In the first place he can borrow it. Any proposal must be compared with the actual system that is in operation before it is judged fairly. It is not fair to compare any one proposal with the theoretical ideal plan. It must be considered as compared with the alternative, and what is the alternative in this case? It is the present bond system we have. When a man's wife compares him with the fellow she did not marry, he always suffers by the comparison, because she knows his faults, but she does not know the faults of the fellow she did not marry. Any comparison must be made with the system we have. What would be the alternative if we did not do anything to provide a method for financing war? The alternative would be the system we have now, which is utterly wrong and bad. Because it offers an incentive to war profiteering, which does not afford the money as we need it, which does not equalize the burdens of war, but which augments the accumulation of wealth and increases poverty.

Let us take an extreme case. Suppose the man in question could not borrow that \$1,890. It would be almost a preposterous and ridiculous supposition that a man worth \$100,000 could not borrow that comparatively small amount of money. People borrowed money during the war. Farmers borrowed money and paid 10 percent interest, and their paper was discounted, and they lost money in doing it. Suppose the man in question could not borrow the money. What, then, does the bill provide? It provides in that case that the Government may, at his request, take his note secured by property. That is the method by which the nonliquid wealth can be made liquid. The Government could sell his note, or the Government could put his note, secured by property, in a bank, and issue money against it, without issuing a single dollar that was not secured by a dollar's worth of property. In that way we could make liquid the nonliquid property in the country and get money if and when we needed it.

Mr. President, the War Department has already a plan which, upon the threat of war or the declaration of war, they would ask Congress to pass, which provides for the drafting of men. That is as it should be. That is proper.

I understand the President has in mind and has already taken some steps to confer with the industrial and commercial leaders of the Nation looking to an industrial mobilization in case of national emergency, and to provide against a national threat of war. But we have not taken a single step, so far as I can learn, which would provide for a mobilization of the finances of the United States so we could raise money when we needed it.

What would happen if we started to raise money? What is happening even now as we raise money for the national defense? With the prices of things going up generally, the interest rates will go up. The prices of materials will go up, and as we borrow this money and use it to purchase materials we will be borrowing less than 100-cent dollars. We will not get our money's worth, because we have no plan for financial mobilization.

Mr. President, on the basis of justice, justice to the soldier, whose blood would be spilled, I hope we can consider this

measure or some measure for providing financial mobilization in case of war.

America is today the richest nation on the face of the earth. Its wealth should be available to the Government if needed and as needed. Every country that has depended upon the voluntary system has regretted it.

INFORMATION AS TO NUMBER OF ALIENS EMPLOYED BY THE GOVERNMENT

The PRESIDING OFFICER (Mr. DAVIS in the chair). The hour of 2 o'clock having arrived, the resolution, S. Res. 273, submitted by the Senator from North Carolina [Mr. REYNOLDS] will be placed on the calendar.

CALL OF THE ROLL

Mr. GEORGE. Mr. President—

The PRESIDING OFFICER. Under the agreement entered into yesterday, the unfinished business is automatically laid aside, and the consideration of the calendar for unobjected-to bills is now in order.

The Chair recognizes the Senator from Georgia.

Mr. GEORGE. I suggest the absence of a quorum. It is understood that the Senator from Mississippi [Mr. HARRISON] desires to address the Senate at this time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahay	Lodge	Schwellenbach
Ashurst	Ellender	Lucas	Sheppard
Austin	George	Lundeen	Shipstead
Bailey	Gerry	McCarran	Slattery
Bankhead	Gibson	McKellar	Smathers
Barkley	Gillette	McNary	Smith
Bilbo	Guffey	Maloney	Stewart
Bridges	Gurney	Mead	Taft
Brown	Hale	Miller	Thomas, Idaho
Bulow	Harrison	Minton	Thomas, Okla.
Burke	Hatch	Murray	Thomas, Utah
Byrd	Hayden	Neely	Tobey
Byrnes	Herring	Norris	Townsend
Capper	Hill	Nye	Truman
Caraway	Holman	O'Mahoney	Tydings
Chandler	Holt	Overton	Vandenberg
Chavez	Hughes	Pepper	Van Nuys
Clark, Idaho	Johnson, Calif.	Pittman	Wagner
Clark, Mo.	Johnson, Colo.	Radcliffe	Walsh
Connally	King	Reynolds	Wheeler
Danaher	La Follette	Russell	White
Davis	Lee	Schwartz	Wiley

The PRESIDING OFFICER. Eighty-eight Senators having answered to their names, a quorum is present.

CONDITION OF NATIONAL FINANCES

Mr. HARRISON. Mr. President, this morning for some several hours I was engaged in conference with some gentlemen from the other House, the Secretary of the Treasury, various tax experts from the Treasury, and our own tax expert, Mr. Stam. I was delayed in reaching the Senate. As I walked into the Chamber, the Senator from Maryland [Mr. TYDINGS] was making a very eloquent speech, an important speech, delivered in his usual vigorous way, in which he stated among other things that he was in favor of the imposition of taxes now in order to finance the emergency national-defense program. I cannot believe and I do not believe that the Senator from Maryland had any intention of creating the impression that his remarks were in criticism of the administration, the Ways and Means Committee of the House, or the Finance Committee of the Senate for not presenting a tax bill.

For several weeks numerous conferences have been held by many of us in the House and Senate with Treasury officials and others, and at least on one occasion, for more than an hour, I discussed this matter with the President of the United States.

There has been a wide difference of opinion upon the part of Members of this body, and I am sure upon the part of the Members of the other body, whether it would be the wisest course to increase the present limitation of the national debt in order to provide additional funds for emergency national-defense purposes at this session of Congress, or whether we should levy additional taxes for that purpose. In addition, many have felt it would be the better course to wait until

the convening of Congress in January before any steps are taken looking toward the passage of legislation to finance this program. There has been a question in my mind whether or not the Treasury would be able to maintain until next January a sufficient working cash balance to carry on its necessary operations. I had believed that a thorough study of the whole fiscal condition of the Government could not be made satisfactorily until this Congress had completed its labors and the sum total of appropriations, including the funds considered necessary to take care of the present national-defense program as well as the regular appropriation bills, was known. I am sure Senators will appreciate how difficult it would be to know at the present moment whether the Treasury could have on hand an adequate amount in its balance for any and all purposes and whether the present \$45,000,000,000 debt limitation would be reached in January of next year or even earlier.

After conferring at length with those in a position to know, I am now convinced that by the time Congress convenes in January, in view of developments which I need not repeat, we will have practically reached the debt limit of \$45,000,000,000. Indeed, on February 1 of next year, if no additional and emergency appropriations are necessary at this session, we will be within \$15,000,000 of the debt limit.

Of course, the Treasury maintains adequate cash funds in order to assure safety in the matter of financing and refinancing necessary securities. It is not necessary for me to point out the importance of the Treasury maintaining an adequate amount for this purpose. Occasions may arise where the Government, for its own protection, must employ these funds for security purchases, where certain groups attempt to gouge or take advantage of the situation respecting interest rates.

I am clearly convinced that we should provide at this session sufficient funds to meet the cost of the national-defense program and any other emergency that may arise.

I am making these remarks because I do not want the country to get the impression, from the remarks of the Senator from Maryland and others, that they indicate any criticism of us for not having up to now brought forward a tax bill. The funds are adequate up to this time; and in my opinion there never has been a moment since this emergency arose when the Congress was not ready and willing to respond and to meet every emergency which has arisen or might arise. There is no doubt about that. One needs only to point to the two magnificent votes which recently occurred in support of increased appropriations for the Army and Navy. A few days ago I stated on this floor that the country need have no fear that the Congress would shirk its duty or that the national-defense program would be hampered or impeded by a lack of the necessary funds to carry it through. I am convinced now, because of the overwhelming sentiment in the country, and the knowledge that our people are ready to bear their part of the burden, that we should at this session make adequate provision to take care of any condition which may arise. The administration is in thorough accord with this view. The Secretary of the Treasury has stated to the press of the country that there was unanimity among those who attended the conference this morning, and that view is shared by the President of the United States, that we ought to proceed at this session of Congress, before adjournment, to increase the national debt at least \$3,000,000,000 over the present limit of \$45,000,000,000; and in the same legislation there should be raised in additional taxes between \$600,000,000 and \$700,000,000 annually to retire in an orderly manner the principal and interest on the securities issued for defense purposes.

The chairman of the House Ways and Means Committee has called a meeting of his committee for 10 o'clock tomorrow morning. I have called a meeting of the Finance Committee for 10 o'clock tomorrow morning; and I hope all members will be there. Of course, we can do nothing until the House passes the tax bill; but we can discuss every phase of the problem thoroughly, map our program, and be ready so

that when the bill comes to us we can immediately proceed with its consideration.

I do not believe there will be any great delay in the adjournment of Congress. I may be too optimistic about that. Perhaps we cannot adjourn by the 8th of June, as predicted by some; but we can at least get away in time for you gentlemen on the other side to arrive at the burial ground of your next convention. [Laughter.]

I should withdraw that statement, because I do not want to bring partisan politics into my remarks; but we have a certain plan that we are going to suggest to the appropriate committees for their consideration. If they want to accept it, well and good. If they want to amend it, a majority can do that. I can say that the plan, in brief, is to give the Treasury authority to issue national-defense bonds to a maximum of \$3,000,000,000. Supplementing that, we intend to levy additional taxes to raise between \$600,000,000 and \$700,000,000 annually for the next 5 years. This revenue will be utilized to liquidate these national-defense obligations. I hope that in this program we shall be meeting the views of the Senator from Maryland [Mr. TYDINGS], and I am sure he is going along with us 100 percent. We may not be able to meet some of the views expressed by the Senator from Virginia [Mr. BYRD] today, but we shall meet them at least in part; and he is such a good soldier that I am sure he will enlist for this emergency period. I hope that when the bill comes on the floor very few of the many different and conflicting ideas that have been expressed by the various Senators will be offered as amendments.

The Senator from Oklahoma [Mr. LEE] has his views with reference to the matter. His proposal might take up a great many days of discussion if he should insist on its consideration. There are others; but I am hopeful we can get together in the Finance Committee after the bill has been sent over here by the House. I trust, of course, we can proceed harmoniously and expeditiously. I am hopeful that we can form a coalition that will be unbreakable on the floor and that we can have an early adjournment of Congress.

Without going into details as to what taxes we may levy to raise the amounts I have heretofore mentioned, it is our intention to be just as reasonable and fair as possible under the circumstances. We do not want to intentionally hamper any of the enterprises that are going to help us out in this emergency. I believe in what we work out the people will feel that we have done our duty and borne our responsibility.

That is all I care to say today. I am glad I have had the opportunity of presenting these few remarks. I hope what I have said will be carried in the same editions of the newspapers in which the speeches of the Senator from Maryland and the Senator from Virginia today will be carried.

Mr. VANDENBERG. Mr. President, from the Republican minority side of the Senate Finance Committee, I desire to express my complete hospitality to the statement of general purposes which has just been made by the able chairman of the committee. This is not the time or place to enter upon a survey of details. I might dissent from his suggestion that it is necessary to increase the debt limit. I might hope that there are other ways to proceed. At long last, we might even try a little general economy. But, regardless of detail, I rise simply to assert my belief, and I am sure the substantial belief on this side of the aisle, that in meeting this national emergency in respect to defense preparedness we should pay as we go, so far as is humanly practicable and possible. This is precisely what I asked for on last Monday.

In connection with President Roosevelt's statement regarding national defense on Sunday night, although he presumed to cover all other phases of the subject, I sadly missed any reference in his address to the question of how the national-defense bills shall be paid. The subject was completely ignored. I considered it a great gap in the formula. I am happy to know that the gap in preparedness is to be filled. Certainly, the protection of a sound public credit is the protection of the first line of defense in respect

to the national defense, and certainly the public credit could not much longer stand the impact of interminable deficits. I am sure the able Senator from Mississippi will meet with complete cooperation from his Republican colleagues in the task which he has assigned to our committee, and to which he is directing the attention of the Senate. I think the country would be disappointed if we did not produce a national-defense tax. I think it would convict us of a failure to meet the whole responsibility of this critical moment.

I know of nothing more significant in the newspapers of the past week than the so-called Gallup poll of last Sunday, which showed not only that 86 percent of our people approve the defense program, but that 76 percent are willing to pay for it now; and it is particularly significant in respect to the detail of that poll that 80 percent in the upper-income group are willing, 76 percent in the middle-income group are willing, and even 74 percent in the lower-income group are willing to pay as we go, so far as it is possible. So I am hoping that this new tax can be definitely identified as a national defense tax, so that the people will understand precisely what the situation is. It is well for all of us to be reminded that war and preparation against war are costly, burdensome adventures.

Again I say that I rose solely for the purpose of expressing my personal appreciation of the statement which has been made by the able Senator from Mississippi; and even though there may be sharp disagreement in detail, I think he will find the same unanimity of purpose in regard to the tax program that there has been in respect to the defense program.

Mr. BARKLEY. Mr. President, I wish simply to express to the Senator from Mississippi [Mr. HARRISON] my appreciation for the very frank statement he has made to the Senate and to the country. While during normal times there has been considerable speculation over a period of weeks, or I might say months, as to whether and when Congress would adjourn, and whether a tax bill would be brought forward at this session, I think I am within the truth when I say that nobody in this body or in the other body, and I hope nobody in the Nation, has doubted the willingness of Congress to meet its full responsibility in regard to all these matters in view of the emergency which has been thrust upon us in recent weeks. I myself have never had any doubt that Congress would be willing to stay here a sufficient length of time to perform its duty without being suspected by the country of trying to run away from its duty or to dodge its responsibility.

Therefore I am glad to have the opportunity to express to the Senator from Mississippi, the able chairman of the Committee on Finance, my appreciation of his frankness in speaking of the situation which confronts us, as I think the country will appreciate it.

I wish to state that in ordinary circumstances, when we have been faced with the necessity of a tax bill, or an increase in the debt limit has presented itself as an alternative, I have always felt, and would still feel if our situation were normal, that I would prefer a tax bill to an increase in the debt limit. Even if this emergency had not come upon us, and we had been required to increase revenue, either by borrowing or by taxing, I would have preferred the taxing method to the borrowing method.

I have believed, and have so stated, that in ordinary circumstances the country at large would be better pleased and more reassured if the people were required to pay additional taxes, in order to meet the expenses of the Government, rather than have the national debt increased. If these were normal times and we were in normal circumstances, I would still feel that way about it. But I doubt very seriously whether it will be possible or wise to raise all the money needed in this defense program by taxation. For that reason, without in any way going into detail, or knowing what the details will be when they reach us in any bill sent to us from the House, I feel that under the present circumstances we must combine both taxes and borrowing. But it should be made as clear as it can be made that the taxes we may levy will be for the purpose of discharging the additional debt

created in order that the program of national defense made necessary, but which we have not brought upon ourselves, may be carried out.

I reiterate my statement of appreciation of the action of the Senator from Mississippi, and I also wish to thank the Senator from Michigan for his assurance of cooperation. I believe that in the two Houses of Congress, and in the country at large, we can work out a program which will give assurance that we propose not to use this particular situation as an excuse for in any way complicating our financial situation, but that we are willing in this day to meet our responsibility and discharge it without wishing it all upon the generations yet to come.

Mr. TYDINGS. Mr. President, I am sure that nothing which has been said for a long while will more hearten the country than the remarks of the chairman of the Committee on Finance of the Senate. What he said contains so much of good sense, as well as promise of relief in the immediate necessity, that coming from the chairman of the Committee on Finance, in whom I am sure the country has tremendous confidence, it will make everyone feel that the defense program is to be a rounded-out affair.

However, there is one point which for a moment I should like to stress again. I doubt whether in the next 10 years, even though the war does not come to us, we will ever be in as good a position to balance income against expenditure as we are now. I doubt whether in the next 10 or 20 years, if events take their projected course, we will be in as good a condition to balance income against expenditure as we have been during the last 4 years, and I cannot subscribe to the rosy picture that the raising of six or seven hundred million additional dollars is going to be more than a gesture toward bringing about sound financial arrangements in this Government.

In my humble judgment, after the war is over the unemployment problem, plus the disruption in world trade, plus the state of chaos and decay which will attack the governments now engaged in the war, will plunge this country into another depression which might conceivably be as great as the one through which we have just been passing, and perhaps greater. Therefore, while we have comparative prosperity as we look around at other countries, we will not do our job well at all if we do not visualize, to some extent, at least, the dire consequences which are bound to follow in the wake of the European war, and now, while we have the time, do not do more than make a gesture. It would be the height of folly not to do so. I believe the hour has struck when we should approach a balanced Budget in this Government. Too long we have delayed taking that necessary step.

I feel confident that when the Senate Finance Committee meets, and when the House Committee on Ways and Means meets, and they visualize the state of our national debt, the increased expenditures which will be necessary for the Army and the Navy, and the preparation we must make for the inevitable depression which is to come after the war, these two committees will feel inclined to go as much past the six or seven hundred million dollar increase as the whole business situation of the country and the exigencies of the moment will permit.

Of course, everyone knows that we can overdo taxation, and destroy the very purpose for which the taxes are levied, namely, to get additional revenue. I feel that we have gone far enough on borrowed money, and I doubt very sincerely whether or not the time will ever come, certainly it will not come in the years in the immediate future, when we will be as well able to pay as we are at this very time.

I wish to conclude by thanking the chairman of the Committee on Finance for his heartening statement, and again to reiterate these observations, which I feel will, with the passage of time, stand out as pretty fair prophecy as the Senate continues to meet from year to year.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had

affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 7543. An act to authorize the Secretary of the Navy to accept real estate granted to the United States by the city of Miami, Fla., and for other purposes;

H. R. 7737. An act to amend the Judicial Code by adding a new section thereto, designated as section 266a, to provide for intervention by States in certain cases involving the validity of the exercise of any power by the United States, or any agency thereof, or any officer or employee thereof, and for other purposes; and

H. R. 9140. An act to authorize the Secretary of the Navy to acquire land at Key West, Fla.

THE CALENDAR

The PRESIDING OFFICER (Mr. MILLER in the chair). Under the order entered yesterday, the calendar is now in order.

Mr. BARKLEY. Mr. President, inasmuch as during the many calls of the calendar certain bills which appear on the first two pages of the calendar are always objected to and go over, I ask unanimous consent that the call today begin with Calendar No. 1118.

The PRESIDING OFFICER. Is there objection?

Mr. PEPPER. What is the request?

Mr. BARKLEY. I ask that the call today begin with Calendar No. 1118, so that we may save some time, and not have bills called which have been objected to time and time again.

Mr. PEPPER. I reserve the right to object until I see where the call would begin. [After a pause.] Very well, Mr. President.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will begin the call of the calendar with No. 1118.

ASSISTANCE TO AMERICAN REPUBLICS

The Senate proceeded to consider the joint resolution (H. J. Res. 367) to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes.

The amendments heretofore agreed to (August 5, 1939) were ordered to be engrossed.

The joint resolution was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That (a) the President may, in his discretion, authorize the Secretary of War to manufacture in factories and arsenals under his jurisdiction, or otherwise procure, coast-defense and antiaircraft matériel, including ammunition therefor, on behalf of the government of any American republic; to sell such matériel and ammunition to any such government; to test or prove such matériel and ammunition prior to sale or delivery to any such government; to repair such matériel on behalf of any such government; and to communicate to any such government plans, specifications, or other information relating to such matériel and ammunition as may be sold to any such government.

(b) The President may, in his discretion, authorize the Secretary of the Navy to construct vessels of war on behalf of the government of any American republic in shipyards under his jurisdiction; to manufacture armament and equipment for such vessels on behalf of any such government in arsenals under his jurisdiction; to sell armament and equipment for such vessels to any such government; to manufacture antiaircraft artillery and ammunition therefor, on behalf of any such government in factories and arsenals under his jurisdiction; to sell antiaircraft artillery and ammunition therefor to any such government; to test or prove such vessels, armament, artillery, ammunition, or equipment prior to sale or delivery to any such government; to repair such vessels, armament, artillery, or equipment on behalf of any such government; and to communicate to any such government plans, specifications, and other information relating to such vessels of war and their armament and equipment or antiaircraft artillery and ammunition therefor, as may be sold to any such government or relating to any vessels of war which any such government may propose to construct or manufacture within its own jurisdiction: *Provided*, That nothing contained herein shall be construed as authorizing the violation of any of the provisions of any treaty to which the United States is or may become a party or of any established principles or precedents of international law: *And provided further*, That no transaction authorized herein shall result in expense to the United States, nor involve the extension of credits by the United States: *And provided further*, That no contract shall be entered into under the terms of this joint resolution which shall interfere with or delay the United States in the full use of its shipyards, arsenals, munition plants, and other equipment for its own purposes.

SEC. 2. In carrying out transactions authorized by section 1, the Secretary of War and the Secretary of the Navy are authorized, in their discretion and provided that it be not inconsistent with any defense requirements of the United States or of its possessions, to communicate or transmit to the government of any American republic or to any duly authorized person for the use of such government information pertaining to the arms, ammunition, or implements of war sold under the terms of that section or to any vessels of war constructed within the jurisdiction of any such government, and to export for the use of any such government coast defense and antiaircraft matériel and ammunition therefor, and vessels of war and their armament and equipment involving such information: *Provided*, That any information thus communicated or transmitted or involved in any such arms, ammunition, implements of war, or equipment when exported shall cease to be considered restricted after 1 year from the date that such communication or transmission has been authorized or such exportation made.

SEC. 3. All contracts or agreements made by the Secretary of War or the Secretary of the Navy for the sale to the government of any American republic of any of the arms, ammunition, or implements of war, the sale of which is authorized by this joint resolution, shall contain a clause by which the purchaser undertakes not to dispose of such arms, ammunition, or implements of war, or any plans, specifications, or information pertaining thereto, by gift, sale, or any mode of transfer in such manner that such arms, ammunition, implements of war, or plans, specifications, or information pertaining thereto, may become a part of the armament of any state other than an American republic.

SEC. 4. The Secretary of War or the Secretary of the Navy, as the case may be, shall, when any arms, ammunition, implements of war, or equipment are exported pursuant to the provisions of this joint resolution, immediately inform the Secretary of State, Chairman of the National Munitions Control Board, of the quantities, character, value, terms of sale, and destination of the arms, ammunition, implements of war, or equipment so exported. Such information shall be included in the annual report of the Board.

SEC. 5. (a) There is hereby authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this joint resolution.

(b) All moneys which may be received from the government of any American republic, in payment for any article delivered or service rendered in compliance with the provisions of this joint resolution, shall revert to the respective appropriation or appropriations out of which funds were expended in carrying out the transaction for which money is received, and such moneys shall be available for expenditure for the purpose for which such expended funds were appropriated by law, during the fiscal year in which such funds are received and the ensuing fiscal year.

SEC. 6. The Secretary of War and the Secretary of the Navy shall in all contracts or agreements for the sale of such matériel fully protect the rights of all citizens of the United States who have patent rights in and to any such matériel which is hereby authorized to be sold and the funds collected for royalties on such patents shall be paid to the owners and holders of such patents.

SEC. 7. The Secretaries of War and of the Navy are hereby authorized to purchase arms, ammunition, and implements of war produced within the jurisdiction of any American republic if such arms, ammunition, or implements of war cannot be produced in the United States.

RESOLUTION AND BILLS PASSED OVER

The resolution (S. Res. 168) providing for an investigation of the immigration of aliens into the United States, was announced as next in order.

Mr. SCHWELLENBACH. Let the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 3130) relating to the citizenship and compensation of certain employees on military construction work in the Panama Canal Zone was announced as next in order.

Mr. KING. Let us have an explanation.

Mr. McKELLAR. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 7941) relating to the citizenship and compensation of certain employees on military construction work in the Panama Canal Zone, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CONTROL OF SOIL EROSION IN CLEVELAND NATIONAL FOREST

The bill (H. R. 169) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Cleveland National Forest in San Diego County, Calif., was announced as next in order.

Mr. KING. Let us have an explanation of the bill.

Mr. SMITH. Mr. President, this measure was reported unanimously by the Committee on Agriculture and Forestry.

It is a House bill and is endorsed by the Department of Agriculture. It is merely designed to protect against erosion of land owned by the Government. The bill was called on a previous occasion, and those who then objected said they would look into it. I think it is necessary for the protection of the Government's land.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

CONTROL OF SOIL EROSION IN ANGELES NATIONAL FOREST

The Senate proceeded to consider the bill (H. R. 2009) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Angeles National Forest, Calif.

Mr. SMITH. Mr. President, this bill is of the same nature as the one just passed.

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

CONTROL OF SOIL EROSION IN SEQUOIA NATIONAL FOREST

The Senate proceeded to consider the bill (H. R. 2417) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Sequoia National Forest, Calif., which had been reported from the Committee on Agriculture and Forestry with an amendment, on page 2, line 4, after the word "resources", to insert the words "other than mineral"; so as to make the bill read:

Be it enacted, etc., That the Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the act of March 1, 1911 (U. S. C., title 16, sec. 513), is hereby authorized to acquire by purchase any lands, or interests therein, within the boundaries of the Sequoia National Forest, in the State of California, which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands, or interests therein, from the entire receipts from the occupancy of public land or the sale of natural resources, other than mineral, within the Sequoia National Forest, which receipts are hereby authorized to be appropriated for that purpose until said lands have been acquired: *Provided,* That any appropriated amounts which are unexpended and unobligated at the close of the fiscal year for which appropriated shall be transferred to the national-forest receipts of that fiscal year and amounts so transferred and such part of the entire receipts of any fiscal year as are not appropriated shall be disposed of in like manner as other national-forest receipts.

The amendment was agreed to.

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

The bill was read the third time and passed.

NATIONAL FOREST ADMINISTRATION

The bill (S. 3226) to facilitate and simplify national-forest administration was announced as next in order.

Mr. ADAMS. Let the bill go over.

Mr. SMITH. Mr. President, I hope the Senator who has objected to the bill will read the report of the Department on it. The amount of money collected from the sale of products of the forests is so small and inconsequential that the Comptroller General has been asked to suspend the requirement that bills be sent to him for approval, as every protection is thrown around these sales. Most of them are below \$100.

Mr. ADAMS. Mr. President, I have read the report. My objection to the bill is to a provision contained in it that the regulations and decisions of the Secretary of Agriculture shall be final and conclusive on all agencies of the Government, and, be the amount involved large or small, I will not agree that any administrative officer may have the authority absolutely to control every other agency of the Government, legislative, judicial, or executive.

Mr. SMITH. Mr. President, the amounts involved in these permits are \$300 or less, and I think it is quite safe to assume that the Secretary of Agriculture will not be embarrassed.

Mr. McKELLAR. Mr. President, I should like to ask the Senator a question. Does this money go into the Treasury of the United States, or is it to be used by the Department for departmental purposes?

Mr. SMITH. It goes into the Treasury of the United States.

Mr. ADAMS. I am not concerned with the amount. I wish to say, however, that no Member of the Senate has more consistently taken his stand on principle rather than on the mere matter of dollars when it comes to giving final conclusive authority to any department of the Government than has the Senator from South Carolina, and I know that my position is in accord with the time-honored practices and views of the Senator from South Carolina.

Mr. SMITH. The Senator has called attention to the fact that I have stood firm for keeping each agency of the Government to its allotted sphere. After reading the provision referred to and hearing it discussed, while I think it is a little drastic, yet it does not affect the aggregate finances.

Mr. ADAMS. I think the Senator could cure the difficulty by a brief amendment striking out a few words.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Chair understand that the Senator from Colorado has objected?

Mr. ADAMS. Yes.

The PRESIDING OFFICER. The bill will be passed over. Likewise Calendar 1381, House bill 7643, will be passed over when it is reached on the calendar.

CONSTRUCTION OF SMALL RESERVOIRS

The Senate proceeded to consider the bill (S. 3136) to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws, which had been reported from the Committee on Irrigation and Reclamation with an amendment, on page 1, line 3, after the words "That from", to insert "any funds in the Treasury not otherwise appropriated or from", so as to make the bill read:

Be it enacted, etc., That from any funds in the Treasury not otherwise appropriated or from the special fund in the Treasury of the United States created by the act of June 17, 1902, and therein designated "the reclamation fund", there is hereby authorized to be appropriated the sum of \$5,000,000 for expenditure by the Secretary of the Interior, under the Federal reclamation laws, in the construction of small storage reservoirs at such locations within the States subject to the Federal reclamation laws as the said Secretary may select, no reservoir to be constructed hereunder the estimated cost of which exceeds \$50,000.

The amendment was agreed to.

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

JOHN C. CROSSMAN

The bill (S. 3339) for the relief of John C. Crossman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money appropriated for the support of the National Guard for the current fiscal year, to Sgt. John C. Crossman the sum of \$5,000 in full settlement of all claims against the Government for injuries sustained by him while in the performance of his duties at Camp Hulén, Palacios, Tex., August 10, 1933, caused by the explosion of a gasoline lantern: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

ESTATE OF REXFORD M. SMITH

The bill (H. R. 5089) conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Rexford M. Smith was considered, ordered to a third reading, read the third time, and passed.

RESOLUTIONS PASSED OVER

The resolution (S. Res. 232) limiting debate on general appropriation bills was announced as next in order.

Mr. VANDENBERG. Let the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The joint resolution (S. J. Res. 114) authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry was announced as next in order.

Mr. HOLMAN. I ask that the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

INVESTIGATION OF RAILROAD FINANCING

The resolution (S. Res. 240) further continuing Senate Resolution 71, Seventy-fourth Congress, authorizing an investigation of railroad financing and certain other matters, was considered, and agreed to, as follows:

Resolved, That Senate Resolution 71, Seventy-fourth Congress, first session, agreed to May 20, 1935, authorizing an investigation of railroad financing and certain other matters, as continued by Senate Resolution 227, Seventy-fourth Congress, second session, and Senate Resolution 273, Seventy-fifth Congress, third session, and as amended by Senate Resolution 86, Seventy-fifth Congress, first session, is hereby continued in full force and effect during the sessions, recesses, and adjourned periods of the Senate in the Seventy-seventh Congress, and the Committee on Interstate Commerce is hereby authorized to expend from the contingent fund of the Senate, during such sessions, recesses, and adjourned periods, the amounts heretofore authorized for said purposes.

BILLS AND RESOLUTIONS PASSED OVER

The bill (H. R. 6480) to amend the Agricultural Adjustment Act of 1933 was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of that bill?

Mr. SMITH. Mr. President, that is a bill in which the Senator from North Dakota [Mr. FRAZIER] is interested. In his absence the bill should go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3368) to amend the Civil Service Retirement Act and other retirement acts was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 5784) to provide for the conservation and transfer of accumulated sick leave and vacation time due classified civil-service employees who succeed to the position of postmaster, and for other purposes, was announced as next in order.

Mr. CLARK of Missouri. Mr. President, may we have an explanation of that bill?

The PRESIDING OFFICER. The bill was reported by the Senator from New York [Mr. MEAD], who is not present in the Chamber at the moment.

Mr. CLARK of Missouri. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 7643) to facilitate and simplify national-forest administration was announced as next in order.

The PRESIDING OFFICER. That bill will be passed over under the previous order.

The resolution (S. Res. 231) favoring the deletion from the Sixteenth Census population schedule of inquiries Nos. 32 and 33, relating to compensation received, was announced as next in order.

Mr. BAILEY. I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

MANIFESTS AND VESSEL PERMITS

The bill (H. R. 6751) to repeal certain laws with respect to manifests and vessel permits was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation is requested. The measure was reported by the chairman of the Committee on Commerce, the Senator from North Carolina [Mr. BAILEY].

Mr. BAILEY. The bill merely provides for the repeal of certain obsolete sections in navigation acts. It is recommended by the Bureau of Navigation and also by the Maritime Commission.

Mr. McKELLAR. I have no objection.

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

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 6884) to encourage travel in the United States, and for other purposes, was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

RECOGNITION OF SERVICES OF CERTAIN EMPLOYEES ON PANAMA CANAL CONSTRUCTION

The bill (S. 1162) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal was announced as next in order.

Mr. KING. Let the bill go over.

Mr. PEPPER. Will the Senator be kind enough to withhold his objection for a brief explanation of the bill?

Mr. KING. Yes.

Mr. PEPPER. This bill has twice been considered by the Inter-oceanic Canals Committee of the Senate. A similar bill was introduced by the chairman of the committee, the Senator from Missouri [Mr. CLARK], and because there were certain duplications in that bill of legislation now on the statute books, the bill was vetoed. The chairman of the committee, who is here to speak for himself, is in favor of the bill. More than 40 Senators have addressed the proponents of the bill and stated that they favor it.

I will state what in substance the bill proposes. In 1915 the Congress made provision for the officers of the Army and the Navy and the Public Health Service, who actually served in residence upon the Isthmus during the construction of the Panama Canal. They were advanced a grade in rank and given retirement pay that was adequate. No provision of any kind was ever made for the civilian employees who actually labored on the Isthmus in general canal construction.

I have before me a statement by President Theodore Roosevelt, a paragraph of which I will read. It indicates what the bill actually would accomplish and the sentiment behind it. President Roosevelt in writing to a Mr. Simmons, who was interested in such legislation, said:

DEAR MR. SIMMONS: In view of the action taken by the Congress in substantially rewarding certain officers of the United States Army, Navy, and Public Health Service, who served for more than 3 years in the construction of the Panama Canal by providing for their promotion and retirement upon application, I can see no reason why the civilian employees who served for a similar period and who in any event would not benefit by the liberal pension arrangements provided for the service men, should not be rewarded by a like recognition.

As one who was instrumental in getting this work under way, and who has followed its progress with deep interest and keen satisfaction, I am greatly concerned in seeing proper recognition accorded the civilian employees. General Goethals has designated these men as the real builders of the Panama Canal.

I sincerely trust that prompt action will be taken by Congress toward the early enactment of legislation to this end.

Very truly yours,

THEODORE ROOSEVELT.

I have before me a statement from General Wood, written in March of this year to our committee, and other eminent officers who led in the construction of the Canal, and they without exception feel that there was an unfair discrimination in favor of those in the service, to the disadvantage of the civilian employees.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CLARK of Missouri. Since the Senator has mentioned the name of General Wood, who is certainly one of the leading and most respected business executives in the United States, let me illustrate the purpose of the bill by using General Wood's name in pointing out a situation which actually occurred.

During the building of the Panama Canal, General Wood and Mr. C. A. McIlvaine, a civilian employee, were doing precisely the same work in the construction of the Canal. They actually lived together at some time during the con-

struction of the Canal. General Wood, being an Army officer, came under the provisions of the Retirement Act of 1915, and was permitted to retire with a step-up in grade, and at an age very much less than the ordinary age of retirement. He went into business and became one of the leading and most respected business executives of the United States.

Mr. McIlvaine remained in the service of the United States on the Panama Canal for the period from 1915 until last year, when by reason of age he was retired on a very small and inadequate pension, as I see it, in view of the fact that men who put in their lives in the Panama Canal are not permitted to remain in the Panama Canal Zone after their retirement and are out of touch with any source of employment in the United States at the retirement age.

So General Wood, having been permitted to retire on full retirement pay in the Regular Army, was able to go into business and make for himself a fine business career, while Mr. McIlvaine, who finally became the executive secretary to the Governor of the Panama Canal Zone and really was the administrative head in view of the frequent changes in the Governor of the Panama Canal, has been authorized to retire on a very small and inadequate pension.

Inasmuch as General Wood's name has been mentioned, I will say that there is no stronger advocate of this measure than General Wood himself.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. CLARK of Missouri. Mr. President, I shall claim the floor in my own right.

The PRESIDING OFFICER. The Senator from Missouri. Mr. CLARK of Missouri. There has been no stronger advocate of this particular measure, which seeks to do justice to civilian employees who were not taken care of by the Retirement Act of 1915, than General Wood, who served with them and who knows all about them. It seems to me that it is simply a matter of equity and justice. The bill which was passed last year, which I introduced, merely provided for the employees who had remained as employees of the Panama Canal, and who had reached a certain length of service—25 or 30 years. This bill is more just, more equitable, and broader than the one which I introduced, for the reason that it takes care of all the men who sacrificed and worked for a certain length of time during the construction of the Canal. I hope the Senator from Utah [Mr. KING] can see his way clear to withdraw his objection.

Mr. BAILEY. Mr. President, can the Senator inform the Senate as to what the bill would cost annually?

Mr. CLARK of Missouri. I do not have the figures at hand. I did have them in the consideration of the bill in the committee. It is a relatively small sum at present. It will reach its peak, as I recall, in 3 years; and from that time on it will diminish year by year until, in 12 or 15 years, it will be absolutely negligible.

Mr. PEPPER. Mr. President, the best estimate we have been able to obtain by consultation with the civil-service authorities, and the records of those who were employed on the Canal is that the maximum cost would be about \$1,000,000 a year.

The PRESIDING OFFICER. The Senator from Florida has already exhausted his time. Is there objection to the present consideration of the bill?

Mr. ADAMS. Mr. President, I should like to add a word. It seems to me that the bill would be a very unwise, as well as an expensive, precedent. The men in the service who went to Panama went because they were ordered to do so. The civilian employees went of their own choice. If we start a process of pensioning civil employees who went to Panama, we shall be setting a precedent and will be called upon to pension employees who went to Boulder Dam and employees who engage in all classes of Government construction.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. CLARK of Missouri. The Senator is now raising a question which has been a source of great indignation for many years with myself and every other man from civilian life who served as an officer in the World War. The argument is that because one set of men were ordered to go to France, or to go to war, they should be put in a separate status from those who volunteered in time of national emergency. It seems to me that there is no rhyme or reason for saying that because a man was ordered to go to Panama and participate in the construction of the Panama Canal he should be permitted to retire on three-fourths pay while still a young man, while another man went down there because the President of the United States called for trained men or men who had the facilities and were willing to make the sacrifice of going down and braving yellow fever and the many dangers in the Panama Canal Zone at that time should be penalized because he was not, forsooth, on the permanent roll of a permanent establishment of the United States.

Mr. ADAMS. Mr. President, I think there is no parallel between the situation in the Panama Canal Zone and the situation in the World War as between a man who went in from the draft and a man who volunteered. I think there is a very decided difference between the status of the civilian employees, the engineers, who went down to Panama under adequate compensation, at their own choice, and that of members of the Army. In any event, I think the bill should not be passed on the call of the calendar.

Mr. PEPPER. Mr. President, I wish to read one paragraph from a letter by Gen. George W. Goethals, which will show the Senator from Colorado [Mr. ADAMS] the basic error of the statement he has just made. This is what General Goethals said:

It has been asserted that the service men had no choice but to obey orders which detailed them to duty with the Commission, while the civilians came of their own volition. This assertion, as it relates to the service men, is not founded on fact. With one exception, all of the Army and Navy officers, and the same is true of the Public Health Service, who received recognition were detailed only after they had been consulted and had expressed a willingness to come. Furthermore, they all received compensation in advance of that specified by law for the positions they occupied in the Government service, this compensation in some instances exceeding three times the amount they would have received had they performed in the States or elsewhere the same duty they were called upon to perform on the Isthmus. The increases granted by the act in the cases referred to are very substantial, amounting as high as 60 percent, which continues throughout the career of the officer affected. The privilege of retirement with advanced grade has been taken advantage of by several with great pecuniary gain. All of these facts are known to the civilians, who labored as zealously and who received no reward.

Mr. President, I give notice that at the conclusion of the call of the calendar I shall move that the bill be considered.

The PRESIDING OFFICER. Does the Senator from Colorado insist on his objection?

Mr. ADAMS. I do.

The PRESIDING OFFICER. The bill will be passed over under objection.

The clerk will call the next bill.

AMENDMENT OF CANAL ZONE CODE

The Senate proceeded to consider the bill (H. R. 5584), to amend the Canal Zone Code, which had been reported from the Committee on Inter-oceanic Canals, with an amendment in section 2, on page 5, after line 10, to strike out:

271. Maintenance and operation of the Canal Zone Postal Service.—The Governor of the Panama Canal is authorized:

- a. To maintain and operate a postal service in the Canal Zone, including a money-order system, a parcel-post system, a postal-savings system, and such other services as may be necessary or convenient in connection with the postal service;
- b. To prescribe such rules and regulations as may be necessary for the maintenance and operation of the postal service;
- c. To establish and discontinue post offices;
- d. To prescribe the postage rates and the rates for transportation of the mails: *Provided, however,* That the United States domestic postage rates shall be applicable to regular mail exchanged with the United States; and
- e. To prescribe the postage stamps and other stamped paper which shall be used in such service.

And to insert in lieu thereof:

271. Maintenance and operation of the Canal Zone Postal Service: The Postal Service of the Canal Zone shall be governed, except as otherwise provided in the Canal Zone Code, by such of the laws, rules, regulations, and conventions of the Postal Service of the United States as by their terms apply in the Canal Zone and by such additional laws, rules, and regulations of the Postal Service of the United States as the Governor of the Panama Canal shall by regulation determine to be applicable to conditions existing in the Canal Zone. The Governor may prescribe such additional rules and regulations as are necessary for the maintenance and operation of the Canal Zone Postal Service.

The Governor of the Panama Canal is authorized—

- a. To maintain and operate a postal service in the Canal Zone, including a money-order system, a parcel-post system, a postal-savings system, and such other services as may be necessary or convenient in connection with the postal service;
- b. To establish and discontinue post offices;
- c. To prescribe the postage rates: *Provided, however,* That the United States domestic postage rates shall be applicable to regular mail exchanged with the United States; and
- d. To prescribe the postage stamps and other stamped paper which shall be used in such service.

So as to make the bill read:

Be it enacted, etc., That section 10 of title 2 of the Canal Zone Code, approved June 19, 1934, is amended so as to read as follows:

"10. Injuries to vessels, cargo, crew, or passengers, occasioned by operation of Canal: The regulations of the President, authorized under section 9 of this title, shall provide for the prompt adjustment and payment by the Governor of the Panama Canal, subject to the limitations hereinafter contained in this section, of damages for injuries to vessels, or to the cargo, crew, or passengers of vessels, which may arise:

"(a) By reason of the passage of such vessels through the locks of the canal under the control of officers or employees of the Panama Canal: *Provided, however,* That no such damages shall be paid in any case wherein the Governor shall find that the injury was proximately caused by the negligence or fault of the vessel, master, crew, or passengers: *And provided further,* That in any case wherein the Governor shall find that the negligence or fault of the vessel, master, crew, or passengers proximately contributed to the injury, he shall diminish the award of damages in proportion to the negligence or fault, as determined by him, attributable to the said vessel, master, crew, or passengers.

"(b) By reason of the presence of such vessels in the waters of the Canal Zone, other than the locks, when the Governor shall find that the injury was proximately caused by negligence or fault on the part of any officer or employee of the Panama Canal acting within the scope of his employment and in the line of his duties in connection with the operation of the Canal: *Provided, however,* That when the Governor shall further find that the negligence or fault of the vessel, master, crew, or passengers proximately contributed to the injury, he shall diminish the award of damages in proportion to the negligence or fault, as determined by him, attributable to the said vessel, master, crew, or passengers: *And provided further,* That, in the case of any vessel which is required by or pursuant to regulations heretofore or hereafter prescribed under section 9 of this title to have a Panama Canal pilot on duty aboard, no damages shall be adjusted and paid for injuries to any such vessel, or to the cargo or passengers of any such vessel, incurred while the vessel is under way and in motion, unless at the time such injuries are incurred the navigation or movement of the vessel is under the control of a Panama Canal pilot.

"The amounts of the respective awards of damages, under this section and the regulations authorized herein, may be adjusted, fixed, and determined by the Governor by mutual agreement, compromise, or otherwise, and such amounts shall be payable promptly out of any moneys appropriated or allotted for the maintenance and operation of the Panama Canal, and acceptance by any claimant of the amount awarded to him shall be deemed to be in full settlement of such claim against the Government of the United States: *Provided, however,* That the Governor shall not adjust and pay any claim for damages for injuries arising by reason of the presence of a vessel in the waters of the Canal Zone, other than the locks, where the amount of the claim exceeds \$60,000, but shall submit the same to the Congress by a special report containing the material facts and his recommendations thereon.

"With respect to any claim for damages for injuries arising by reason of the passage of any vessel through the locks of the Canal, as hereinbefore provided, any claimant for damages who considers himself aggrieved by the findings, determination, or award of the Governor, in reference to his claim, may bring an action on such claim against the Panama Canal in the United States District Court for the District of the Canal Zone and in any such action the provisions of this section, and of the regulations of the President authorized under section 9 of this title, applicable to the determination, adjustment, and payment of such claims for damages, by the Governor, shall be applicable, and any judgment obtained against the Panama Canal shall be paid promptly out of any moneys appropriated or allotted for the maintenance and operation of the Panama Canal.

"Except as otherwise provided in the next preceding paragraph of this section, no action for damages for injuries arising in connection with the operation of the Canal and by reason of the

presence of a vessel in the waters of the Canal Zone shall lie in any court against the United States or the Panama Canal, or against any officer or employee of the Panama Canal: *Provided, however,* That nothing in this section shall be construed to prevent or prohibit actions against officers or employees of the Panama Canal for damages for injuries resulting from acts of such officers or employees outside the scope of their employment and not in line with their duties, or from acts of such officers or employees committed or performed with intent to injure the person or property of another."

Sec. 2. That chapter 14 of title 2 of the Canal Zone Code, which chapter now consists of sections 271 to 275 of said title 2, is hereby amended so as to read as follows:

"271. Maintenance and operation of the Canal Zone Postal Service: The Postal Service of the Canal Zone shall be governed, except as otherwise provided in the Canal Zone Code, by such of the laws, rules, regulations, and conventions of the Postal Service of the United States as by their terms apply in the Canal Zone and by such additional laws, rules, and regulations of the Postal Service of the United States as the Governor of the Panama Canal shall by regulation determine to be applicable to conditions existing in the Canal Zone. The Governor may prescribe such additional rules and regulations as are necessary for the maintenance and operation of the Canal Zone Postal Service.

"The Governor of the Panama Canal is authorized—

- "a. To maintain and operate a postal service in the Canal Zone, including a money-order system, a parcel-post system, a postal-savings system, and such other services as may be necessary or convenient in connection with the postal service;
- "b. To establish and discontinue post offices;
- "c. To prescribe the postage rates: *Provided, however,* That the United States domestic postage rates shall be applicable to regular mail exchanged with the United States; and
- "d. To prescribe the postage stamps and other stamped paper which shall be used in such service.

"272. Defraying expenses from revenue so far as possible: The expenses of operating the Canal Zone Postal Service shall be defrayed, so far as possible, from the revenue derived therefrom, the use of which for that purpose is authorized.

"273. Acceptance of postal-savings deposits: Such of the post offices of the Canal Zone as may be designated by the Governor are hereby authorized, under such regulations as the Governor may prescribe, to receive postal-savings deposits, and to issue therefor postal-savings certificates in the form to be prescribed by the Governor.

"274. Rate of interest on postal-savings certificates: Postal-savings certificates issued as provided in this chapter shall bear interest at such rate, not exceeding 3 percent per annum, as shall be established by the President.

"275. Faith of United States pledged to payment of deposits: The faith of the United States is pledged to the payment of postal-savings certificates issued as provided in this chapter, with accrued interest thereon, in the same manner as such faith is pledged by law with respect to deposits made in postal-savings depository offices in the United States.

"276. Control of money order and postal-savings funds: The funds received from the issuance of money orders and postal-savings certificates by the Canal Zone Postal Service shall be under the control of the Governor.

"277. Deposit of money order and postal-savings funds in United States Treasury: The Governor is authorized to cause to be deposited in the United States Treasury for safekeeping but subject to his control all or any part of the funds, including interest thereon, received from the issuance of money orders and postal-savings certificates, and such funds or any part thereof may be withdrawn from time to time under such regulations as may be prescribed by the Governor.

"278. Deposit of money order and postal-savings funds in banks; security: The Secretary of the Treasury is hereby authorized to designate one or more national-banking associations to be depositories, under such regulations as may be prescribed by him, of funds received from the issuance of money orders and postal-savings certificates, including interest therefrom, and is hereby directed to require the associations thus designated to give satisfactory security, by the deposit of United States bonds or otherwise, for the safekeeping and prompt payment of the funds deposited with them, and such associations are authorized to give such security as may be required. All pledges of securities heretofore made for the safekeeping and prompt payment of any such funds are hereby ratified, approved, and validated.

"279. Investment of money-order and postal-savings funds in securities of the United States: The Governor is hereby authorized to invest all or any part of the funds referred to in the two preceding sections in bonds or other securities of the United States and to deposit such securities with the Treasurer of the United States for safekeeping, and to sell such securities, or any part of them, when such sale is necessary or desirable in the interest of the Postal Service. Before making such purchases or sales of securities, the Governor shall request the advice of the Secretary of the Treasury.

"280. Use of interest and profits on money-order and postal-savings funds: The interest and profits received from the deposit in banks or the investment, as provided in this chapter, of money-order and postal-savings funds shall form a part of the Canal Zone postal revenues and shall be available to pay the interest on postal-savings certificates, the expenses of operating the Canal Zone Postal Service, and the losses which are chargeable to the said service.

"281. Application of foregoing provisions to deposit money orders: All the provisions of this chapter relating to postal-savings certificates and the funds received therefrom, including interest, shall apply equally to money orders issued in lieu of postal-savings certificates prior to the effective date of this act, and to the funds received therefrom, including interest."

Sec. 3. That section 843 of title 5 of the Canal Zone Code is amended so as to read as follows:

"843. Placing signs on lands or structures in Canal Zone: The Governor of the Panama Canal is hereby authorized to make rules and regulations in respect to the construction or placing of signs, bills, posters, or other advertising devices on any lands, buildings, or other structures in the Canal Zone. Any person who shall violate any provision of such rules and regulations shall be punished by a fine of not more than \$25, or by imprisonment in jail for not more than 10 days, or by both; and every day that any such advertising device shall remain upon such lands or structures, in violation of such rules and regulations, shall constitute a separate offense."

Sec. 4. That section 125 of title 6 of the Canal Zone Code is amended so as to read as follows:

"125. Proceedings on plea of guilty: If the defendant pleads guilty, the magistrate may hear testimony to determine the gravity of the offense and, within 24 hours after such plea or hearing of testimony, shall render judgment as to the punishment to be imposed."

Sec. 5. That section 521 of title 6 of the Canal Zone Code is amended so as to read as follows:

"521. Warrant for execution of judgment of death; time of execution: When judgment of death is rendered, a warrant signed by the judge and attested by the clerk, under the seal of the court, must be drawn and delivered to the marshal. It must state the conviction and judgment, and appoint a day on which judgment is to be executed, which must be not less than 90 nor more than 120 days from the time of judgment, and must direct the marshal to deliver the defendant, within 10 days from the time of judgment, to the warden of the penitentiary, for execution."

Sec. 6. That this act shall take effect 60 days after the date of its enactment.

The amendment was agreed to.

Mr. KING. Mr. President, may we have an explanation of the bill?

Mr. CLARK of Missouri. Mr. President, in answer to the request of the Senator from Utah, let me say that the bill was previously reported from the Committee on Inter-oceanic Canals; and because of a possible conflict which was seen by the Solicitor for the Post Office Department, was recommended at my request to the Committee on Inter-oceanic Canals. There being an agreement between the War Department and the Post Office Department, it has been again reported. It involves only certain very small administrative changes in the Panama Canal Zone Code.

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

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

The bill was read the third time, and passed.

CLAIMS AGAINST THE UNITED STATES

The Senate proceeded to consider the bill (H. R. 8150) providing for the barring of claims against the United States.

Mr. THOMAS of Oklahoma. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The CHIEF CLERK. On page 2, line 4, after the word "established" it is proposed to insert a colon and the following:

Provided further, That nothing in this act shall be construed to deprive individual Indians or Indian tribes of rights or benefits to which they may be entitled under existing law.

Mr. THOMAS of Oklahoma. Mr. President, the purpose of the original bill was to fix a time limit within which certain claims might be presented and considered. The amendment merely provides that the rights of Indians under existing law may not be interfered with. It is simply an amendment to protect the Indians throughout the United States in their rights.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. KING. As the Senator may know, a subcommittee of the Committee on the Judiciary, of which the Senator from

Texas [Mr. CONNALLY] is chairman, has been considering Indian legislation in a broad way. I was wondering whether or not this measure would come within the purview of the activities of that subcommittee.

Mr. THOMAS of Oklahoma. Not being a member of the subcommittee, of course, I cannot say; but I do not desire that any action be taken prior to their report and the enactment of subsequent legislation which will in any way interfere with the rights of the Indians as they now exist. That is my only purpose in offering the amendment.

Mr. KING. I shall not object if it may be understood that after inquiry of the Senator from Texas as to whether or not there is a possible conflict between this measure and the one under consideration by the committee a motion to reconsider may be interposed.

The PRESIDING OFFICER. The Senator has that right under the rule.

The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS].

The amendment was agreed to.

Mr. SCHWELLENBACH. Mr. President, I intended to object to the bill, and I thought the Senator from Utah [Mr. KING] was objecting.

The PRESIDING OFFICER. The Senator from Utah announced that he had withdrawn his objection.

Mr. SCHWELLENBACH. I ask for an explanation of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. SCHWELLENBACH. I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

BILLS PASSED OVER

The bill (H. R. 3833) to protect trade-mark owners, producers, distributors, and the general public against injuries and uneconomic practices in the distribution of competitive commodities bearing a distinguishing trade-mark, etc., was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1460) to provide uniform reciprocal hospitalization in any Army or Navy hospital for retired personnel of the Army, Navy, Marine Corps, and Coast Guard was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation is requested.

Mr. McKELLAR. If not, let it go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3243) to provide for a customhouse building at Miami, Fla., was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. The bill was introduced by the Senator from Florida [Mr. ANDREWS] and reported by the Senator from Texas [Mr. CONNALLY]. Neither Senator appears to be present.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

DISPOSITION, CONTROL, AND USE OF CERTAIN SURPLUS FEDERAL PROPERTY

The Senate proceeded to consider the bill (H. R. 7233) to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," approved August 27, 1935 (Public, No. 351, 74th Cong.), which had been reported from the Committee on Public Buildings and Grounds, with amendments.

The first amendment of the Committee on Public Buildings and Grounds was, in section 1, on page 1, line 3, after the word "That", to strike out "an" and insert "the first section of the"; on page 2, line 2, after the word "amended", to strike out "as follows."

At the end of section 1 add to subsection (c) the following: "Provided, That if no bids, or if bids which are not satisfactory as to price or" and to insert "by inserting, be-

fore the period at the end thereof, a colon and the following: "Provided, That if no bids which are satisfactory as to price and", so as to make the section read:

That the first section of the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," approved August 27, 1935 (Public, No. 351, 74th Cong.; 49 Stat. 885; U. S. C., Supp. II, title 40, sec. 304 (a) to (e)), be, and the same is hereby, amended by inserting, before the period at the end thereof, a colon and the following: "Provided, That if no bids which are satisfactory as to price and responsibility of bidder are received as a result of such public advertisement, the Commissioner of Public Buildings, with the approval of the Federal Works Administrator, is authorized to sell such property by negotiation, upon such terms as may be deemed to be to the best interest of the Government, but at a price not less than that bid by the highest responsible bidder."

The amendment was agreed to.

The next amendment was, in section 2, on page 2, line 15, after "Sec. 2.", to strike out "At the end of the act add" and insert in lieu thereof "Such act of August 27, 1935, is further amended by adding at the end thereof"; in line 18, after the word "There", to strike out "is" and insert "are"; in line 19, after the word "such", to strike out "amount" and insert "amounts"; on page 4, line 4, after the words "shall fail to", to strike out "so"; in line 5, after the word "buildings", to insert "of his determination as to whether such building is an historic building of national significance"; in line 9, after the word "said", to strike out "building" and insert "building", so as to make the section read:

Sec. 2. Such act of August 27, 1935, is further amended by adding at the end thereof the following sections:

"Sec. 6. There are hereby authorized to be appropriated such amounts as may be necessary to cover the costs incident to the sale or lease of real property, or demolition of buildings thereon as hereinafter authorized, which have been or may hereafter be declared surplus to the needs of any Federal agency in accordance with the provisions of this act, and the care, maintenance, and protection thereof, including, but not limited to pay of employees, travel of Government employees, brokers' fees not in excess of rates paid for similar services in the community where the property is situated, appraisals, photographs, surveys, evidence of title and perfecting of defective titles, advertising, and telephone and telegraph charges: *Provided, however*, That a Federal agency shall remain responsible for the proper care, maintenance, and protection of the aforesaid property, notwithstanding any declaration that the same is in excess of its needs until such time as custody is assumed by the Federal Works Agency or other disposition is made thereof.

"Sec. 7. The Commissioner of Public Buildings, with the approval of the Federal Works Administrator, is authorized, upon their determination that such action will be to the best interest of the Government, to demolish any building declared surplus to the needs of the Government in accordance with the provisions of this act: *Provided*, That before proceeding with the demolition of any building, the Commissioner of Public Buildings shall inform the Secretary of the Interior in writing of his intention to demolish it, and shall not proceed with the demolition until he shall have received written notice from the Secretary of the Interior that said building is not an historic building of national significance within the meaning of the act entitled 'An act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes', approved August 21, 1935 (Public, No. 292, 74th Cong.; 49 Stat. 666): *Provided, however*, That if the Secretary of the Interior shall fail to notify the Commissioner of Public Buildings of his determination as to whether such building is an historic building of national significance within 90 days of the receipt of the notice of intention to demolish the Commissioner of Public Buildings may proceed to demolish said building."

The amendment was agreed to.

The next amendment was, on page 4, after line 9, to strike out:

Sec. 3. In sections 1 to 4, inclusive, of said act approved August 27, 1935, (a) strike out the words "the Secretary of the Treasury" and insert in lieu thereof the words "the Federal Works Administrator"; (b) strike out the words "the Director of Procurement" and insert in lieu thereof the words "the Commissioner of Public Buildings"; (c) strike out the words "the Procurement Division" and insert in lieu thereof the words "the Public Buildings Administration."

And to insert in lieu thereof:

Sec. 3. Sections 1 to 4, inclusive, of such act of August 27, 1935, are amended (a) by striking out the words "Secretary of the Treasury" wherever they appear and inserting in lieu thereof the words "Federal Works Administrator"; (b) by striking out the words "Director of Procurement" wherever they appear and inserting in lieu thereof the words "Commissioner of Public Buildings"; (c) by

striking out the words "Procurement Division" wherever they appear and inserting in lieu thereof the words "Public Buildings Administration."

The amendment was agreed to.

Mr. DANAHER. Mr. President, may we have an explanation of the bill, as amended?

The PRESIDING OFFICER. An explanation is requested. The bill was reported by the Senator from Texas [Mr. CONNALLY]. Is there objection to the present consideration of the bill?

Mr. WHEELER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

INTERNATIONAL TECHNICAL COMMITTEE OF AERIAL LEGAL EXPERTS

The joint resolution (S. J. Res. 228) providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, and for participation in the meetings of the International Technical Committee of Aerial Legal Experts and the commissions established by that Committee was announced as next in order.

The PRESIDING OFFICER. A similar joint resolution, Calendar No. 1496, House Joint Resolution 490, is on the calendar. Without objection, the House joint resolution will be substituted for the Senate joint resolution and will be now considered.

There being no objection, the joint resolution (H. J. Res. 490) providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, and for participation in the meetings of the International Technical Committee of Aerial Legal Experts and the commissions established by that Committee was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 228 is indefinitely postponed.

BILL PASSED OVER

The bill (H. R. 801) to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws and to prevent the crime of lynching was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PROHIBITION OF TRANSPORTATION OF CONVICT-MADE GOODS

The bill (S. 3550) to make unlawful the transportation of convict-made goods in interstate and foreign commerce was announced as next in order.

Mr. SCHWELLENBACH. Mr. President, I ask for an explanation of the bill.

Mr. CLARK of Missouri. Mr. President, I am not a member of the committee or the subcommittee which reported this bill, but have been familiar with the progress of the bill for some time since long before its introduction. The purpose of the bill is very briefly and explicitly stated in the bill itself as briefly as I could possibly explain it. It provides:

That whoever knowingly shall transport or cause to be transported in interstate or foreign commerce in any manner or by any means whatsoever or aid or assist in obtaining transportation for or in transporting any goods, wares, and merchandise manufactured, produced, or mined wholly or in part by convicts and prisoners (except convicts or prisoners on parole or probation), or in any penal or reformatory institution, from one State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof, or from any foreign country, into any State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof, shall be punished by a fine of not more than \$1,000 or by imprisonment for not more than 1 year, or both: *Provided*, That nothing herein shall apply to commodities manufactured in Federal penal and correctional institutions for use by the Federal Government: *Provided further*, That this act shall go into effect 1 year after its approval by the President.

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

The PRESIDING OFFICER. The Senator from Washington has the floor. Does he yield to the Senator from Ohio?

Mr. CLARK of Missouri. Mr. President, the Senator from Washington had the floor and called for an explanation of

the bill. I claimed the floor in my own right to make the explanation.

The PRESIDING OFFICER. The Chair did not so understand the situation.

Mr. SCHWELLENBACH. I yield to the Senator from Ohio.

Mr. TAFT. As I read the bill, I would be subject to fine and imprisonment if I should drive my automobile with an Ohio license tag on it—and in Ohio all license tags are made in the penitentiary—from Ohio to Washington, crossing State lines. It seems to me that under its terms I would be violating the provisions of this bill if I should take such a trip.

Mr. SCHWELLENBACH. Mr. President, I merely wish to make a statement.

Mr. TAFT. Does the Senator have any reason to advance why what I have stated would not be so?

Mr. SCHWELLENBACH. I beg the Senator's pardon. I thought he had concluded.

Mr. TAFT. I asked the question whether under the terms of this proposal I would not be violating the provisions of the bill and subjecting myself to a penalty if I drove my own car from Ohio to Washington?

The PRESIDING OFFICER. There seems to be no one who can answer the question of the Senator from Ohio.

Mr. TAFT. Mr. President, as there is no answer, I ask that the bill be passed over.

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

Mr. SCHWELLENBACH. Mr. President, I have the floor and desire to make a statement.

There has been a danger so far as the Constitution of the United States is concerned, in the last 10 years, that has come from the unwillingness of the Supreme Court to recognize its responsibility so far as the matter of the regulation of commerce between the States is concerned. The Congress passed a bill called the Hawes-Cooper Act, which was approved by the Supreme Court of the United States. The Congress then passed the Ashurst-Sumners Act. Both those acts presented to the Supreme Court the question of whether or not the Federal Government should submit its rights to the States. In the case of *Whitefield* against Ohio, the Supreme Court went half way; in the Kentucky Whip and Collar case the Supreme Court went all the way. The Supreme Court, in the old case of *Hammer* against *Dagenhart*, refused to recognize the right of the Federal Government to control child labor. It said that the Federal Government could not do indirectly what it could not do directly. Then, later, because of the fact that the question of convict labor was involved, the Court approved the two acts I have mentioned. Certainly nobody can read the Ashurst-Sumners Act and read the opinion of the Supreme Court in the Kentucky Whip and Collar case and not agree that by that decision the Supreme Court certainly overruled its decision in the case of *Hammer* against *Dagenhart*. Yet the Supreme Court, because it was not willing to face the facts, because it was not willing to face the issue, said:

We will approve of the Ashurst-Sumners Act; we will permit the Federal Government to surrender its right to control interstate commerce, and yet we will specifically hold that we have not overruled the decision in the *Hammer* against *Dagenhart* case.

I wish to say frankly that I do not know exactly what this particular bill provides, but I think the time has come when the Congress of the United States should go rather slowly. The Constitution was written and the Federal Government was established because under the Articles of Confederation there were set up as between the colonies, or States, or whatever they may be called, tariff barriers which made it impossible for them to function. So we adopted a Constitution for the purpose of setting up a Federal Government. I think the Supreme Court was wrong in its decision in the case of *Hammer* against *Dagenhart*, but I certainly think the Supreme Court should have accepted the responsibility in the other two decisions.

So far as I am concerned, I am not willing to agree that any amendment may be made in the prison-goods law which may go further, permit a further break-down of our confederation as a National Government, and permit the States to control by means of what really are tariff barriers as between themselves the shipment of goods into the various States. So I object to the consideration of this bill.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. CLARK of Missouri. Mr. President, was objection made to this bill?

The PRESIDING OFFICER. Objection has been made.

Mr. CLARK of Missouri. Very well; I will wait until the next bill is called and take the floor on that.

The PRESIDING OFFICER. The next bill on the calendar will be stated.

The bill (H. R. 57) to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

Mr. CLARK of Missouri. Mr. President, if Senators who made objection will withhold it for a moment, let me say that I do not wish to enter into any dispute with the eminent Senator who is, and the eminent jurist who is soon to be, about the construction of Supreme Court decisions. I say only that I regret that the Senator from Washington in his senatorial career has waited to express such a high regard for the rights of the States and of the Federal Government until just as he is about to be translated to the Federal judiciary, where he will have a much better opportunity than he has had in the Senate to overrule the Supreme Court of the United States. [Laughter.]

I simply say that I, of course, do not contest the right of the Senator from Ohio to act as a sponsor for convict-made goods if he desires to, but desire to give notice, upon the authority of the Senator from West Virginia, who is in charge of this bill, that at the first opportunity a motion will be made to take up the bill in due course for consideration.

Mr. TAFT. I am curious to know why this bill would not prohibit interstate transportation under license tags, which are generally made in prisons by convict labor.

Mr. CLARK of Missouri. If the Senator objects, when the bill comes up again for consideration such amendments may be made as will obviate any valid objection. Certainly it was not the intention of the sponsors of the bill to prohibit automobiles traveling in interstate commerce, and if the consideration of the bill would be permitted, if there should be a question in the mind of the Senator from Ohio or any other Senator that the bill would prohibit a citizen of Ohio from driving an automobile with Ohio license tags which are made by convicts, that could very readily be arranged. The bill is based on the language of the Supreme Court, if I may be permitted to quote it, that—

All such legislation—

That is, legislation against convict-made goods—

All such legislation, State and Federal, proceeds upon the view that free labor, properly compensated, cannot compete successfully with the enforced and unpaid or underpaid convict labor of the prison.

I did not draw this bill; I was not on the committee that considered it, but I know that the purpose at which it is aimed is extremely meritorious; I know that nobody can successfully stand on this floor and argue for the transportation of convict-made goods in interstate commerce, and I know that to pick out a particular flaw and to say, "This bill may be defective in a certain particular and therefore we will not even consider it and throw it open to amendment" is begging the question.

Mr. SCHWELLENBACH. Mr. President—

Mr. CLARK of Missouri. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. I have been very much interested in what the Senator has said, but I think he probably will appreciate my position.

Mr. CLARK of Missouri. I have appreciated the Senator's position, Judge, Your Honor. [Laughter.]

Mr. President, I would not argue with the Senator from Washington for fear of being put in jail for contempt of court. [Laughter.]

Mr. SCHWELLENBACH. For the rest of my life I probably shall never have a chance effectively to criticize the Supreme Court of the United States.

Mr. CLARK of Missouri. Mr. President, I will say that we shall all enjoy all the remarks that the Senator from Washington can squeeze in before the end of the session, as we have enjoyed all the remarks he has made during our service with him here in this body.

The PRESIDING OFFICER. The bill will be passed over.

REIMBURSEMENT OF NAVAL PERSONNEL FOR PROPERTY LOST OR DESTROYED IN SERVICE

The Senate proceeded to consider the bill (S. 2891) to amend the act of October 6, 1917, "An act to provide for the reimbursement of officers, enlisted men, and others in the naval service of the United States for property lost or destroyed in such service," which had been reported from the Committee on Naval Affairs with amendments, on page 2, line 2, after the word "thereof", to insert "and by adding a proviso at the end of the act"; on page 2, line 23, after the words "limited to", to strike out "such articles of personal property as the Chief of the Bureau of Navigation of the Navy Department, with reference to the personnel of the Navy, or the Major General Commandant of the Marine Corps, with reference to the personnel of that corps, in his discretion, shall decide to be reasonable, useful, and proper for such officer, enlisted man, or other person while engaged in the public service in line of duty" and insert "replacement in kind of the clothing such individual may be required by regulation to have in his possession, reimbursement in cash of other personal effects which shall include toilet articles not exceeding \$5 and where required for aviation ratings a watch not exceeding \$25, and in addition, for chief petty officers, cooks, and stewards such additional clothing as the Chief of the Bureau of Navigation with reference to the personnel of the Navy, or the Major General Commandant of the Marine Corps, with reference to the personnel of that corps, shall decide to be reasonable"; and on page 6, line 11, after the word "Coast", to strike out "Guard" and insert "Guard: And provided further, That the provisions of this act shall apply to the personnel of the Coast and Geodetic Survey in like manner as to the personnel of the Navy, except that all reimbursement shall be made in money and shall be limited to such articles of personal property as the Director of the Coast and Geodetic Survey shall decide to be reasonable, useful, and proper for such officer, member of the crew, or other person while engaged in the public service in line of duty, without reference to articles required by the United States Naval Regulations, and all of the duties, which, under this act, devolve upon the Major General Commandant of the Marine Corps with reference to the personnel of that corps, shall devolve upon the Director of the Coast and Geodetic Survey, and in cases involving persons in the Coast and Geodetic Survey reimbursement shall be made by a disbursing officer for the Coast and Geodetic Survey from the Coast and Geodetic Survey appropriation from which the officer or man is paid", so as to make the bill read:

Be it enacted, etc., That the act approved October 6, 1917 (vol. 40, Stat. L., p. 389), "An act to provide for the reimbursement of officers, enlisted men, and others in the naval service of the United States for property lost or destroyed in such service," be amended by adding the words "or by fires, floods, earthquakes, hurricanes, or similar disasters, occurring, on land" immediately following the word "disaster" in line 8 thereof, and by adding a proviso at the end of the act, the act as amended to read as follows:

"That the Paymaster General of the Navy be, and he is hereby, authorized and directed to reimburse such officers, enlisted men, and others in the naval service of the United States as may have suffered, or may hereafter suffer, loss or destruction of or damage to their personal property and effects in the naval service due to

the operations of war or by shipwreck or other marine disaster, or by fires, floods, earthquakes, hurricanes, or similar disasters, occurring on land, when such loss, destruction, or damage was without fault or negligence on the part of the claimant, or where the private property so lost, destroyed, or damaged was shipped on board an unseaworthy vessel by order of an officer authorized to give such order or direct such shipment, or where it appears that the loss, destruction, or damage of or to the private property of the claimant was in consequence of his having given his attention to the saving of the lives of others or of property belonging to the United States which was in danger at the same time and under similar circumstances. And the liability of the Government under this act shall be limited to replacement in kind of the clothing such individual may be required by regulation to have in his possession, reimbursement in cash of other personal effects which shall include toilet articles not exceeding \$5 and where required for aviation ratings a watch not exceeding \$25, and in addition, for chief petty officers, cooks, and stewards such additional clothing as the Chief of the Bureau of Navigation with reference to the personnel of the Navy, or the Major General Commandant of the Marine Corps, with reference to the personnel of that corps, shall decide to be reasonable, and the certificate of said chief of bureau or Major General Commandant, as the case may be, shall be sufficient voucher for and shall be final as to all matters necessary to the establishment and payment or settlement of any claim filed hereunder; and the action of the said chief of bureau or Major General Commandant, as the case may be, upon all claims arising under this act shall be final, and no right to prosecute a claim or action in the Court of Claims or in any other court of the United States, or before any accounting officer of the United States, or elsewhere, except as herein provided, shall accrue to any person by virtue of this act: *Provided*, That the liability of the Government under this act shall be limited to such articles of personal property as are required by the United States Naval Regulations and in force at the time of loss or destruction for such officers, petty officers, seamen, or others engaged in the public service in the line of duty: *Provided further*, That with reference to claims of persons in the Marine Corps filed under the terms of this act the paymaster of the Marine Corps shall make the reimbursement in money, and the quartermaster of the Marine Corps shall make the reimbursement in kind herein provided for: *Provided further*, That all claims now existing under this act shall be presented within 2 years from the passage hereof and not hereafter; and all such claims hereafter arising shall be presented within 2 years from the occurrence of the loss, destruction, or damage: *Provided further*, That the term 'in the naval service', as herein employed, shall be held to include service performed on board any vessel, whether of the Navy or not, provided the claimant is serving on such vessel pursuant to the orders of duly constituted naval authority: *Provided further*, That all claimants under this act shall be required to submit their claims in writing and under oath to the said Chief of the Bureau of Navigation or Major General Commandant, as the case may be: *Provided further*, That claims arising in the manner indicated in this act and which have been settled under the terms of previously existing law shall be regarded as finally determined and no other or further right of recovery under the provisions hereof shall accrue to persons who have submitted such claims as aforesaid: *Provided further*, That sections 288, 289, and 290, Revised Statutes, and the act of March 2, 1895 (28 Statutes, page 962), are hereby repealed: *Provided further*, That reimbursement for loss, destruction, or damage sustained and determined as herein provided shall be made in kind for such articles as are customarily issued to the service and shall be made in money for other articles at the valuation thereof at the time of their loss, destruction, or damage: *Provided further*, That in cases involving persons in the Navy reimbursement in money shall be made from the appropriation 'Pay of the Navy', and reimbursement in kind shall be made from the appropriation 'Outfits on first enlistment', and in cases involving persons in the Marine Corps reimbursement in money shall be made from the appropriation 'Pay, Marine Corps', and reimbursement in kind shall be made from the appropriation 'Clothing, Marine Corps', respectively, current at the time the claim covering such loss, damage, or destruction is paid: *And provided further*, That the provisions of this act shall apply to the personnel of the Coast Guard in like manner as to the personnel of the Navy, whether the Coast Guard is operating under the Treasury Department or operating as a part of the Navy, and all of the duties, which, under this act, devolve upon the Major General Commandant of the Marine Corps with reference to the personnel of that corps, shall devolve upon the Commandant of the Coast Guard, and in cases involving persons in the Coast Guard reimbursement in money shall be made by a disbursing officer for the Coast Guard from the appropriation 'Pay and allowances, United States Coast Guard', and reimbursement in kind shall be made by the Commandant from the appropriation 'Pay and allowances, United States Coast Guard': *And provided further*, That the provisions of this act shall apply to the personnel of the Coast and Geodetic Survey in like manner as to the personnel of the Navy, except that all reimbursement shall be made in money and shall be limited to such articles of personal property as the Director of the Coast and Geodetic Survey shall decide to be reasonable, useful, and proper for such officer, member of the crew, or other person while engaged in the public service in line of duty, without reference to articles required by the United States Naval Regulations, and all of the duties, which, under this act, devolve upon the Major General

Commandant of the Marine Corps with reference to the personnel of that corps, shall devolve upon the Director of the Coast and Geodetic Survey, and in cases involving persons in the Coast and Geodetic Survey reimbursement shall be made by a disbursing officer for the Coast and Geodetic Survey from the Coast and Geodetic Survey appropriation from which the officer or man is paid."

Mr. KING. Mr. President, I desire to ask the Senator from Massachusetts whether there is in the bill any limitation as to the amount that will be required to meet these obligations.

Mr. WALSH. Mr. President, there is now a law which permits the departments of the Government, including the Navy Department, to reimburse officers and enlisted men for losses which they sustain of necessary personal property which they must have in their service if the losses occur while at sea. There is no general law permitting the authorities in the departments of the Government to adjust the losses if they do not occur at sea. The result is that a large number of bills are presented each year for losses at Quantico by fire, and for losses by hurricane or earthquake in the Canal Zone and at other places. This bill permits the general law which now applies to such losses when they occur at sea to apply to losses on Government property and on land.

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

The amendments were agreed to.

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

STUDIES OF PRODUCTIVITY AND LABOR COSTS IN INDUSTRY

The joint resolution (H. J. Res. 265) authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry was announced as next in order.

Mr. KING. Let the joint resolution go over.

The PRESIDING OFFICER. This measure, being similar to a Senate resolution on the same subject which has already been objected to, will also be passed over.

Mr. WAGNER. Mr. President, I was about to suggest that the junior Senator from Oregon [Mr. HOLMAN], who is out of the Chamber at the moment, objected to a similar Senate measure upon the calendar under my name. For that reason, in his absence, I ask that the House joint resolution go over, although I should very much like to have it passed.

The PRESIDING OFFICER. The joint resolution has been passed over.

Mr. HOLMAN subsequently said: Mr. President, I ask unanimous consent that the Senate return to Calendar No. 1310, Senate Joint Resolution 114, to which I previously made an objection. The joint resolution has been explained to me, and I now should like to withdraw my objection and have the joint resolution passed.

The PRESIDING OFFICER. Senate Joint Resolution 114 is identical with House Joint Resolution 265, Calendar No. 1475. The latter joint resolution having already passed the House, without objection, the Senate will consider that measure in lieu of the Senate joint resolution.

Mr. HOLMAN. Very well.

There being no objection, the joint resolution (H. J. Res. 265) authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 114 will be indefinitely postponed.

BILL PASSED OVER

The bill (H. R. 6324) to provide for the more expeditious settlement of disputes with the United States, and for other purposes, was announced as next in order.

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

Mr. HATCH. Mr. President, I shall be very glad to make an explanation of the bill; but I am quite sure the majority floor leader wishes to object to the consideration of the bill.

Mr. BARKLEY. Oh, yes, Mr. President; there is no time now to explain the bill. I ask that it go over.

Mr. KING. I give notice that tomorrow, if possible, a motion will be made to take up for consideration the so-called Logan bill.

The PRESIDING OFFICER. The bill will be passed over.

BENEFITS FOR CERTAIN AIR CORPS RESERVE OFFICERS

The bill (S. 3266) to provide pensions, compensation, retirement pay, and hospital benefits to certain Reserve officers of the Army of the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That all Reserve officers of the Air Corps of the Army of the United States, who were called or ordered into the active military service with the Air Corps, Regular Army, by the Federal Government for extended military service in excess of 30 days on or subsequent to July 1, 1928, and who suffered disability in line of duty from injury while so employed shall be deemed to have been in the active military service during such period and shall be in all respects entitled to receive the same pensions, compensation, retirement pay, and hospital benefits as are now or may hereafter be provided by law or regulation for officers of corresponding grades and length of service of the Regular Army.

SEC. 2. That the duties, powers, and functions incident to the administration and payment of the benefits herein provided are hereby vested in the Veterans' Administration: *Provided*, That in the administration of the retirement provisions provided herein, the determination whether disability exists and whether such disability was incurred in line of duty shall be made by the Secretary of War, or by someone designated by him in the War Department, in the manner, and in accordance with the standards, provided by law or regulations for Regular Army personnel: *And provided further*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The title was amended so as to read: "A bill to provide pensions, compensation, retirement pay, and hospital benefits for certain Air Corps Reserve officers who were disabled while on active duty with the Regular Army."

GREENVILLE MEMORIAL COMMISSION

The joint resolution (H. J. Res. 385) establishing a Greenville Memorial Commission to formulate plans for the construction of a memorial building to commemorate the Treaty of Greene Ville at Greenville, Ohio, was considered, ordered to a third reading, read the third time, and passed, and the preamble was agreed to, as follows:

Whereas Greenville, Ohio, is the site of Fort Greene Ville, where was signed the famous Treaty of Greene Ville; and

Whereas the treaty thus negotiated in 1795, between General "Mad Anthony" Wayne and the Indians and signed by President George Washington and William Henry Harrison, aide de camp to General Wayne and later President of the United States, was one of the most important events in the life of our Nation; and

Whereas Greene Ville, named after General Wayne's Revolutionary compatriot, Gen. Nathanael Greene, marked the headquarters from which General Wayne pressed on to victory over the Indians, caused the British to retire from Detroit and other lake points, and opened to peaceful invasion the entire territory north of the Ohio River and east of the Mississippi River, from which were formed the great States of Ohio, Indiana, Illinois, Michigan, Minnesota, and Wisconsin; and

Whereas the pledge of security given by the treaty stimulated emigration to a remarkable degree and made possible the founding of such outstanding cities as Chicago, Cincinnati, Cleveland, Detroit, Fort Wayne, Indianapolis, Milwaukee, Minneapolis, and many other great cities; and

Whereas the victory is considered the most complete and most important ever gained over the Northwestern Indians during the 40 years' warfare it put to an end, and actually terminated the Revolutionary War; and

Whereas the Treaty of Greene Ville made possible the onrush of Americans into the great Northwest Territory, laying the foundation of the United States as a world power; and

Whereas there are now housed in the Public Library of Greenville, Ohio, hundreds of mementos and trophies of this critical period of American history which should be placed in a suitable memorial building in order to be preserved for future generations: Therefore be it

Resolved, etc., That there is hereby established a Commission, to be known as the Greenville Memorial Commission, and to be composed of nine Commissioners, three to be appointed by the President of the United States, three Senators to be appointed by the President of the Senate, and three Members of the House of Representatives to be appointed by the Speaker of the House. Such Commission shall consider and formulate plans for designing and constructing a permanent memorial building at Greenville, Ohio.

SEC. 2. Such Commission may, in its discretion, accept from any source, public or private, money or property to be used for the purpose of making surveys and investigations, formulating,

preparing, and considering plans for the construction of such memorial, or other expenses incurred, or to be incurred, in carrying out the provisions of this joint resolution.

SEC. 3. The Commission shall report its recommendations to Congress as soon as practicable.

SEC. 4. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000, which shall be available to defray the necessary expenses of the Commission for the performance of their duties hereinafter prescribed. Disbursement of sums herein authorized to be appropriated shall be made upon vouchers approved by the chairman of the Commission.

BILL PASSED OVER

The bill (H. R. 5827) to authorize the cancelation of deportation proceedings in the case of John L. Harder and children, Paul William Harder, Irvin W. Harder, Edna Justina Harder, Elsie Anna Harder, and Elizabeth Harder was announced as next in order.

Mr. REYNOLDS. Let the bill go over. I object to it.

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

Mr. REYNOLDS. Yes; I yield.

Mr. KING. Let me say that the Committee on Immigration and Naturalization had this bill under consideration and it was unanimously reported, even by some who entertain largely the views of the Senator from North Carolina.

Mr. REYNOLDS. I thank the Senator, but I shall be forced to object to it, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

MINAS KIRILLIDIS

The bill (S. 3442) to authorize the cancelation of deportation proceedings in the case of Minas Kirillidis was announced as next in order.

Mr. REYNOLDS. I object.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2768) authorizing the naturalization of Thomas A. Lambie was announced as next in order.

Mr. REYNOLDS. I object.

The PRESIDING OFFICER. The bill will be passed over.

Mr. RADCLIFFE. Mr. President, will the junior Senator from North Carolina give me his attention for a moment? I hope he will reconsider his objection. Dr. Lambie was a citizen of this country. It was necessary, for good and sufficient reasons which I shall not go into at this time, for him to become a citizen of Abyssinia.

Mr. REYNOLDS. I should like very much to accommodate the Senator; but not having been advised—

Mr. RADCLIFFE. Dr. Lambie was an American citizen, born and raised here. He became a citizen of Abyssinia in order to hold missionary property in Abyssinia. That is now out of the picture because of the conquest of Abyssinia, and he is desirous of again becoming an American citizen. There is no reason why he should not. He is a man of good standing and splendid reputation, and he only became a citizen of Abyssinia in order to meet certain technical requirements of the missionary work which he was doing there.

Mr. REYNOLDS. For the present, I shall have to ask that the bill go over; but I shall be very glad to look into the matter and discuss it with the Senator from Maryland.

The PRESIDING OFFICER. Objection being made, the bill will be passed over.

Mr. REYNOLDS subsequently said: Mr. President, I wish to withdraw my objection to Calendar No. 1531, Senate bill 2768, in which the Senator from Maryland [Mr. RADCLIFFE] is interested.

The PRESIDING OFFICER. Is there objection to the present consideration of Senate bill 2768, which will be stated by title for the information of the Senate?

The LEGISLATIVE CLERK. A bill (S. 2768) authorizing the naturalization of Thomas A. Lambie.

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

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

Be it enacted, etc., That, notwithstanding any other provision of law, at any time within 1 year after the date of enactment of this act, Thomas A. Lambie, of Owings Mills, Md., may be natu-

ralized as a citizen of the United States by taking the naturalization oath of allegiance before any court having jurisdiction of the naturalization of aliens.

MR. AND MRS. NATHAN KAPLAN

The Senate proceeded to consider the bill (H. R. 6964) for the relief of Mr. and Mrs. Nathan Kaplan.

Mr. REYNOLDS. Mr. President, what is the number of this bill?

The PRESIDING OFFICER. House bill 6964, Calendar No. 1532.

Mr. KING. It is not an immigration bill.

Mr. REYNOLDS. I do not wish to object to its consideration.

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

JOHN R. ELLIOTT

The bill (H. R. 7306) for the relief of John R. Elliott was considered, ordered to a third reading, read the third time, and passed.

HERMOSA-REDONDO HOSPITAL, C. MAX ANDERSON, AND OTHERS

The bill (H. R. 8317) for the relief of the Hermosa-Redondo Hospital, C. Max Anderson, Julian O. Wilke, Curtis A. Wherry, Hollie B. Murray, Ruth M. Laird, Sigrid I. Olsen, and Stella S. Guy was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 3204) for the relief of Louise Hsien Djen Lee Lum was announced as next in order.

Mr. REYNOLDS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2148) for the admission of Ruth Molimau Kenison to American citizenship was announced as next in order.

Mr. REYNOLDS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

APPLICATION OF COMPENSATION ACT TO OFFICERS AND ENLISTED MEN OF ARMY RESERVE

The bill (S. 3131) to extend the benefits of the United States Employees' Compensation Act to members of the Officers' Reserve Corps and of the Enlisted Reserve Corps of the Army who were physically injured in line of duty while performing active duty or engaged in authorized training between dates of February 28, 1925, and July 15, 1939, both inclusive, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That where in time of peace any member of the Officers' Reserve Corps or of the Enlisted Reserve Corps of the Army was physically injured in line of duty (1) while on active duty, or (2) while engaged in authorized travel to and from such duty, or (3) while engaged in authorized training without pay, or dies or has died as the result of such physical injury, where such injury or death occurred between the dates of February 28, 1925, and July 15, 1939, both inclusive, he or his beneficiary shall be entitled to all the benefits prescribed by law for civil employees of the United States who are physically injured in line of duty or who die as a result thereof, and the United States Employees' Compensation Commission shall have jurisdiction in such cases and shall perform the same duties with reference thereto as in the cases of civil employees of the United States so injured: *Provided*, That the benefits shall accrue to any such member, or his beneficiary, whether the disability or death is the result of sickness or disease contracted in line of duty while on active duty when such sickness or disease is proximately caused by service on active duty: *Provided further*, That employees' compensation under this act shall not be paid concurrently with active-duty pay or pension based on military service, and in the event a person becomes eligible for the benefits of the United States Employees' Compensation Act and is also eligible for, or is in receipt of, a pension based upon military service, he shall elect which benefit to receive: *Provided further*, That authorized training without pay is defined as inactive-status training under written authorization by competent military authority covering a specific training assignment and prescribing a time limit: *Provided further*, That for the purpose of determining benefits to which entitled under the provisions of this act members of the Officers' Reserve Corps or of the Enlisted Reserve Corps of the Army physically injured when engaged in authorized training without pay will be held and considered as receiving the pay and allowances they would have received if in a pay status: *Provided further*, That Reserve officers entitled to the benefits of the last proviso of section 5 of the act of April 3, 1939 (Public, No.

18, 76th Cong.), shall not be entitled to the benefits of this act: *And provided further*, That nothing herein shall be construed to authorize compensation benefits which may have accrued for any period prior to the approval of this act, but eligibility for compensation benefits shall be determined as of the date of approval of this act and any benefits payable shall date only from such approval.

Where injury or death has been sustained by any member of the Officers' Reserve Corps or Enlisted Reserve Corps while performing authorized training without pay upon inactive status it shall be presumed that such training was being performed under written authorization of competent military authority covering a specific training assignment and prescribing a time limit and thus subject to the provision of this act unless a duly appointed examining board, appointed at the time of said accident, has found and reported to the contrary.

All claims for disability or death benefits allowed under the provisions of this act shall be made within 1 year from its approval by the President.

BILL PASSED OVER

The bill (S. 1432) authorizing the Snake or Piute Indians of the former Malheur Indian Reservation of Oregon to sue in the Court of Claims, and for other purposes, was announced as next in order.

Mr. McNARY. I ask that the bill go over for the present. The PRESIDING OFFICER. The bill will be passed over.

RELIEF OF INDIANS WHO HAVE PAID TAXES ON ALLOTTED LANDS

The bill (H. R. 952) for the relief of Indians who have paid taxes on allotted lands for which patents in fee were issued without application by or consent of the allottees and subsequently canceled, and for the reimbursement of public subdivisions by whom judgments for such claims have been paid, was considered, ordered to a third reading, read the third time, and passed.

DISTRICT JUDGE FOR SOUTHERN DISTRICT OF NEW YORK

The Senate proceeded to consider the bill (H. R. 5906) to repeal the prohibition against the filling of a vacancy in the office of district judge for the southern district of New York, which was read, as follows:

Be it enacted, etc., That the provision of subsection (d) of section 4 of the act entitled "An act to provide for the appointment of additional judges for certain United States district courts, circuit courts of appeals, and certain courts of the United States for the District of Columbia," approved May 31, 1938 (52 Stat. 585; U. S. C., title 28, sec. 4j-1), which reads: "Provided, That the first vacancy occurring in the office of district judge for the southern district of New York by the retirement, disqualification, resignation, or death of judges in office on the date of enactment of this act shall not be filled," be, and it is hereby, repealed.

Mr. CLARK of Missouri. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation is requested.

Mr. CLARK of Missouri. Why was not this provision contained in the omnibus bill which was recently passed, providing for new judgeships?

Mr. WAGNER. This measure came from the House as a separate bill.

Mr. MILLER. Mr. President, when this particular judgeship was provided for there was a provision in the bill to the effect that on the death of the incumbent the appointment should not be renewed; but the incumbent was appointed to the circuit court of appeals of that circuit, there being a vacancy there, leaving a situation which was not within the contemplation of the Congress when the original act was passed. The situation which we attempted to cure by the original legislation was thwarted by the appointment of the judge to another court. This bill is designed to meet that condition.

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

NAVY CLUB OF THE UNITED STATES OF AMERICA

The bill (H. R. 5880) to incorporate the Navy Club of the United States of America was considered, ordered to a third reading, read the third time, and passed.

GENERAL PULASKI'S MEMORIAL DAY

The joint resolution (H. J. Res. 400) authorizing the President of the United States of America to proclaim October 11, 1940, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski

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

RIGHT-OF-WAY FOR BLUE RIDGE PARKWAY ACROSS CHEROKEE INDIAN RESERVATION

The Senate proceeded to consider the bill (H. R. 6668) to grant the State of North Carolina a right-of-way for the Blue Ridge Parkway across the Cherokee Indian Reservation in North Carolina, to provide for the payment of just compensation for said right-of-way, and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and to insert:

That the Secretary of the Interior is authorized and directed to convey to the State of North Carolina for use as a right-of-way in connection with the Blue Ridge Parkway in the State of North Carolina all right, title, and interest of the United States and the Eastern Band of Cherokee Indians in such land and the timber thereon, to be determined as hereinafter provided, within the Cherokee Indian Reservation in the State of North Carolina as may be necessary for the construction and maintenance of such parkway over the following course: Beginning at a point in State Highway No. 293 near Soco Gap and extending to a junction with State Highway No. 107, near the mouth of the Ravens Fork of the Oconoluftee River by way of the following approximate controls: Leaving Soco Gap and following the east and northerly slopes of Soco and Bunches Bald ridge and crossing through Docks Gap to the south and west side of Soco and Bunches Bald; thence crossing Lickstone Ridge and entering Bunches Gap from the south; thence from Bunches Gap, following the south slopes of the main ridge, crossing Jenkins Divide ridge and entering Big Witch Gap from the southeast; thence leaving Big Witch Gap in a northwesterly direction and keeping on the northerly and westerly slopes of the main ridge, but crossing the various spur ridges circling around the heads of Mingo Creek and Sherrills Cove, and around the north end of the ridge lying immediately northeast of the Ravensford Mill site, crossing the Oconoluftee River to the junction with State Highway No. 107, previously referred to, and, in addition, starting in a northeasterly direction from Bunches Gap, passing about one-half mile north of Soco Bald; thence turning north and intersecting the boundary between the Qualla Indian Reservation and the Great Smoky Mountains National Park at a point approximately 1 mile northeast of Bunches Gap.

Sec. 2. Before making such conveyance, the Secretary of the Interior shall have the lands along such course surveyed and shall determine the exact location and boundaries of the land to be conveyed for use as such right-of-way, which shall not exceed 125 acres per mile. The deed of conveyance for such land shall contain an accurate description of the location and boundaries of such land in order that the interests of the United States and the Eastern Band of Cherokee Indians may be properly protected.

Sec. 3. In consideration of conveyance, the State of North Carolina shall construct without expense to the United States or to the Cherokee Indians a suitable road between Soco Gap and Cherokee Village and shall pay to the United States the sum of \$40,000, or \$30 per acre, whichever sum is the largest, which shall be deposited in the Treasury to the credit of the Eastern Band of Cherokee Indians and held in trust by the United States for the Eastern Band of Cherokee Indians.

Sec. 4. The Secretary of the Interior is hereby authorized, in his discretion, to grant to the Eastern Band of Cherokee Indians the beneficial interest in any lands selected by the council of said band within the tracts in the vicinity of Ravensford, N. C., now owned by the United States and known, respectively, as the Ravensford tract, containing approximately 322 acres, and the Boundary Tree tract, containing approximately 884 acres; and the said Secretary is hereby directed to exclude from the Great Smoky Mountains National Park any lands so selected and granted: *Provided, however*, That the quarry site within the Ravensford tract shall not be granted to said band. Prior to the consummation of any such grant, payment shall be made for all lands included therein by the transfer of a sum equal to the fair market value of such lands, as determined by the Secretary of the Interior, from any funds in the United States Treasury to the credit of said band, including funds made available under section 3 hereof, to the credit of the fund "National Park Service, donations," which transfer the Secretary of the Treasury is hereby authorized to make upon request by the council of said band approved by the Secretary of the Interior. Funds so transferred shall be available for national-park and monument uses, including the acquisition of lands for inclusion in the Great Smoky Mountains National Park. All lands purchased or otherwise acquired for the Eastern Band of Cherokee Indians under authority contained in this act shall constitute a part of the Cherokee Indian Reservation in North Carolina, shall be held by the United States in trust for said band, and shall be nontaxable, nonalienable to the same extent as other lands within said reservation.

Mr. THOMAS of Oklahoma. Mr. President, this bill has given the committee very much concern. The Government and the State of North Carolina have joined to build a road in that section of the country. The road is to run through

the Cherokee Indian Reservation, located in North Carolina. The bill has had much consideration. The Senate Committee on Indian Affairs even sent its attorney to the reservation to work out the details. An agreement has been reached between all parties concerned; and I desire at this time to submit an amendment to the committee amendment.

The Senate committee struck out the original bill and substituted a new bill. I now desire to offer some amendments to the committee amendment. In order to simplify the matter, I send to the desk a list of the several amendments.

The PRESIDING OFFICER. The amendments offered by the Senator from Oklahoma to the amendment reported by the committee will be stated.

The CHIEF CLERK. It is proposed to strike out all of section 3 of the committee amendment, and in lieu thereof to insert the following:

SEC. 3. In consideration of conveyance, the State of North Carolina shall pay to the United States the sum of \$40,000 or \$30 per acre for the lands embraced in the right-of-way described in section 1, whichever sum is the largest, which shall be deposited in the Treasury to the credit of the Eastern Band of Cherokee Indians and held in trust by the United States for the Eastern Band of Cherokee Indians. It is understood and agreed that the State of North Carolina shall build without further payment for right-of-way, and without expense to the United States or the Cherokee Indians, a suitable State highway between Soco Gap and Cherokee Village, subject to the same laws, rules, and regulations applicable to all State highways of North Carolina.

The amendment to the amendment was agreed to.

The CHIEF CLERK. In the committee amendment, on page 10, line 21, after the words "within the", it is proposed to strike out "tracts in the vicinity of Ravensford, N. C., now owned by the United States and known, respectively, as the Ravensford tract, containing approximately 322 acres, and the".

The amendment to the amendment was agreed to.

The CHIEF CLERK. In the committee amendment, on page 11, line 4, after the word "granted", it is proposed to strike out the colon and the following: "Provided, however, That the quarry site within the Ravensford tract shall not be granted to said band."

The amendment to the amendment was agreed to.

The PRESIDING OFFICER (Mr. GURNEY in the chair). The question is on agreeing to the amendment of the committee as amended.

The amendment, as amended, was agreed to.

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

The bill was read the third time, and passed.

The title was amended so as to read: "An act to authorize the Secretary of the Interior to convey to the State of North Carolina for use in connection with the Blue Ridge Parkway certain land within the Cherokee Indian Reservation in the State of North Carolina."

PRESENTATION TO EIRE OF A STATUE OF COMMODORE JOHN BARRY

The Senate proceeded to consider the joint resolution (S. J. Res. 157) authorizing the President of the United States to present to Eire on behalf of the people of the United States a statue of Commodore John Barry, which had been reported from the Committee on Foreign Relations with an amendment, on page 2, after line 10, to strike out section 3, as follows:

SEC. 3. The statue to be presented shall be executed by a sculptor to be chosen by a committee of three members. Such committee shall be composed of one member appointed by the President and two members appointed by the Joint Committee on the Library: *Provided*, That such members shall serve without compensation or remuneration.

And to insert a new section 3, as follows:

SEC. 3. The statue to be presented shall be executed by a sculptor to be chosen by a committee of three members, who shall serve without compensation or remuneration. This committee shall be appointed by the President. The design and cost of the statue shall be approved by the committee.

So as to make the bill read:

Resolved, etc., That the President of the United States be, and he is hereby, authorized and directed to present to the Irish

nation, now known as Eire, a statue of Commodore John Barry in honor of the bicentenary of the birth of Commodore John Barry in 1745.

SEC. 2. There is hereby authorized to be appropriated the sum necessary to effectuate the purposes of this joint resolution.

SEC. 3. The statue to be presented shall be executed by a sculptor to be chosen by a committee of three members, who shall serve without compensation or remuneration. This committee shall be appointed by the President. The design and cost of the statue shall be approved by the committee.

The amendment was agreed to.

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

The preamble was rejected.

INDIAN CLAIMS

The Senate proceeded to consider the bill (S. 3352) to amend the act of August 27, 1935 (49 Stat. 2194), and for other purposes, which had been reported from the Committee on Indian Affairs with amendments, on page 1, line 8, after the word "filed", to insert the words "by Indians", and on line 8, after the word "all", to insert the word "such", so as to make the bill read:

Be it enacted, etc., That the act of August 27, 1935 (49 Stat. 2194), be, and the same is hereby, amended so as to allow the submission of claims by Indians thereunder at any time prior to June 30, 1941. The Comptroller General of the United States is directed to receive and settle any additional claims filed by Indians before said date and to reconsider all such claims which have been heretofore disallowed on account of failure to file them within the period of 2 years imposed by the act.

SEC. 2. Irrespective of the date of death or the sum involved or any contrary rule or practice with respect to payment of the claims, all amounts found due deceased Indians whose heirs have been determined by the Secretary of the Interior shall be paid to the appropriate superintendent or other bonded officer of the Indian Service for the benefit of the heirs, to be handled and accounted for by him with other moneys under his control in accordance with existing law and regulations. The amounts due deceased claimants whose heirs have not been thus determined shall be so paid upon applications therefor filed by the superintendent, for credit to the estates.

SEC. 3. The superintendent of the Consolidated Chippewa Agency is hereby authorized to file claims for any and all claimants or heirs of claimants whose whereabouts cannot be determined after due and diligent search, and a verified certificate filed by the superintendent that such due and diligent search has been made, shall be sufficient condition precedent to the right to file any such claim.

SEC. 4. Claims filed hereunder may be sworn to before a local postmaster or a superintendent or other officer of the Indian Service authorized to administer oaths.

The amendments were agreed to.

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

HAYWARD INDIAN SCHOOL, WISCONSIN

The Senate proceeded to consider the bill (S. 2984) authorizing the transfer of title of the Hayward Indian School to the State of Wisconsin, which had been reported from the Committee on Indian Affairs with an amendment, to strike out all after the enacting clause and to insert:

That the Secretary of the Interior be, and he is hereby, authorized to transfer to the State of Wisconsin, upon such terms and in such manner as may be mutually agreed upon, for institutional or other public use, title to all or any part of the property known and designated as the Hayward Indian School, located at Hayward, Wis.

The amendment was agreed to.

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

TOMAH INDIAN SCHOOL, WISCONSIN

The bill (H. R. 7530) to transfer the site and buildings of the Tomah Indian School to the State of Wisconsin was considered, ordered to a third reading, read the third time, and passed.

WHITMAN, MALHEUR, AND UMATILLA NATIONAL FORESTS

The Senate proceeded to consider the bill (H. R. 2418) to extend the provisions of the Forest Exchange Act, as amended, to certain lands so that they may become parts of the Whitman, Malheur, or Umatilla National Forests, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 2, line 1, after the word "forests", to insert a colon and the words "Provided, That such exchanges are approved by the board of county commissioners

of the county or counties in which said lands are situated", so as to make the bill read:

Be it enacted, etc., That any lands in private, State, or county ownership within the following-described area, which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes, may be offered in exchange under the provisions of the act approved March 20, 1922, as amended (U. S. C., title 16, secs. 485, 486), and upon acceptance of title shall become parts of the Whitman, Malheur, or Umatilla National Forests, Oreg., and shall thereafter be subject to the laws, rules, and regulations applicable to national forests: *Provided,* That such exchanges are approved by the board of county commissioners of the county or counties in which said lands are situated.

To the Whitman National Forest: The east half of section 1; the southeast quarter of section 11; the south half and the northeast quarter of section 12; section 13; the east half of section 14; the east half of section 23; sections 24, 25, 26, 35, and 36; township 1 north, range 40 east.

Sections 6, 7, 18, 19, 30, and 31; township 1 north, range 41 east.

The south half of section 12; section 13; the east half of section 14; sections 23, 24, 25, 26, 35, and 36; township 1 south, range 39 east.

Sections 1, 2, 3, 4, and 5; the south half of section 6; sections 7 to 36, inclusive; township 1 south, range 40 east.

Section 1; township 2 south, range 39 east.

Sections 5 and 6; the north half of section 7; sections 8 and 16; the southwest quarter of section 35; township 2 south, range 40 east.

The east half of section 11; the southwest quarter of section 12; section 13; the east half of section 14; the east half of section 23; sections 24, 25, and 26; the east half of section 27; sections 35 and 36; township 3 south, range 40 east.

The west half of section 30; section 31; the southwest quarter of section 32; township 3 south, range 41 east.

Sections 5, 8, 9, 10, 11, 14, and 23; township 4 south, range 38 east.

Section 1; the east half of section 2; the east half and the northwest quarter of section 12; the northeast quarter of section 13; township 4 south, range 40 east.

Sections 5, 6, 7, and 8; the west half of section 9; sections 16 to 21, inclusive, and 28 to 33, inclusive; the west half of section 34; township 4 south, range 41 east.

Section 36; township 5 south, range 37 east.

Sections 2, 3, 10, 11, 14, 15, 16, 22, 23, 26, and 27; the east half of section 28; the southwest quarter of section 31; sections 33, 34, and 35; township 5 south, range 38 east.

The south half of section 1; the south half of section 2; sections 11, 12, 13, and 14; the east half of section 23; sections 24 and 25; the east half of section 26; township 5 south, range 40 east.

The west half of section 3; sections 4 to 10, inclusive; the southwest quarter of section 14; sections 15 to 36, inclusive; township 5 south, range 41 east.

Section 19; the north half of section 30; township 5 south, range 42 east.

Sections 31 and 32; portions of sections 33, 34, 35, and 36, which lie south of the North Fork John Day River; township 6 south, range 31 east.

Sections 4, 5, 6, 7, 8, 9, 17, 18, 19, 20, 29, 30, 31, and 32; township 6 south, range 38 east.

Sections 1 to 6, inclusive, and 8 to 12 inclusive; township 6 south, range 41 east.

Section 1; portions of sections 2, 3, 4, 5, and 6, which lie south of North Fork John Day River; sections 7 to 25, inclusive; township 7 south, range 30 east.

Sections 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, and 33; township 7 south, range 38 east.

Section 3; township 8 south, range 31 east.

The south half of section 3; section 4; the north half of section 5; sections 9, 10, 11, 14, 15, 16, 21, 22, 23, 26, 27, 28, and 35; township 8 south, range 38 east.

Section 1; township 9 south, range 38 east.

The north half of section 8; township 9 south, range 39 east.

The south half of section 2; the southwest quarter of section 4; the southwest quarter of section 10; the south half of section 23; section 25; township 10 south, range 37 east.

The south half of section 29; the south half of section 30; township 10 south, range 38 east.

The east half, the southeast quarter of the northwest quarter and the southwest quarter of section 3; sections 16 and 21; the west half of section 28; section 33; township 10 south, range 39 east.

Sections 31, 32, and 33; township 11 south, range 37 east.

The north half of section 10; the west half of section 11; the north half, the south half of the south half, and the north half of the southeast quarter of section 30; township 11 south, range 39 east.

Section 1; the south half of section 2; the southwest quarter of section 4; the southeast quarter of section 5; the east half of section 8; sections 9, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35, and 36; township 11 south, range 40 east.

The south half of section 2; the south half of section 3; section 7; the west half of section 8; sections 10 to 21, inclusive; the west half of section 22; the north half of section 28; sections 29, 30, 31, and 32; township 11 south, range 41 east.

Sections 1, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, and 24; the north half of section 29; township 12 south, range 32 east.

Sections 1 to 12, inclusive; sections 17, 18, and 19; the north half of section 30; township 12 south, range 33 east.

Sections 7 and 8; the northwest quarter and the south half of section 9; the south half of section 10; the west half of section 15; sections 16, 17, 18, 20, and 21; the west half of section 22; sections 27 and 34; township 12 south, range 34 east.

Section 16; the northeast quarter of section 17; the north half of section 21; sections 22, 26, 27, 34, and 35; township 12 south, range 36 east.

Sections 5, 6, 7, and 8; township 12 south, range 37 east. The northeast quarter of section 4; township 12 south, range 39 east.

Sections 1, 2, 3, 10, and 11; the north half of section 12; the west half of section 15; the north half of section 19; the north half of section 20; the north half of section 21; the northwest quarter of section 22; township 12 south, range 40 east.

Sections 6 and 7; township 12 south, range 41 east.

Sections 1 and 2; the north half of section 3; sections 11, 12, and 13; the north half of section 14; the north half of section 24; township 13 south, range 34 east.

The west half of section 19; the northwest quarter of section 30; the west half of section 31; township 13 south, range 35 east.

The north half of section 2; sections 3, 10, 15, 16, 22, 27, and 34; township 13 south, range 36 east.

To the Malheur National Forest: Sections 14, 15, 16, and 23; the west half of section 26; the west half of section 35; township 9 south, range 31 east.

The south half of section 27; sections 31, 32, 33, and 34; township 9 south, range 32 east.

Sections 1 and 2; township 10 south, range 31 east.

The west half of the west half of section 4; section 5; the north half of section 6; township 10 south, range 32 east.

Sections 31 and 32; the south half of section 33; the south half of section 34; the south half of section 35; township 11 south, range 29 east.

The south half of section 10; the north half of section 15; section 16; the east half of section 29; the south half of section 32; township 11 south, range 30 east.

To the Umatilla National Forest:

Sections 13, 14, 15, 16, 21, and 22; the west half of section 28; the west half of section 33; township 1 north, range 38 east.

Sections 2, 3, 8, 9, 10, 11, 15, 16, and 17; township 2 north, range 39 east.

The south half of section 13; sections 23, 24, and 34; township 3 north, range 39 east.

Sections 19, 20, 21, and 22; the northwest quarter of section 29; section 30; township 3 north, range 40 east.

All Willamette base and meridian.

The amendment was agreed to.

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

The bill was read the third time and passed.

AMUSEMENT FACILITIES ON FARM ISLAND, S. DAK.

The Senate proceeded to consider the bill (H. R. 6446) amending section 4 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes," which had been reported from the Committee on Public Lands and Surveys with an amendment, to strike out all after the enacting clause and to insert:

That section 3 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes," approved August 16, 1937, is amended to read as follows:

"Sec. 3. The enterprises authorized to be operated on Farm Island by the provisions of the first section of this act shall be owned and operated by the city of Pierre or by concessionaires of such city. All funds derived by such city from the operation of such enterprises and from the granting of concessions for the operation of such enterprises shall be maintained by such city in a separate fund and shall be used exclusively for the purpose of maintaining, developing, and policing Farm Island."

Sec. 2. Section 4 of such act is amended by adding at the end thereof the following: "Nothing in this act shall be deemed to prohibit such city, such State, or any agency of the United States performing functions on such island from removing therefrom, by such means as it may deem appropriate or advisable, such wild animals and wild birds (except migratory birds for the removal of which a permit has not been issued pursuant to the provisions of the Migratory Bird Treaty Act) as may become detrimental to the maintenance of said island as a wild-game refuge, park, or forest."

The amendment was agreed to.

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

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend the act entitled 'An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S.

Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes,' approved August 16, 1937."

M. E. MCGIVERN

The bill (S. 3742) for the relief of M. E. McGivern, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. E. McGivern the sum of \$465 in full settlement of all claims against the United States, including a claim for refund of the purchase price for the tract described as the southwest quarter northeast quarter of section 30, township 40 north, range 5 east of the fourth principal meridian, arising out of transactions relating to lands situated within the Lac du Flambeau Indian Reservation.

EDWARD SMITH

The bill (S. 3578) for the relief of Edward Smith was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the superintendent of the Tomah Indian Agency, out of any money in the Treasury not otherwise appropriated, the sum of \$450 for disbursement under the individual Indian money regulations of the Department of the Interior for the benefit of Edward Smith, or his heirs and assigns, for loss sustained by failure to obtain title to the south half of the southeast quarter of the northeast quarter of section 33, township 24 north, range 3 east, of the fourth principal meridian, in Wisconsin.

SALE OF PRODUCTS FROM INDIAN RESERVATIONS

The bill (S. 2983) to authorize the sale of lumber and other forest products obtained from the forests on Indian reservations by Indian enterprises, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the lumber and other forest products produced by Indian enterprises from the forests on Indian reservations may be sold under such regulations as the Secretary of the Interior may prescribe, without compliance with section 3709 of the Revised Statutes.

TAXATION OF INDIAN LANDS

The bill (H. R. 5918) amending Public Law No. 96 of the Seventy-fifth Congress, being an act entitled "An act amending section 2 of Public Law No. 716 of the Seventy-fourth Congress, being an act entitled 'An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes,'" was considered, ordered to a third reading, read the third time, and passed.

GALLUP MERCANTILE CO., OF GALLUP, N. MEX.

The bill (H. R. 7853) for the relief of the Gallup Mercantile Co., of Gallup, N. Mex., was considered, ordered to a third reading, read the third time, and passed.

ALIENATION OF LAND BY UNIVERSITY OF NEW MEXICO

The bill (H. R. 5961) granting to the regents of the University of New Mexico the right to alienate certain lands conveyed to them under authority of the act of Congress approved August 19, 1935 (49 Stat. 659), in exchange for an equivalent amount of land more expediently situated was considered, ordered to a third reading, read the third time, and passed.

MINNESOTA CHIPPEWA TRIBE LANDS

The bill (H. R. 7833) to set aside certain lands for the Minnesota Chippewa Tribe in the State of Minnesota, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

PERKINS GINS, OF MEMPHIS, TENN.

The bill (S. 3107) for the relief of Perkins Gins, formerly Perkins Oil Co., of Memphis, Tenn., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the statutes of limitation, so far as they bar the cotton linter claim of Perkins Gins, a corporation of Memphis, Tenn., formerly the claim of Perkins Oil Co., also a corporation of Memphis, Tenn., arising out of purchase contract No. 3418, entered into by the said Perkins Oil Co., of Memphis, Tenn.,

predecessor of said Perkins Gins, of Memphis, Tenn., on September 16, 1918, with the United States of America be, and the same are hereby, waived and revoked.

SEC. 2. That the said claimant is hereby authorized to file within 1 year after the date of the enactment of this act its said claim and have the same adjudicated by the Court of Claims of the United States.

EBERHART STEEL PRODUCTS CO., INC.

The bill (S. 3789) for the relief of the Eberhart Steel Products Co., Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States Court of Claims, notwithstanding the lapse of time or any statute of limitations, with instructions to hear and determine and render judgment upon the claims of the Eberhart Steel Products Co., Inc., of Buffalo, N. Y., against the United States growing out of 43 certain contracts dated on and between January 28 and September 24, 1920, for the manufacture and delivery by said company to the War Department of certain material and parts for class B military trucks, notwithstanding any failure or error of any Government official to give proper written orders for changes made in any of said contracts, or fix the value thereof, or any previous decisions or decrees rendered with reference thereto, and without regard to any alleged settlement or adjustment heretofore made, or termination agreement, except only for proper credits to be given for any and all payments heretofore made: *Provided*, That no judgment rendered on this claim for an amount due such company shall exceed the amount heretofore found by the Court of Claims as the fair cost of manufacture of supplies left on claimant's hands, manufactured in accordance with the terms of the foregoing original contracts and changes thereunder.

Mr. KING subsequently said: Mr. President, I did not notice, when Calendar 1562 was called, that a similar bill had been vetoed by the President. What explanation is to be made in that case?

Mr. BROWN. The President vetoed a similar bill solely on an objection to section 1. We have eliminated section 1, and are now asking the Senate to enact section 2, to which the President urged no objection in his veto message.

Mr. KING. Very well.

RECORDING & COMPUTING MACHINES CO., OF DAYTON, OHIO

The Senate proceeded to consider the bill (H. R. 4031) to confer jurisdiction on the Court of Claims to hear claims of Recording & Computing Machines Co., of Dayton, Ohio, which was read as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim or claims of the Recording & Computing Machines Co., of Dayton, Ohio, arising out of a series of transactions, contracts, and provisional adjustments between said Recording & Computing Machines Co., of Dayton, Ohio, and the War Department for the manufacture of ordnance materials, equipment, instruments, etc., between the years 1916 and 1920, inclusive, and suit on such claims shall be instituted within 1 year from the date of approval of this act.

Mr. BROWN. Mr. President, there is an amendment I desire to offer.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert on page 2, after line 3, the following:

SEC. 2. Jurisdiction is conferred upon said court to hear and determine, in any suits instituted within 1 year from the date of the enactment of this act, jointly or severally, by the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co., the claims of such companies on account of (1) certain sums deposited by them with the United States Shipping Board, in 1920; (2) certain disbursements made by them, for and on behalf of the United States, in 1920, for other than physical operation costs, in connection with the vessels *Independence*, *Hoxie*, and *Scottsburg*, owned by the United States; and (3) certain improvements and equipment placed aboard said vessels and not removed therefrom by said companies, in 1920; and, if the court shall determine that there was no sale of, or valid contract to sell, said vessels to said companies, and that the payment made to said companies on October 7, 1935, was not in full payment of the just claims of said companies existing on that date, to enter such decrees or judgments against the United States as will provide full reimbursement and just compensation to such companies on account of said claims, notwithstanding any statute of limitations.

Mr. KING. Mr. President, I should like to ask the Senator whether this is an attempt to revive some of the war-settlement cases.

Mr. BROWN. Mr. President, the amendment relates to a bill which passed through the committees of the House and Senate and passed both bodies of the Congress, and was vetoed by the President on the ground that a certain defense of settlement would be eliminated from consideration by the Court of Claims. The amendment as drafted eliminates that question and permits the Government in the Court of Claims to set forth that defense. It meets the objection which the President raised in his veto message.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. BROWN].

The amendment was agreed to.

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

The bill was read the third time, and passed.

The title was amended so as to read: "An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim or claims of the Recording and Computing Machines Co., of Dayton, Ohio, and for other purposes."

CAPT. DAVID H. PASSELL AND FIRST LT. PAUL E. LAMASTER

The bill (S. 3763) for the relief of Capt. David H. Passell and First Lt. Paul E. LaMaster was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Capt. David H. Passell, Finance Reserve, the sum of \$1,158.21, less any amount subsequently recovered, public funds for which he is accountable, and which were stolen from First Lt. Paul E. LaMaster, Field Artillery Reserve, class "A" agent officer for the said Captain Passell, in a pay-roll robbery at the Twenty-six Hundred and Sixty-fourth Company, Civilian Conservation Corps, Camp Carroll, Mount Carroll, Ill., on March 31, 1939: *Provided,* That the said Lieutenant LaMaster is hereby relieved of pecuniary responsibility for the loss of the said public funds and the Comptroller General of the United States is authorized and directed to settle the final pay accounts of the said Lieutenant LaMaster without deduction for the loss of the said public funds.

SCHROEDER EMPLOYEES' THRIFT CLUB

The Senate proceeded to consider the bill (S. 3218) for the relief of Schroeder Employees' Thrift Club, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to accept from Schroeder Employees' Thrift Club of Milwaukee, Wis., the sum of \$16,955.63 in full satisfaction of all claims of the United States against such corporation for income taxes (including interest, penalties, and additions to the taxes) for the period October 31, 1923, through October 31, 1933.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill? I see that the Department has recommended against its passage.

Mr. WILEY. Mr. President, I am sorry the Senator from Wyoming [Mr. Schwartz] is not present. He was a member of the committee to which the bill was referred, and he went into the matter thoroughly.

Mr. McKELLAR. The Acting Secretary of the Treasury recommends against the enactment of the bill, and I think it should go over, under the circumstances, until the Senator from Wyoming can be here to explain it.

Mr. WILEY. I think it is very important. The entire Committee on Claims went into the matter; and, as I recall, the Senator from Wyoming has filed a report showing the equities of the situation, and there was no dispute in the committee.

Mr. WHEELER. Let the bill go over.

Mr. BROWN. Mr. President, let me make a statement to the Senator from Tennessee. I understand he objected.

Mr. McKELLAR. The Senator from Montana and I both objected.

Mr. BROWN. Let me say to both Senators that the Committee on Claims went into the matter very thoroughly. It appeared to us that the individuals involved were technically liable for a tax, but that it was never intended, in the enactment of tax laws, that such a thrift society as is here involved should be taxed. This society consisted of certain

employees of a hotel company who got together a certain amount of money in the form of savings. There was no form of income involved whatsoever, and there was no justification whatever for the imposition of an income tax. It was a very small affair, so far as the Government was concerned, and in my judgment the Treasury report is based solely upon a supertechnical interpretation of the law. I think the Senators should withdraw their objection to this bill.

Mr. McKELLAR. I call the attention of the Senator to a statement in the report of the Acting Secretary of the Treasury. He says:

It is the position of the Treasury Department that in claims such as that now under consideration the claimants have no just cause for complaint, since the statutes imposing penalties, interest, and additions to the tax are eminently just and fair and impose no burdens or hardships other than those which result directly from the claimant's own failure to comply with the requirements of law.

Mr. BROWN. The measure is solely for the remission of penalties imposed on people who did not have the slightest idea in the world that they were subject to taxation. I am not now able to go into the details, but the construction of the law by the Department struck the committee as most unfair. The bill remits the penalties, which were unjustly imposed on these persons.

Mr. McKELLAR. With that assurance, I withdraw my objection.

Mr. WHEELER. I withdraw my objection.

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

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

BOLINROSS CHEMICAL CO., INC.

The Senate proceeded to consider the bill (S. 3590) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Bolinross Chemical Co., Inc., which had been reported from the Committee on Claims with amendments, on page 1, line 7, before the word "raid" to strike out the words "alleged unlawful", and on page 2, line 3, before the name "February" to insert "or about", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Bolinross Chemical Co., Inc., of Newark, N. J., for damages or losses resulting from the raid on its chemical plant at 12-22 Orange Street, Newark, N. J., including the alleged destruction of its machinery, equipment, raw materials, and finished products, and the loss of its business, by prohibition agents of the United States, on or about February 20, 1929.

Sec. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations, and proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the cases over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

The amendments were agreed to.

Mr. KING. Mr. President, I invite the attention of whoever has the bill in charge to a statement by the Acting Secretary of the Treasury from which it would appear that this claim is not just. I should like to have an explanation.

The PRESIDING OFFICER. An explanation is requested. The bill was introduced by the Senator from New Jersey [Mr. SMATHERS] and was reported by the Senator from Wyoming [Mr. Schwartz]. Neither Senator being present, is there objection?

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ESTATE OF K. J. FOSS

The bill (H. R. 1843) for the relief of the estate of K. J. Foss was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF MARGARET R. LEWIS

The bill (H. R. 5459) for the relief of George F. Lewis, administrator of the estate of Margaret R. Lewis, was considered, ordered to a third reading, read the third time, and passed.

ESTHER ROSS

The bill (H. R. 7072) for the relief of Esther Ross was considered, ordered to a third reading, read the third time, and passed.

A. S. TAIT

The Senate proceeded to consider the bill (H. R. 1435) for the relief of A. S. Tait, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "sum of" to strike out "\$1,500" and insert "\$1,000," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000 to A. S. Tait, of Friendship, N. Y., in full settlement of all claims against the United States for injuries sustained in line of duty as mail messenger on September 3, 1937: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

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

The bill was read the third time, and passed.

MRS. GOTTLIEB METZGER

The Senate proceeded to consider the bill (H. R. 6552) for the relief of Mrs. Gottlieb Metzger, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$5,000" and insert "\$3,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Gottlieb Metzger, of Mount Vernon, S. Dak., the sum of \$3,000. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained as the result of the accidental and negligent death of her husband, Gottlieb Metzger, while an official automobile passenger engaged upon authorized Federal activity for the Forest Service, United States Department of Agriculture: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. GURNEY. Mr. President, before the bill is acted upon I wish to make a brief statement. The bill as originally introduced in the House provided for \$6,500 for the relief of Mrs. Gottlieb Metzger. The bill as passed by the House contained the amount of \$5,000 and is now reported from the Committee on Claims with an amendment reducing the amount to \$3,000.

I wish briefly to explain the bill and offer an amendment to it.

Mr. Metzger was killed on the 1st day of December 1938, while riding in an automobile owned by the Forest Service, Department of Agriculture, and driven by an employee of the Department. The employee was negligent. His negligence caused the accident which resulted in the death of Mr. Metzger. The Forest Service admits the negligence of its employee, and has recommended the payment of the claim in the amount of \$5,000.

Mr. Metzger lived on a 60-acre farm adjoining the city of Mount Vernon, in Davison County, S. Dak. He had been a farmer all his life, and left his widow in straitened circumstances. At the time of his death he was serving either his second or third term as county commissioner, having been elected to that position on the Democratic ticket. The approximate value of his farm land and buildings was \$2,500. His personal property was valued at \$500. He left unpaid debts, including funeral expenses, estimated at \$1,485. This unpaid debt, subtracted from the amount of \$3,000 carried in the bill, will not leave much for his widow. There were no insurance, rentals, or other cash assets to accrue to the benefit of the widow.

The Department of Agriculture recommends the enactment of this bill in the amount of \$5,000. This sum represents \$3,000, the maximum allowed under the South Dakota Workmen's Compensation law, and \$2,000 to provide for payment of outstanding obligations, attorneys fee, and incidentals.

I move, therefore, that the amount of \$5,000 contained in the bill as it passed the House, be restored to the bill, and that the Senate concur in the bill as passed by the House.

The PRESIDING OFFICER. Let the Chair suggest to the Senator from South Dakota that the objective which he seeks to attain can be reached by a rejection of the committee amendment.

The question is on agreeing to the committee amendment. The amendment was rejected.

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

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

PEARL WALDREP STUBBS AND GEORGE WALDREP

The Senate proceeded to consider the bill (H. R. 6334) for the relief of Pearl Waldrep Stubbs and George Waldrep, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "mother of", to strike out the comma and the words "and George Waldrep, father of,"; in lines 7 and 8, after "Illinois, the", to strike out the words "sums of \$4,000 and \$1,000, respectively" and insert "sum of \$1,750"; and in line 9, to strike out the word "sums" and to insert "sum", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Pearl Waldrep Stubbs, mother of Clarence Waldrep, deceased, formerly of Chicago, Ill., the sum of \$1,750. The payment of such sum shall be in full settlement of all claims against the United States on account of the death of said Clarence Waldrep on May 4, 1938, when struck by an automobile belonging to the United States Government, at the time being driven by Clarence P. Rossner, an investigator for the Bureau of Internal Revenue, United States Government, and who at the time was on duty and engaged in his regular duties as an employee of the United States Government: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person or persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act for the relief of Pearl Waldrep Stubbs."

WILLIAM A. WHEELER

The bill (S. 3443) for the relief of William A. Wheeler was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William A. Wheeler, of Hurricane, W. Va., the sum of \$600 in full satisfaction of his claim against the United States for injuries suffered when acting on May 8, 1939, as a volunteer fire fighter in an explosion of a kerosene tank on a Works Progress Administration road project in attempting to save property endangered by the explosion: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with said claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

HEIRS OF LT. WILLIAM LEE CLEMMER

The bill (S. 3487) for the relief of the heirs of Lt. William Lee Clemmer, Coast Guard, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to transfer to H. Adria Clemmer, widow, and to the legal guardian of Constance N. Clemmer and William L.

Clemmer, minor children of Lt. William Lee Clemmer (deceased), United States Coast Guard, by means of an appropriate legal instrument, the right, title, and interest of the United States over and above the license rights to be reserved under the appended proviso, in and to a certain invention made by the said Lt. William Lee Clemmer and consisting of new and useful improvements in method and means for determining vertical angles of energy waves, for which application has been made to the Commissioner of Patents for the grant of letters patent of the United States under the act of March 3, 1883 (22 Stat. 625), as amended by the act of April 30, 1928 (45 Stat. 467; U. S. C. title 35, sec. 45), such application having been executed April 30, 1937, and filed May 26, 1937, being designated as Serial No. 144871: *Provided, however*, That such legal instrument shall reserve to the Government of the United States, in all departments, independent establishments, and corporate and other agencies thereof, a nonexclusive, irrevocable, and nontransferable royalty-free license to make, to have made for it, to use, to practice, to maintain in repair, and to sell as surplus and condemned material, or otherwise as provided by law, any and all devices, methods, and inventions disclosed or claimed in the said application, or in any divisions or continuations thereof or substitutes thereof, under and for the full term or terms of any United States letters patent which may be granted on said application or on any divisions, extensions, continuations, or reissues thereof or substitutes thereof; and shall reserve to the Government of the United States as represented by the Secretary of the Treasury the irrevocable and exclusive right to prosecute any above-referred-to application, together with the full power of substitution and revocation of powers of attorney therein, including the right to make alterations and amendments to any said application, to transact all business in the Patent Office connected therewith, and to prosecute, conduct, and make adjustments and settlements of any interferences or other actions or proceedings that any such application may encounter or in which any such application may become involved.

ALFRED G. BALLS

The bill (S. 3706) for the relief of Alfred G. Balls was announced as next in order.

Mr. McKELLAR. Mr. President, I should like an explanation of the bill. Otherwise I shall ask that it be passed over.

Mr. HUGHES. Mr. President, I will ask that the bill be passed over temporarily.

The PRESIDING OFFICER. The bill will be passed over without prejudice.

Mr. McKELLAR subsequently said: Mr. President, I ask the Senate to return to Calendar 1575, Senate bill 3706. I have read the report of the Secretary of the Interior and I think the bill ought to be passed. I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of Senate bill 3706.

There being no objection, the bill (S. 3706) for the relief of Alfred G. Balls was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the account of Alfred G. Balls, former special disbursing agent, Alaska Railroad, Anchorage, Alaska, in the amount of \$1,995, which was paid by him to Phil O. Herriman as salary for services rendered the Alaska Railroad during the period July 1, 1933, to May 31, 1934, the said sum having been disallowed on account of failure to report this position on lists submitted to the Bureau of the Budget, in conformity with letter of the President, dated July 23, 1932.

DEPOSIT OF CREDIT TO ESTATES OF CERTAIN NAVAJO INDIANS

The bill (S. 3794) for the relief of certain Navajo Indians, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to the Secretary of the Interior the sum of \$30,000, which amount shall be deposited as individual Indian money to the credit of the estates of the following-named deceased Navajo Indians, and in the respective amounts stated for distribution to the heirs of such deceased Indians as determined by the Secretary of the Interior in accordance with existing law: Wilson Platero, \$5,000; Meguelius Sacatero, \$5,000; Tom Wood, \$5,000; John Apachite, \$5,000; Roy Chavez, \$5,000; and John Chavez, \$5,000.

Sec. 2. The Secretary of the Treasury is also authorized and directed to pay to the Secretary of the Interior the sum of \$3,000, which amount shall be deposited as individual Indian money to the credit of Dempsey Sacatero and Jose Mexicano, or their heirs, in the sum of \$1,500 each.

Sec. 3. The amounts herein appropriated shall be in full compensation for claims for deaths or injuries sustained in an accident occurring near Gallup, N. Mex., on December 6, 1936: *Provided*, That the amounts herein appropriated shall be expended in accordance with the regulations governing the handling of individual Indian money: *Provided further*, That no part of the amount herein appropriated shall be paid to or received by any agent or attorney on account of services rendered in connection with these claims, and any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

SURVEY OF CONDITION OF INDIANS

The resolution (S. Res. 217) further continuing the authority for a general survey of the condition of Indians in the United States was considered and agreed to, as follows:

Resolved, That Senate Resolution 79, agreed to February 2, 1928, and continued by subsequent resolutions, authorizing the Committee on Indian Affairs, or any subcommittee thereof, to make a general survey of the condition of the Indians in the United States, hereby is continued in full force and effect during the Seventy-seventh and succeeding Congresses.

ADOPTION OF MINORS BY INDIANS

The Senate proceeded to consider the bill (H. R. 8499) relating to adoption of minors by Indians, which had been reported from the Committee on Indian Affairs with an amendment, on page 2, line 18, after the word "request", to strike out "of" and to insert "or", so as to make the bill read:

Be it enacted, etc., That, in probate matters under the exclusive jurisdiction of the Secretary of the Interior, no person shall be recognized as an heir of a deceased Indian by virtue of an adoption—

- (1) Unless such adoption shall have been—
 - (a) by a judgment or decree of a State court;
 - (b) by a judgment or decree of an Indian court;
 - (c) by a written adoption approved by the superintendent of the agency having jurisdiction over the tribe of which either the adopted child or the adoptive parent is a member, and duly recorded in a book kept by the superintendent for that purpose; or
 - (d) by an adoption in accordance with a procedure established by the tribal authority, recognized by the Department of the Interior, of the tribe either of the adopted child or the adoptive parent, and duly recorded in a book kept by the tribe for that purpose; or
- (2) Unless such adoption shall have been recognized by the Department of the Interior prior to the effective date of this act or in the distribution of the estate of an Indian who has died prior to that date: *Provided*, That an adoption by Indian custom made prior to the effective date of this act may be made valid by recordation with the superintendent if both the adopted child and the adoptive parent are still living, if the adoptive parent requests that the adoption be recorded, and if the adopted child is an adult and makes such a request or the superintendent on behalf of a minor child approves of the recordation.

Sec. 2. This act shall not apply with respect to the distribution of the estates of Indians of the Five Civilized Tribes or the Osage Tribe in the State of Oklahoma, or with respect to the distribution of estates of Indians who have died prior to the effective date of this act.

Sec. 3. This act shall become effective 6 months after the date of its approval.

The amendment was agreed to.

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

The bill was read the third time and passed.

JURISDICTION OF KANSAS OVER OFFENSES ON INDIAN RESERVATIONS

The bill (S. 372) to relinquish concurrent jurisdiction to the State of Kansas to prosecute Indians or others for offenses committed on Indian reservations was announced as next in order.

The PRESIDING OFFICER. Without objection, Calendar No. 1628, House bill 3048, will be substituted for the Senate bill. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 3048) to confer jurisdiction on the State of Kansas over offenses committed by or against Indians on Indian reservations was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Calendar No. 1579, Senate bill 372, will be indefinitely postponed.

PURCHASERS OF LANDS IN CERTAIN INDIAN RESERVATIONS

The Senate proceeded to consider the bill (S. 3101) for the relief of certain purchasers of, and entrymen upon, opened

lands of certain Indian reservations, which had been reported from the Committee on Indian Affairs, with an amendment, to strike out all after the enacting clause, and to insert the following:

That the Secretary of the Interior is hereby authorized to reinstate any entry or purchase, in existence December 31, 1936, on the opened lands within the ceded areas of the Cheyenne River, Coeur d'Alene, Colville, Fort Berthold, Fort Peck, Pine Ridge, Rosebud, or Standing Rock Indian Reservations, or any of the Chippewa lands in Minnesota opened in accordance with the act of January 14, 1889 (25 Stat. 642), that has been canceled in toto for failure of the claimant thereof to make payment of the purchase money and interest due, or any such entry canceled in part by relinquishment, upon the filing by the claimant in the proper district land office within 60 days from the date of the enactment of this act, an application for reinstatement accompanied by the full amount of money due under governing laws: *Provided*, That all other requirements of the laws under which the entry or purchase was made have been complied with.

The amendment was agreed to.

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

INDIANS OF THE CROW RESERVATION, MONT.

The bill (H. R. 5477) for the benefit of the Indians of the Crow Reservation, Mont., and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

DENTAL DISEASES

The bill (S. 3607) to authorize research, by the Public Health Service, relating to the cause, diagnosis, and treatment of dental diseases, was announced as next in order.

Mr. TAFT. Mr. President, may we have an explanation of the bill?

Mr. MURRAY. The bill provides for scientific research by the United States Public Health Service. It was carefully studied and unanimously reported by the committee. The bill is recommended by the United States Public Health Service. It provides for carrying on a very beneficial investigation into the causes of dental diseases, which have become so prevalent in the United States. It appears that about 90 percent of the young people of the country are affected by dental diseases, and it is expected through this research that some method may be devised to cope with that serious situation among our people. I think the bill should pass.

Mr. GERRY. I object, and ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

BILL AND JOINT RESOLUTION PASSED OVER

The bill (S. 2883) for the relief of Daniel Steele was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation? The Department does not approve that bill. If we can have no explanation at this time, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over under objection.

The joint resolution (S. J. Res. 225) relating to the conditions for payment with respect to sugarcane harvested from certain plantings in the mainland cane-sugar area was announced as next in order.

Mr. KING. Let the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

ALGY FRED GILES

The Senate proceeded to consider the bill (S. 3653) for the relief of Algy Fred Giles, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 11, after the word "act", to insert "or subsequent thereto", so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers, Algy Fred Giles, serial No. 6232471, who enlisted January 29, 1926, and was discharged July 16, 1928, shall be held and considered to have been honorably discharged from the military service of the United States on July 16, 1928: *Provided*, That no pension, back pay, bounty, compensation, or allowance shall be held to have accrued prior to the passage of this act or subsequent thereto.

The amendment was agreed to.

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

Mr. KING. Mr. President, with respect to the bill just passed, I notice that the Secretary of War strongly recommends against the bill. In view of that recommendation, I ask that the vote by which the bill was passed be reconsidered, and that the bill be passed over.

The PRESIDING OFFICER. Without objection, the vote by which the bill was passed will be reconsidered, and the bill will be returned to the calendar.

DISPOSITION OF CONDEMNED ORDNANCE AND OTHER CONDEMNED MATERIAL

The Senate proceeded to consider the bill (H. R. 7074) to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective Departments, which had been reported from the Committee on Military Affairs with an amendment, on page 2, line 2, after the word "Republic", to insert "posts of the Veterans of Foreign Wars of the United States", so as to make the bill read:

Be it enacted, etc., That the act entitled "An act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, and cannonballs in their respective Departments," approved May 22, 1896, as amended, is amended to read as follows:

"That the Secretary of War and the Secretary of the Navy are each hereby authorized, in their discretion, to loan or give to soldiers' monument associations, posts of the Grand Army of the Republic, posts of the Veterans of Foreign Wars of the United States, posts of the American Legion, and other recognized war veteran associations, State museums, and incorporated museums operated and maintained for educational purposes only, whose charter denies them the right to operate for profit, municipal corporations, and posts of the Sons of Veterans' Reserve, condemned or obsolete ordnance, guns, projectiles, books, manuscripts, works of art, drawings, plans, models, and other condemned or obsolete material which may not be needed in the service of either of said Departments.

"Such loan or gift shall be made subject to rules and regulations covering the same in each Department, and the Government shall be at no expense in connection with any such loan or gift."

SEC. 2. All acts or parts of acts in conflict with this act are hereby repealed.

The amendment was agreed to.

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

The bill was read the third time and passed.

ERNEST FRANCIS WHITE

The bill (H. R. 1312) granting a pension to Ernest Francis White was considered, ordered to a third reading, read the third time, and passed.

TIMOTHY A. LINEHAN

The bill (H. R. 1379) granting a pension to Timothy A. Linehan was considered, ordered to a third reading, read the third time, and passed.

HELEN M. CROWLEY

The bill (H. R. 2143) granting a pension to Helen M. Crowley was considered, ordered to a third reading, read the third time, and passed.

LIZZIE MAY WILBUR CLAYTON

The bill (H. R. 2273) granting a pension to Lizzie May Wilbur Clayton was considered, ordered to a third reading, read the third time, and passed.

MAUD PATTERSON

The bill (H. R. 2285) granting a pension to Maud Patterson was considered, ordered to a third reading, read the third time, and passed.

JOHN W. SWOVELAND

The bill (H. R. 5007) granting a pension to John W. Swoveland was considered, ordered to a third reading, read the third time, and passed.

SERVICE PENSION ACTS

The bill (H. R. 7147) to amend the service pension acts pertaining to the War with Spain, Philippine Insurrection,

and the China Relief Expedition to include certain continuous service, was announced as next in order.

Mr. BYRD. Mr. President, may we have an explanation of the bill?

Mr. MINTON. Mr. President, under existing law 90 days' service in the Spanish-American War, the Boxer Rebellion, or the Philippine Insurrection entitles a man to a service pension; but if he happened to have 70 days' service in the Spanish-American War and 20 days' service in the Philippine Insurrection, he may not combine the 20 days and the 70 days to make the required 90 days. The bill would permit adding service in the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion to make up the 90 days, and thereby entitle the man to a pension, rather than requiring that the 90 days' service be confined to one or the other of the campaigns.

Mr. BYRD. Mr. President, what would be the cost?

Mr. MINTON. I think I have the figures before me.

Mr. MEAD. Mr. President, as I understand, the bill will affect 300 veterans now receiving compensation. The cost will be approximately \$130,000 for the first year. There may be some other veterans who are not receiving a pension; but their number is negligible, and the cost will be slight. The bill is recommended by the Veterans' Bureau, and has the approval of the Bureau of the Budget; and I understand it has the approval of the House and Senate committees.

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

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

INCREASE OF PENSIONS FOR VETERANS OF REGULAR ESTABLISHMENT

The bill (H. R. 7733) to provide increased pensions for veterans of the Regular Establishment with service-connected disability incurred in or aggravated by service prior to April 21, 1898, was announced as next in order.

Mr. BYRD. Mr. President, may we have an explanation of the bill?

Mr. MINTON. Mr. President, peacetime soldiers who have suffered disability in line of duty are entitled to certain pensions at certain rates if they were in the service after April 21, 1898. Peacetime soldiers who suffered certain disability prior to that date are entitled to a pension at a different rate. The bill simply makes all the pensions payable at the same rate. The bill is approved by the Veterans' Administration and is recommended by the Administrator in order to equalize conditions.

Mr. BYRD. What will the cost be?

Mr. MINTON. One hundred and sixty-four thousand dollars.

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

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

PENSIONS TO CERTAIN WIDOWS OF CIVIL WAR VETERANS

The bill (H. R. 7981) to grant pensions to certain unmarried dependent widows of Civil War veterans who were married to the veterans subsequent to June 26, 1905, was announced as next in order.

Mr. BYRD. Mr. President, may we have an explanation of the bill?

Mr. MINTON. Mr. President, any woman who married a Civil War veteran after June 26, 1905, is not entitled to a service pension. The bill would pension certain widows who married veterans after June 26, 1905, provided the widow married the veteran 10 years prior to his death, and lived with him continuously from the date of marriage to the date of his death, except that no pension would be payable to a widow under 60 years of age.

Mr. BYRD. I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

MARY JANE BLACKMAN

The bill (S. 1138) granting a pension to Mary Jane Blackman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Mary Jane Blackman, widow of William O. Blackman, late of Company B, Ninth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

ARMINDA BAUMAN

The bill (S. 2413) granting a pension to Arminda Bauman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Arminda Bauman, widow of Jacob K. Bauman, late of Troop H, Sixth Regiment United States Cavalry, and pay her a pension at the rate of \$30 per month.

ALICE F. THOMAS

The Senate proceeded to consider the bill (S. 537) granting a pension to Alice F. Thomas, which had been reported from the Committee on Pensions with an amendment, on page 1, line 8, after the words "at the rate of", to strike out "\$50" and insert "\$30", so as to make the bill read:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Alice F. Thomas, widow of George M. Thomas, late of Company D, Sixty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The amendment was agreed to.

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

BERT W. HELMER

The Senate proceeded to consider the bill (S. 1009) granting a pension to Bert W. Helmer, which had been reported from the Committee on Pensions with an amendment, on page 1, line 7, after the words "at the rate of", to strike out "\$100" and insert "\$30", so as to make the bill read:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Bert W. Helmer, late of the United States Coast Guard, and pay him a pension at the rate of \$30 per month.

The amendment was agreed to.

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

JAMES A. COFFELT, SR.—RECOMMITTAL

The bill (S. 1771) granting a pension to James A. Coffelt, Sr., was announced as next in order.

Mr. MINTON. Mr. President, the proposed beneficiary of this bill having died since the bill was introduced, I ask that the bill be recommitted to the committee.

The PRESIDING OFFICER. Without objection, the bill will be recommitted to the Committee on Pensions.

TIMOTHY C. TOLER

The Senate proceeded to consider the bill (S. 2263) granting a pension to Timothy C. Toler, which had been reported from the Committee on Pensions with an amendment, on page 1, line 8, after the words "at the rate of" to strike out "\$45" and insert "\$30", so as to make the bill read:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Timothy C. Toler, of Cambridge, Mass., formerly a surfman in the Coast Guard, and pay him a pension at the rate of \$30 per month.

The amendment was agreed to.

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

REPEAL OF CERTAIN ACTS OF CONGRESS—POCKET VETOED

The bill (H. R. 3233) to repeal certain acts of Congress—pocket vetoed—was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF BENEFITS OF EMERGENCY OFFICERS' RETIREMENT ACT

The Senate proceeded to consider the bill (S. 458) extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional, probationary, or temporary

officers of the Army, Navy, Marine Corps, and Coast Guard who served during the World War, which had been reported from the Committee on Military Affairs with an amendment, at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That section 1 of the act entitled "An act relating to the retirement of certain officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War," are hereby extended to provisional, probationary, or temporary officers of the military or naval forces or Coast Guard, who served subsequent to April 6, 1917, and who are now in a status of honorable separation from the military, naval, or Coast Guard Service, if application for such benefits is filed with the Administrator of Veterans' Affairs within 12 months after the passage of this act: *Provided*, That the benefits under this act shall take effect from the date of application, if approved.

The amendment was agreed to.

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

PAYMENT OF PREVAILING WAGES ON FEDERAL PUBLIC WORKS IN ALASKA AND HAWAII

The bill (S. 3650) to require the payment of prevailing rates of wages on Federal public works in Alaska and Hawaii was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes" approved March 3 1931 (46 Stat. 1494) as amended is further amended by striking out the words "States of the Union or the District of Columbia" and inserting in lieu thereof "States of the Union, the Territory of Alaska, the Territory of Hawaii, or the District of Columbia"; and by striking out the words "or other civil subdivision of the State" and inserting in lieu thereof "or other civil subdivision of the State or the Territory of Alaska or the Territory of Hawaii."

SEC. 2. The amendments made by this act shall take effect on the thirtieth day after the date of enactment of this act but shall not affect any contract in existence on such effective date or made thereafter pursuant to invitations for bids outstanding on the date of enactment of this act.

BILLS PASSED OVER

The bill (H. R. 6782) for the relief of James Robert Harman was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3524) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2705) creating the Great Falls Bridge Commission and authorizing the construction, maintenance, and operation of a bridge across the Potomac River near Great Falls of the Potomac was announced as next in order.

Mr. WHEELER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The bill (S. 3886) to amend the Soil Conservation and Domestic Allotment Act, as amended, the Agricultural Adjustment Act of 1938, as amended, and for other purposes, was announced as next in order.

Mr. BYRD. Mr. President, may we have an explanation of the bill?

Mr. THOMAS of Oklahoma. Mr. President, the bill embodies certain recommendations made by the Secretary of Agriculture. In the main, the amendments are clerical and explanatory. A number of terms are defined. Save for those reasons, I know of no good reason for the passage of the bill. The committee says it is necessary, for the efficient administration of the act, to have certain provisions clarified as to their exact meaning, and certain terms redefined.

Mr. BYRD. Does the bill change the amount anyone is to receive?

Mr. THOMAS of Oklahoma. I think not.

Mr. KING. The President once vetoed the bill.

Mr. MILLER. Mr. President, I am familiar with this bill and another similar bill on the calendar. I do not think they ought to be passed on the call of the calendar. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CLAIMS OF CHEROKEE INDIANS

The Senate proceeded to consider the bill (S. 2952) authorizing the Court of Claims to adjudicate and render judgment on certain claims of the Cherokee Indians, and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment, to strike out all after the enacting clause and to insert:

That the Court of Claims is hereby authorized and directed to reinstate the suits entitled "Eastern or Emigrant Cherokees against the United States," No. 42077, and "Western or Old Settler Cherokees against the United States," No. 42078, heretofore dismissed by that court on December 2, 1935, and February 3, 1936, respectively: *Provided*, That application therefor is made within 1 year after the approval of this act, and jurisdiction is hereby conferred on the Court of Claims to hear and determine the claims asserted in said suits de novo and without regard to any prior adjudication of the claims asserted therein, it being the intent hereby specifically to waive the effect as res judicata of the prior decisions of such court and of the United States Supreme Court on the claims asserted in said suits. The Court of Claims shall reinstate and retry said suits under such provisions of the act of April 25, 1932 (47 Stat. 137), as are not in conflict herewith.

The amendment was agreed to.

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

The title was amended so as to read: "A bill to reinstate in the Court of Claims the suits entitled 'Eastern or Emigrant Cherokees against the United States,' No. 42077, and 'Western or Old Settler Cherokees against the United States,' No. 42078."

CHARLES B. PAYNE

The Senate proceeded to consider the bill (S. 217) for the relief of Charles B. Payne, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "the sum of" to strike out "\$5,000" and insert "\$1,000"; and on page 2, after the word "Provided," to strike out: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000" and insert in lieu thereof "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles B. Payne, of San Felipe, N. Mex., the sum of \$1,000 in full satisfaction of all claims against the United States resulting from injuries sustained by James Wallace Payne, minor son of said Charles B. Payne, as a result of an attack made upon said James Wallace Payne on September 20, 1934, by Pedro Velasquez, an insane Indian then living on the San Felipe Pueblo Reservation: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

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

GRANT OF LAND BY SOUTH CAROLINA FOR USE BY COAST GUARD

The bill (S. 3775) to accept the grant to the United States of certain land by the State of South Carolina and to authorize its use by the United States Coast Guard was announced as next in order.

The PRESIDING OFFICER. Senate bill 3775 is the same as House bill 9441, Calendar No. 1630. Is there objection to the substitution of the House bill for the Senate bill, and the present consideration of the House bill?

There being no objection, the bill (H. R. 9441) to accept the grant to the United States of certain land by the State of South Carolina and to authorize its use by the United States Coast Guard was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3775 will be indefinitely postponed.

BILL PASSED OVER

The bill (H. R. 8423) to amend an act entitled "An act to increase the efficiency of the Coast Guard," approved January 12, 1938, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation is requested of Calendar No. 1615, House bill 8423, reported by the Senator from North Carolina [Mr. BAILEY], chairman of the committee.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. PEPPER subsequently said: Mr. President, I ask unanimous consent that the Senate revert to Calendar No. 1615, House bill 8423, having to do with the Coast Guard. The Senator from Utah [Mr. KING] has withdrawn his objection.

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

There being no objection, the bill (H. R. 8423) to amend an act entitled "An act to increase the efficiency of the Coast Guard," approved January 12, 1938, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to increase the efficiency of the Coast Guard," approved January 12, 1938 (52 Stat. 4), is hereby amended to read as follows:

"SEC. 2. The Secretary of the Treasury, at the direction of the President, shall assemble annually a Coast Guard Personnel Board (hereinafter referred to as the Board), to be composed of not less than five commissioned officers of the rank of captain or above on the active list of the Coast Guard. It shall be the duty of the Board (a) to recommend for retirement such commissioned officers of the Coast Guard who have 30 or more years of service, as the Board determines, in its discretion, should be retired from active service; (b) to recommend for retirement such commissioned officers of the Coast Guard who have been placed out of line of promotion and who have 10 years or more of commissioned service, as the Board determines, in its discretion, should be retired from active service; and (c) to recommend for placing out of line of promotion such lieutenant commanders on the active list as the Board determines, in its discretion, should be placed out of line of promotion. The proceedings, findings, and recommendations of the Board shall be transmitted to the Commandant of the Coast Guard for review. If the Commandant shall approve the recommendations of the Board, notification thereof shall be given by him in writing to each officer concerned, who, for the first time under this act is recommended for retirement or for placing out of line of promotion; and any such officer who, within 30 days after receipt of such notification, files with the Commandant a written protest of the action taken by the Board in his case, shall not be retired involuntarily or placed out of line of promotion under this act unless a subsequent annual Board, none of the members of which were members of the previous Board which recommended such officer's retirement or placing out of line of promotion, determines, in its discretion, that such officer should be retired or placed out of line of promotion, and so recommends, in which case such officer may, upon approval by the President, be retired from active service with retired pay as prescribed by section 3 hereof, or be placed out of line of promotion, as the case may be, as hereinafter provided. At the expiration of 30 days after receipt by an officer of notice aforesaid, in the event that no such protest is filed by him, such officer may, upon approval by the President, be retired from active service with retired pay as prescribed by section 3 hereof, or be placed out of line of promotion, as the case may be, as hereinafter provided. If the Commandant shall disapprove any recommendation of the Board, the officer concerned shall retain his status

in the Coast Guard to the same extent as if his case had not been considered by such Board. Except as hereinbefore provided, each recommendation of the Board which is finally approved by the Commandant, together with the proceedings and findings of the Board, shall be transmitted to the Secretary of the Treasury for further review, and if the Secretary shall disapprove any recommendation of the Board, the officer concerned shall retain his status in the Coast Guard to the same extent as if his case had not been considered by such Board. Each recommendation of the Board which is not disapproved by the Secretary shall be laid before the President by the Secretary with his recommendation in the case. The President may, in any calendar year, pursuant to recommendations so laid before him:

"(a) Place out of line of promotion such number of lieutenant commanders on the active list as will not exceed the whole number nearest to 2 percent of the officers in that grade as of January 1 of such year; except that such limitation shall not be construed to limit the number of lieutenant commanders who may be placed out of line of promotion, in accordance with regulations prescribed by the Secretary of the Treasury for failing to establish their mental, moral, and professional fitness for promotion.

"(b) Place upon the retired list such number of commissioned officers who have 30 or more years of service as will not exceed the whole number nearest to 5 percent of the number of officers falling within that classification on January 1 of such year.

"(c) Place upon the retired list any officer who has been placed out of line of promotion and who has 10 years or more of commissioned service."

COAST GUARD DEPOT, SEATTLE, WASH., AND COAST GUARD BASE, CHATTANOOGA, TENN.

The bill (H. R. 8537) to provide for the enlargement of the Coast Guard depot at Seattle, Wash., and for the establishment of a Coast Guard servicing base at or near Chattanooga, Tenn., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized to acquire, at a cost not to exceed \$8,500, by purchase, condemnation, or otherwise such additional land adjacent to the present Coast Guard depot at the foot of Twenty-seventh Avenue West, Seattle, Wash., and to make such improvements thereon as may be necessary for the development of the depot to best meet the needs of the Coast Guard.

SEC. 2. The Secretary of the Treasury is authorized to acquire, at a cost not to exceed \$5,000, by purchase, condemnation, or otherwise such land and to make such improvements thereon as may be necessary for the establishment of a Coast Guard servicing base in such locality as the Commandant of the Coast Guard may recommend at or in the vicinity of Chattanooga, Tenn.

BILL PASSED OVER

The bill (H. R. 6618) to provide for the registration of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes, was announced as next in order.

Mr. WHEELER, Mr. GERRY (and other Senators). Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

COUNSEL IN CERTAIN CRIMINAL CASES

The bill (S. 3727) limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to certain counsel was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That nothing in sections 109 and 113 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended (U. S. C., title 18, secs. 198 and 203), or in section 190 of the Revised Statutes of the United States (U. S. C., title 5, sec. 99), or in any other act of Congress forbidding officers or employees or former officers or employees of the United States from acting as counsel, attorney, or agent for another before any court, department, or branch of the Government or from receiving or agreeing to receive compensation therefor, shall be deemed to apply to Fred B. Woodard, in the event he shall be employed, retained, or appointed by the Secretary of the Interior or under authority of the Department of the Interior.

ESTATE AND MINOR CHILDREN OF DALE W. AND GLADYS M. GUISE AND OTHERS

The Senate proceeded to consider the bill (H. R. 3161) for the relief of the estate and minor children of Dale W. and Gladys M. Guise, Sally C. Guise, and Martha G. and Arnold E. Orner, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the word "appropriated", to strike out "to William Durboraw, Gettysburg, Pa., as administrator of the estate of" and insert "to the First National Bank of Gettysburg, Pennsylvania, as legal guardian of the three minor children of", and on page 2, line

1, after the word "said", to strike out "William Durboraw, administrator" and insert "First National Bank of Gettysburg, Pennsylvania", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the First National Bank of Gettysburg, Pennsylvania, as legal guardian of the three minor children of Dale W. Guise and Gladys M. Guise, both deceased, the sum of \$11,398.16. The payment to the said First National Bank of Gettysburg, Pennsylvania, shall be in full settlement of all claims against the United States for hospital, medical, and funeral and burial expenses incurred on account of the injuries and death of the said Dale W. Guise and for funeral and burial expenses incurred on account of the death of the said Gladys M. Guise. Such injuries and deaths resulted from a collision, on April 10, 1938, on United States Highway No. 40, about 7 miles east of Zanesville, Ohio, when the automobile of the said Dale W. Guise in which he and his wife were riding was struck by an ambulance (No. 71090) in the service of the Civilian Conservation Corps.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sally C. Guise, Arendtsville, Pa., the sum of \$5,000. The payment of such sum shall be in full settlement of all claims against the United States on account of the death of Christian Guise, her husband, who was a passenger in the car of Dale W. Guise and was killed in the collision described in section 1.

SEC. 3. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Martha G. Orner, Arendtsville, Pa., the sum of \$5,000, and to Arnold E. Orner, her husband, the sum of \$1,975.99. The payment of such sums shall be in full settlement of all claims against the United States for damages sustained on account of the injuries received by the said Martha G. Orner, who was a passenger in the car of Dale W. Guise and suffered injuries in the collision described in section 1, which resulted in the permanent disfigurement and disablement of the said Martha G. Orner and the loss of her unborn child: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. McKELLAR. Mr. President, does the Department recommend the bill?

Mr. TOBEY. It does.

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

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act for the relief of the First National Bank of Gettysburg, Pa., as legal guardian of the three minor children of Dale W. Guise and Gladys M. Guise, both deceased, and Sally C. Guise, Martha G. and Arnold E. Orner."

ALLOWANCE OF MOVING EXPENSES TO EMPLOYEES IN RAILWAY MAIL SERVICE

The Senate proceeded to consider the bill (H. R. 1827) to allow moving expenses to employees in the Railway Mail Service, which had been reported from the Committee on Post Offices and Post Roads with amendments, on page 1, line 4, after the words "Mail Service", to strike out "and Post Office Inspection Service,"; and in line 6, after the word "duty", to insert "and who actually have to change their residence", so as to make the bill read:

Be it enacted, etc., That hereafter officers and regular clerks in the Railway Mail Service when arbitrarily transferred under orders of the Department from one official station to another for permanent duty, and who actually have to change their residence, may be allowed their actual and necessary transportation expenses for moving their household goods, including packing and drayage, not in excess of 3,500 pounds.

Mr. DANAHER. Mr. President, I should like to ask the Senator from New York [Mr. MEAD] if he will please tell us, in the course of an explanation of the proposed amendments, whether or not there is any supervision over the amount of expenses; and if so, who supervises it? Is there any supervision over the maximum amount which is to be paid?

Mr. MEAD. Mr. President, there is a limitation on the amount of household goods which may be moved. The matter is under the direction and in the discretion of the Second

Assistant Postmaster General and the General Superintendent of the Railway Mail Service.

The committee in considering the measure struck out the post-office inspection service so that it is limited only to the Railway Mail Service and only to such railway-mail clerks as are arbitrarily forced from one domicile to another.

The reason for it is that a great many railroad companies are withdrawing train service, minor branch lines are being eliminated or torn up, and railway-mail clerks are moved arbitrarily or moved by order of the Department from one section of the country to another.

The bill is well safeguarded and will be administered, as I have said, under the direction of the Second Assistant Postmaster General and the General Superintendent of the Railway Mail Service.

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

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PUNISHMENT FOR KILLING OR ASSAULTING FEDERAL OFFICERS

The Senate proceeded to consider the bill (H. R. 7019) to amend section 1 of the act providing punishment for the killing or assaulting of Federal officers, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 8, after the word "Agriculture", to insert "or of the Department of the Interior"; and in line 9, after the word "Agriculture", to insert "or the Secretary of the Interior", so as to make the bill read:

Be it enacted, etc., That section 1 of the act of May 18, 1934 (ch. 299, 48 Stat. 780), as amended (U. S. C., title 18, sec. 253), be, and it is hereby, amended to read as follows:

"That whoever shall kill, as defined in sections 273 and 274 of the Criminal Code, any United States marshal or deputy United States marshal or person employed to assist a United States marshal or deputy United States marshal, any officer or employee of the Federal Bureau of Investigation of the Department of Justice, post-office inspector, Secret Service operative, any officer or enlisted man of the Coast Guard, any employee of any United States penal or correctional institution, any officer, employee, agent, or other person in the service of the customs or of the internal revenue, any immigrant inspector or any immigration patrol inspector, any officer or employee of the Department of Agriculture or of the Department of the Interior designated by the Secretary of Agriculture or the Secretary of the Interior to enforce any act of Congress for the protection, preservation, or restoration of game and other wild birds and animals, any officer or employee of the National Park Service, any officer or employee of, or assigned to duty in, the field service of the Division of Grazing of the Department of the Interior, or any officer or employee of the Indian field service of the United States, while engaged in the performance of his official duties, or on account of the performance of his official duties, shall be punished as provided under section 275 of the Criminal Code."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

MITTIE GAFFNEY

The bill (S. 1770) granting a pension to Mittie Gaffney was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Mittie Gaffney, widow of Claude L. Gaffney, late a veteran of the Spanish-American War, and of Anderson's Battery H, South Carolina Volunteer Artillery, and pay her a pension at the rate of \$30 per month from and after August 1, 1930.

BOOKS FOR THE ADULT BLIND

The bill (S. 3645) to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931, was announced as next in order.

The PRESIDING OFFICER. There is on the calendar a House bill which is identical with the Senate bill. Without objection, the House bill will be substituted for the Senate bill, and be now considered.

There being no objection, the bill (H. R. 9236) to amend the act entitled "An act to provide books for the adult blind,"

approved March 3, 1931, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to provide books for the adult blind", approved March 3, 1931, as amended (U. S. C., 1924 edition, Supp. IV, title 2, sec. 135a), is amended by striking out the figures "\$275,000", wherever occurring therein, and inserting in lieu thereof the figures "\$350,000", and by striking out the figures "\$175,000" and inserting in lieu thereof the figures "\$250,000".

The PRESIDING OFFICER. Without objection, Senate bill 3645, which is identical with the House bill, will be indefinitely postponed.

PERMISSION FOR PIPE LINES

The Senate proceeded to consider the bill (S. 3693) to authorize the Secretary of War to grant permission for pipe lines, which had been reported from the Committee on Military Affairs with an amendment, to strike out all after the enacting clause, and insert:

That the Secretary of War be, and he is hereby, authorized and empowered to grant, under such terms and conditions as are deemed advisable by him, to the Texas Pipe Line Company, its successors, and/or assigns, an easement for a period not exceeding 50 years for a right-of-way for pipe lines for the transportation of oil and/or gas over, across, in, and upon certain lands owned by the United States of America, situated in the State of Louisiana and in the parish of Plaquemines, described as follows: Sections 30, 31, 32, 36, and 39, township 21 south, range 19 east; and sections 2, 4, 6, 8, and 9, township 22 south, range 19 east, including any accretions thereto; and such portion of section 29, township 22 south, range 32 east as remains, and to cross the channels of Cheniere and Pass a Loutre with said pipe lines: *Provided*, That such easement for right-of-way shall be granted only upon a finding by the Secretary of War that the same will be in the public interest and will not substantially injure the interest of the United States of America and the property affected thereby: *Provided further*, That all or any part of such easement for right-of-way may be annulled and forfeited by the Secretary of War for failure to comply with the terms and conditions of any grant hereunder, or for nonuse or for abandonment of rights granted under authority hereof.

The amendment was agreed to.

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

The title was amended so as to read: "A bill to authorize the Secretary of War to grant an easement for pipe lines across public lands reserved for military purposes in the parish of Plaquemines, Louisiana."

LEASING OF ALLOTMENTS OF DECEASED INDIANS

The Senate proceeded to consider the bill (H. R. 8024) to provide for the leasing of restricted allotments of deceased Indians in certain circumstances, and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment on page 1, at the beginning of line 4, to insert "except for oil and gas mining purposes", so as to make the bill read:

Be it enacted, etc., That restricted allotments of deceased Indians may be leased, except for oil and gas mining purposes, by the superintendents of the reservation within which the lands are located (1) when the heirs or devisees of such decedents have not been determined and (2) when the heirs or devisees of the decedents have been determined, and such lands are not in use by any of the heirs and the heirs have not been able during a 3-months' period to agree upon a lease by reason of the number of the heirs, their absence from the reservation, or for other cause, under such rules and regulations as the Secretary of the Interior may prescribe. The proceeds derived from such leases shall be credited to the estates or other accounts of the individuals entitled thereto in accordance with their respective interests.

The amendment was agreed to.

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

COVERAGE UNDER RAILROAD RETIREMENT ACTS

The joint resolution (S. J. Res. 234) providing for more uniform coverage under the Railroad Retirement Acts of 1935 and 1937, the Carriers Taxing Act of 1937, and subchapter B of chapter 9 of the Internal Revenue Code, was announced as next in order.

The PRESIDING OFFICER. The Chair is advised that an identical House measure, House Joint Resolution 496, is on the calendar. Without objection, the House joint resolution

will be substituted for the Senate joint resolution, and be now considered.

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 496) providing for more uniform coverage under the Railroad Retirement Acts of 1935 and 1937, the Carriers Taxing Act of 1937, and subchapter B of chapter 9 of the Internal Revenue Code.

Mr. KING. Mr. President, I should like to ask the Senator from Montana to explain the joint resolution.

Mr. WHEELER. Mr. President, this measure was introduced by me at the request of the department. It is also concurred in by the railroad carriers and the railroad brotherhoods. Under the present law a certain amount has to be deducted from the salaries of employees upon major railroads. In Mexico the government requires that all persons working on Pullman cars on the railroads be citizens of that country.

Mr. KING. I was desirous principally of knowing whether the measure was approved by the railroad brotherhoods.

Mr. WHEELER. Yes; it has been approved by all concerned.

The PRESIDING OFFICER. The question is on a third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That subsection (c) of section 1 of the Railroad Retirement Act of 1937, approved June 24, 1937 (50 Stat. 307), is hereby amended by changing the period at the end thereof to a colon and adding the following: "*Provided further*, That an individual not a citizen or resident of the United States shall not be deemed to be in the service of an employer when rendering service outside the United States to an employer who is required under the laws applicable in the place where the service is rendered to employ therein, in whole or in part, citizens or residents thereof; and the laws applicable on August 29, 1935, in the place where the service is rendered shall be deemed to have been applicable there at all times prior to that date."

Subsection (d) of section 1 of said act is hereby amended by substituting for the proviso therein the following: "*Provided, however*, That an individual shall not be deemed to be in the employment relation to an employer unless during the last pay-roll period in which he rendered service to it he was with respect to that service in the service of an employer in accordance with subsection (c) of this section."

The amendments in this section shall operate in the same manner and have the same effect as if they had been part of the Railroad Retirement Act of 1937 when that act was enacted on June 24, 1937.

Sec. 2. Subsection (c) of section 1 of the Railroad Retirement Act of 1935, approved August 29, 1935 (49 Stat. 967), is hereby amended by changing the period at the end thereof to a colon and adding the following: "*Provided, however*, That an individual not a citizen or resident of the United States shall not be deemed to be in the service of a carrier when rendering service outside the United States to a carrier conducting the principal part of its business in the United States if such carrier is required under the laws applicable in the place where the service is rendered to employ therein, in whole or in part, citizens or residents thereof; and the laws applicable on August 29, 1935, in the place where the service is rendered shall be deemed to have been applicable there at all times prior to that date."

Subsection (d) of section 1 of said act is hereby amended by changing the period at the end thereof to a colon and adding the following: "*Provided, however*, That an individual shall not be deemed to be in the employment relation to a carrier unless during the last pay-roll period in which he rendered service to it he was with respect to that service in the service of a carrier in accordance with subsection (c) of this section."

The amendments in this section shall operate in the same manner and have the same effect as if they had been part of the Railroad Retirement Act of 1935 when that act was enacted on August 29, 1935.

Sec. 3. Subsection (b) of section 1532 of the Internal Revenue Code, approved February 10, 1939 (53 Stat. 1), is hereby amended by substituting for the second proviso therein the following: "*Provided, however*, That an individual shall not be deemed to be in the employment relation to a carrier unless during the last pay-roll period in which he rendered service to it he was with respect to that service in the service of an employer in accordance with subsection (d) of this section."

Subsection (d) of section 1532 of said code is hereby amended by changing the period at the end thereof to a colon and adding the following: "*Provided further*, That an individual not a citizen or resident of the United States shall not be deemed to be in the service of an employer when rendering service outside the United States to an employer who is required under the laws applicable in the place where the service is rendered to employ therein, in whole or in part, citizens or residents thereof; and the laws applicable on August 29, 1935, in the place where the service is rendered shall be deemed to have been applicable there at all times prior to that date."

The amendments in this section shall operate in the same manner and have the same effect as if they had been part of the Internal Revenue Code when that code was enacted on February 10, 1939, and as if they had been part correspondingly of subsections (b) and (d) of the Carriers Taxing Act of 1937 (50 Stat. 435) when that act was enacted on June 29, 1937.

The **PRESIDING OFFICER**. Without objection, Senate Joint Resolution 234, which is identical with the House joint resolution just passed, will be indefinitely postponed.

ALTERATIONS OF BRIDGES OVER NAVIGABLE WATERS

The Senate proceeded to consider the bill (H. R. 9381) to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes.

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

Mr. TRUMAN. Mr. President, House bill 9381 is identical with a bill heretofore passed by the Senate and the House which was vetoed by the House on certain grounds. Those grounds have been met in the pending bill. It has to do principally with the raising of bridges over inland waterways and meeting the expenses of such alteration. All the objections of the President have been met; the bill has been made to conform to his objections. I hope the Senator will allow it to be passed. It unanimously passed the other House, and there is no objection to it from any source, so far as I know.

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

The bill was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc.,

DEFINITIONS

SECTION 1. When used in this Act, unless the context indicates otherwise—

The term "alteration" includes changes of any kind, reconstruction, or removal in whole or in part.

The term "bridge" means a lawful bridge over navigable waters of the United States, including approaches, fenders and appurtenances thereto, used and operated for the purpose of carrying railroad traffic, or both railroad and highway traffic.

The term "bridge owner" means any corporation, association, partnership, or individual owning any bridge, and, when any bridge shall be in the possession or under the control of any trustee, receiver, trustee in bankruptcy, or lessee, said term shall include both the owner of the legal title and the person or entity in possession or control of such bridge.

The term "bridge owner" shall also mean and include all joint owners, particularly States, counties, municipalities, or other participants in ownership of bridges for both railroad and highway traffic.

The term "Secretary" means the Secretary of War acting directly or through the Chief of Engineers.

The term "United States", when used in a geographical sense, includes the Territories and possessions of the United States.

OBSTRUCTION OF NAVIGATION

SEC. 2. No bridge shall at any time unreasonably obstruct the free navigation of any navigable waters of the United States.

NOTICE, HEARINGS, AND FINDINGS

SEC. 3. Whenever any bridge shall, in the opinion of the Secretary, at any time unreasonably obstruct such navigation, it shall be the duty of the Secretary, after notice to interested parties, to hold a hearing at which the bridge owner, those interested in water navigation thereunder or therethrough, those interested in either railroad or highway traffic thereover, and any other party or parties in interest shall have full opportunity to offer evidence and be heard as to whether any alteration of such bridge is needed, and, if so, what alterations are needed, having due regard to the necessity of free and unobstructed water navigation and to the necessities of the rail or highway traffic. If, upon such hearing, the Secretary determines that any alterations of such bridge are necessary in order to render navigation through or under it reasonably free, easy, and unobstructed, having due regard also for the necessities of rail or highway traffic thereover, he shall so find and shall issue and cause to be served upon interested parties an order requiring such alterations of such bridge as he finds to be reasonably necessary for the purposes of navigation.

SUBMISSION AND APPROVAL OF GENERAL PLANS AND SPECIFICATIONS

SEC. 4. It shall be the duty of the bridge owner to prepare and submit to the Secretary, within 90 days after service of his order, general plans and specifications to provide for the alteration of such bridge in accordance with such order, and for such additional alteration of such bridge as the bridge owner may desire to meet the necessities of railroad or highway traffic, or both. The Secretary may approve or reject such general plans

and specifications, in whole or in part, and may require the submission of new or additional plans and specifications, but when the Secretary shall have approved general plans and specifications, they shall be final and binding upon all parties unless changes therein be afterward approved by the Secretary and the bridge owner.

CONTRACTS FOR PROJECT; GUARANTY OF COST

SEC. 5. After approval of such general plans and specifications by the Secretary, and within 90 days after notification of such approval, the bridge owner shall, in such manner as the Secretary may prescribe, take bids for the alteration of such bridge in accordance with such general plans and specifications. All bids, including any bid for all or part of the project submitted by the bridge owner, shall be submitted to the Secretary, together with a recommendation by the bridge owner as to the most competent bid or bids, and at the same time the bridge owner shall submit to the Secretary a written guaranty that the total cost of the project, including the cost of such work as is to be performed by the bridge owner and not included in the work to be performed by contract, shall not exceed the sum stated in said guaranty. The Secretary may direct the bridge owner to reject all bids and to take new bids, or may authorize the bridge owner to proceed with the project, by contract, or partly by contract and partly by the bridge owner, or wholly by the bridge owner. Upon such authorization and fixing of the proportionate shares of the cost as provided in section 6, the bridge owner shall, within a reasonable time to be prescribed by the Secretary, proceed with the work of alteration; and the cost thereof shall be borne by the United States and by the bridge owner, as hereinafter provided.

APPORTIONMENT OF COST

SEC. 6. At the time the Secretary shall authorize the bridge owner to proceed with the project, as provided in section 5, and after an opportunity to the bridge owner to be heard thereon, the Secretary shall determine and issue an order specifying the proportionate shares of the total cost of the project to be borne by the United States and by the bridge owner. Such apportionment shall be made on the following basis: The bridge owner shall bear such part of the cost as is attributable to the direct and special benefits which will accrue to the bridge owner as a result of the alteration, including the expectable savings in repair or maintenance costs; and that part of the cost attributable to the requirements of traffic by railroad or highway, or both, including any expenditure for increased carrying capacity of the bridge, and including such proportion of the actual capital cost of the old bridge or of such part of the old bridge as may be altered or changed or rebuilt, as the used service life of the whole or a part, as the case may be, bears to the total estimated service life of the whole or such part: *Provided*, That the part of the cost of alteration of any bridge for both highway and railroad traffic, attributable to the requirements of traffic by highway, shall be borne by the proprietor of the highway: *Provided further*, That in the event the alteration or relocation of any bridge may be desirable for the reason that the bridge unreasonably obstructs navigation, but also for some other reason, the Secretary may require equitable contribution from any interested person, firm, association, corporation, municipality, county, or State desiring such alteration or relocation for such other reason, as a condition precedent to the making of an order for such alteration or relocation. The United States shall bear the balance of the cost, including that part attributable to the necessities of navigation.

PAYMENT OF SHARE OF THE UNITED STATES

SEC. 7. When the Secretary shall have approved the general plans and specifications for the alteration of such bridge and the guaranty with respect to the cost thereof, and shall have fixed the proportionate shares thereof as between the United States and the bridge owner, he shall furnish to the Secretary of the Treasury a certified copy of his approval of such plans and specifications and guaranty, and of his order fixing the proportionate shares of the United States and of the bridge owner, and the Secretary of the Treasury shall thereupon set aside, out of any appropriation available for such purpose, the share of the United States payable under this act on account of the project. When the Secretary finds that such project has been completed in accordance with his order, he shall cause to be paid to the bridge owner, out of the funds so set aside, the proportionate share of the total cost of the project allocated to the United States; or he may, in his discretion, from time to time, cause payments to be made on such construction costs as the work progresses. The total payments out of Federal funds shall not exceed the proportionate share of the United States of the total cost of the project paid or incurred by the bridge owner, and, if such total cost exceeds the cost guaranteed by the bridge owner, shall not exceed the proportionate share of the United States of such guaranteed cost, except that if the cost of the work exceeds the guaranteed cost by reason of emergencies, conditions beyond the control of the owner, or unforeseen or undetermined conditions, the Secretary may, after full review of all the circumstances, provide for additional payments by the United States to help defray such excess cost to the extent he deems to be reasonable and proper, and shall certify such additional payments to the Secretary of the Treasury for payment. All payments to any bridge owner herein provided for shall be made by the Secretary of the Treasury through the Division of Disbursement upon certifications of the Secretary of War.

APPROPRIATION AUTHORIZED

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

FAILURE TO COMPLY WITH ORDERS; PENALTIES; REMOVAL OF BRIDGE

SEC. 9. Any bridge owner who shall willfully fail or refuse to comply with any lawful order of the Secretary, made in accordance with the provisions of this act, shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished in any court of competent jurisdiction by a fine not exceeding \$5,000, and every month such bridge owner shall remain in default shall be deemed a new offense and subject such bridge owner to additional penalties therefor. In addition to the penalties above prescribed the Secretary may, upon the failure or refusal of any bridge owner to comply with any lawful order issued by the Secretary in regard thereto, cause the removal of any such bridge and accessory works at the expense of the bridge owner; and suit for such expense may be brought in the name of the United States against such bridge owner and recovery had for such expense in any court of competent jurisdiction. The removal of any bridge erected or maintained in violation of the provisions of this act or the order or direction of the Secretary made in pursuance thereof, and compliance with any order of the Secretary made with respect to any bridge in accordance with the provisions of this act, may be enforced by injunction, mandamus, or other summary process upon application to the district court of any district in which such bridge may, in whole or in part exist, and proper proceedings to this end may be instituted under the direction of the Attorney General of the United States at the request of the Secretary.

REVIEW OF FINDINGS AND ORDERS

SEC. 10. Any order made or issued under section 6 of this act may be reviewed by the circuit court of appeals for any judicial circuit in which the bridge in question is wholly or partly located, if a petition for such review is filed within 3 months after the date such order is issued. The judgment of any such court shall be final except that it shall be subject to review by the Supreme Court of the United States upon certification or certiorari, in the manner provided in sections 239 and 240 of the Judicial Code, as amended. The review by such Court shall be limited to questions of law, and the findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive. Upon such review, such Court shall have power to affirm or, if the order is not in accordance with law, to modify or to reverse the order, with or without remanding the case for a rehearing as justice may require. Proceedings under this section shall not operate as a stay of any order of the Secretary issued under provisions of this act other than section 6, or relieve any bridge owner of any liability or penalty under such provisions.

REGULATIONS AND ORDERS

SEC. 11. The Secretary is authorized to prescribe such rules and regulations, and to make and issue such orders, as may be necessary or appropriate for carrying out the provisions of this act.

EXISTING PROVISIONS OF LAW

SEC. 12. (a) The first sentence of section 4 of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906 (U. S. C., 1934 ed., title 33, sec. 494), and section 18 of the act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1899 (U. S. C., 1934 ed., title 33, sec. 502), shall be inapplicable with respect to any bridge to which the provisions of this act are applicable, except to the extent provided in this section.

(b) Any bridge, the construction, reconstruction, or alteration of which was required by an order of the Secretary issued prior to July 1, 1939, and was not completed on such date, and in the case of which no penalties have accrued at the time of the enactment of this act, shall be constructed, reconstructed, or altered as required by such order, and not in accordance with the provisions of this act. In the case of any such bridge, however, the Secretary shall apportion the cost of the project between the bridge owner and the United States, and payment of the share of the United States shall be made, in the same manner as if the provisions of this act applied to such construction, reconstruction, or alteration, subject to the following limitations:

(1) In case such construction, reconstruction, or alteration has not begun on or before April 1, 1940, such apportionment of cost shall be made only if (A) the construction, reconstruction, or alteration is carried out in accordance with plans and specifications, and pursuant to bids, approved by the Secretary, and (B) the bridge owner has submitted to the Secretary a written guaranty of cost as provided for in section 5.

(2) The Secretary's determination as to such apportionment, and as to such plans and specifications and bids, shall be final.

(3) Such apportionment shall not be made if such construction, reconstruction, or alteration is not completed within the time fixed in such order of the Secretary or within such additional time as the Secretary, for good cause shown, may allow.

(c) Any bridge (except a bridge to which subsection (b) applies) the construction, reconstruction, or alteration of which was required by an order of the Secretary issued prior to June 1, 1939, and was not begun before such date, shall be subject to the provisions of this act as though such order had not been issued,

and compliance with the provisions of this act and with such orders as may be issued thereunder shall be considered to constitute compliance with such order issued prior to July 1, 1939, and with the provisions of law under which it was issued.

RELOCATION OF BRIDGES

SEC. 13. If the owner of any bridge used for railroad traffic and the Secretary shall agree that in order to remove an obstruction to navigation, or for any other purpose, a relocation of such bridge or the construction of a new bridge upon a new location would be preferable to an alteration of the existing bridge, such relocation or new construction may be carried out at such new site and upon such terms as may be acceptable to the bridge owner and the Secretary, and the cost of such relocation or new construction, including also any expense of changes in and additions to rights-of-way, stations, tracks, spurs, sidings, switches, signals, and other railroad facilities and property, and relocation of shippers required for railroad connection with the bridge at the new site, shall be apportioned as between the bridge owner and the United States in the manner which is provided for in section 6 hereof in the case of an alteration and the share of the United States paid from the appropriation authorized in section 8 hereof: *Provided*, That nothing in this section shall be construed as requiring the United States to pay any part of the expense of building any bridge across a navigable stream which the Secretary of War shall not find to be, in fact, a relocation of an existing bridge.

MISSOURI RIVER BRIDGE AT RANDOLPH, MO.

The bill (S. 3801) to extend the times for commencing and completing the construction of a railroad bridge across the Missouri River at or near Randolph, Mo., was announced as next in order.

The PRESIDING OFFICER. The Chair is advised that there is on the calendar an identical House bill, House bill 9261. Without objection, the House bill will be substituted for the Senate bill and be now considered.

There being no objection, the bill (H. R. 9261) to extend the times for commencing and completing the construction of a railroad bridge across the Missouri River at or near Randolph, Mo., was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3801 will be indefinitely postponed.

SUPPLEMENT TO COMPILATION OF FEDERAL LAWS RELATING TO CARRIERS

The resolution (S. Res. 259) submitted by Mr. TYDINGS on April 22, 1940, and reported from the Committee on Interstate Commerce, on May 8, 1940, was considered and agreed to, as follows:

Resolved, That the Interstate Commerce Commission is hereby requested to prepare in such manner as is deemed by it to be necessary and desirable in the circumstances and transmit to the Senate a manuscript in form suitable to be printed, to supplement and bring as closely to date as is practicable Senate Document No. 166, Seventieth Congress, first session, and Senate Document No. 139, Seventy-third Congress, second session, entitled "Compilation of Federal Laws Relating to the Regulation of Carriers Subject to the Interstate Commerce Act, With Digests of Pertinent Decisions of the Federal Courts and the Interstate Commerce Commission and the Text of or Reference to General Rules and Regulations," and that such manuscript when transmitted by the Commission to the Secretary of the Senate be printed as a Senate document.

HOMESTEADS IN HAWAII

The Senate proceeded to consider the bill (H. R. 9185) to amend section 73 of an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, which had been reported from the Committee on Insular Affairs with amendments, on page 1, line 6, after the word "following", to strike out "paragraph" and insert "paragraphs"; and in line 9, after the word "paragraph", to insert "excluding those homesteads under the control of the Hawaiian Homes Commission, as provided in section 203 of the Hawaiian Homes Commission Act, 1920", so as to make the bill read:

Be it enacted, etc., That the act entitled "An act to provide a government for the Territory of Hawaii", approved April 30, 1900, as amended, is hereby further amended by adding at the end of section 73 thereof the following paragraphs:

"Any person or persons holding an unpatented homestead under a special homestead agreement, entered into prior to the effective date of this paragraph, excluding those homesteads under the control of the Hawaiian Homes Commission as provided in section 203 of the Hawaiian Homes Commission Act, 1920, shall be entitled to a readjustment of the indebtedness due the Territory of Hawaii on account of such special homestead agreement

upon filing an application for the reamortization of said indebtedness with the Commissioner within 6 months after the effective date of this paragraph. Upon the filing of any such application, the Commissioner shall determine the balance due the Territory in the following manner: The amount of the principal which would have been paid during the full period of payment provided for in the special homestead agreement had the agreement been duly performed according to its terms and the amount of the interest which would have been paid under the special homestead agreement prior to the effective date of this paragraph had the agreement been duly performed according to its terms shall be computed and added together; from the sum of these amounts there shall be deducted all moneys that have been actually paid to the Territory on account of the special homestead agreement, whether as principal or as interest. The balance thus determined shall be the total amount remaining due and payable for the homestead covered by such special homestead agreement, any other terms, conditions, or provisions in any of said agreements, or any provisions of law to the contrary notwithstanding: *Provided, however,* That nothing herein contained shall be deemed to excuse the payment of taxes and other charges and assessments upon unpatented homestead lands as provided in said agreements, nor to excuse or modify any term, condition, or provision of said agreements other than such as relate to the principal and interest payable to the Territory. The total amount remaining due, determined as hereinabove provided, shall be payable in 15 equal biennial installments. Simple interest at the rate of 3 percent per annum shall be charged upon the unpaid balance of such installments, whether matured or unmatured, said interest to be computed from the effective date of this paragraph and to be payable semiannually. The first payment on account of principal shall be due 2 years subsequent to the effective date of this paragraph, and thereafter the due dates of principal payments shall be at regular 2-year periods; the first payment on account of interest shall be due 6 months subsequent to the effective date of this paragraph, and thereafter the due dates of interest payments shall be at regular 6-month periods. In case of default in payments of principal or interest on the due dates as hereby fixed the Commissioner may, with the approval of the Governor, with or without legal process, notice, demand, or previous entry, take possession of the land covered by any such special homestead agreement and thereby determine the estate created by such agreement as hereby modified. When the aforesaid payments have been made to the Territory of Hawaii, and all taxes, charges, and assessments upon the land have been paid as provided by said agreements, and all other conditions therein stipulated have been complied with, except as herein excused or modified, the said special homestead agreements shall be deemed to have been performed by the holders thereof, and land-patent grants covering the land described in such agreements shall be issued to the parties mentioned therein, or their heirs or assigns, as the case may be.

"Neither the Territory of Hawaii nor any of its officers, agents, or representatives shall be liable to any holder of any special homestead agreement, past or present, whether or not a patent shall have issued thereon, or to any other person, for any refund or reimbursement on account of any payment to the Territory in excess of the amount determined as provided by the preceding paragraph, and the legislature shall not recognize any obligation, legal or moral, on account of such excess payments."

SEC. 2. This act shall take effect upon its approval.

The amendments were agreed to.

Mr. DANAHER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 4, line 2, after the word "modified", it is proposed to strike out the period, insert a comma and the following words:

Whereupon liability for payment of any balance then due under such special homestead agreement shall terminate.

Mr. DANAHER. Mr. President, a brief explanation will be afforded, I think, if I merely read the sentence as it would read if the amendment were agreed to, starting on page 3, line 20:

In case of default in payments of principal or interest on the due dates as hereby fixed the Commissioner may, with the approval of the Governor, with or without legal process, notice, demand, or previous entry, take possession of the land covered by any such special homestead agreement and thereby determine the estate created by such agreement as hereby modified, whereupon liability for payment of any balance then due under such special homestead agreement shall terminate.

The objective sought to be attained is simply to correct and remove the possibility of a deficiency judgment once the homesteader's land is taken in answer to the claim.

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

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Maryland?

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Mr. DANAHER. I yield.

Mr. TYDINGS. I take it the Senator is discussing the amendment which he suggested some time ago?

Mr. DANAHER. That is correct.

Mr. TYDINGS. I may explain that at the time the Senator suggested the amendment the majority of the members of the Committee on Territories and Insular Affairs had already approved the bill as it was introduced. The Senator's amendment did not come before the committee in time. Hence, although there was no objection, so far as I know, the committee could not report the amendment because it never had considered it. So far as I am concerned, I can see no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHER].

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. DANAHER. Mr. President, I ask unanimous consent that the RECORD at this point include a letter from the Acting Secretary of the Interior to me approving this particular amendment.

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

THE SECRETARY OF THE INTERIOR,
Washington, May 11, 1940.

HON. JOHN A. DANAHER,

United States Senate, Washington, D. C.

MY DEAR SENATOR DANAHER: I am referring to your telephone conversation on May 1 with the Division of Territories and Island Possessions of the Department regarding H. R. 9185 "A bill to amend section 73 of an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended," which relates to the adjustment of special homestead agreements in Hawaii.

It is understood you recommend that the sentence commencing in line 16 on page 3 of the bill and ending in line 23 on that page with the word "modified", be supplemented by adding thereafter the following language: "whereupon liability for payment of any balance then due under such special homestead agreement shall terminate."

The Department is agreeable to the insertion of this language, which appears to clarify the intent of the bill with respect to defaults in the payment of principal and interest by the homesteaders, by relieving them of further liability in case the Territory finds it necessary to take possession of the land covered by any special homestead agreements.

Sincerely yours,

E. K. BURLEW,
Acting Secretary of the Interior.

FOUR HUNDREDTH ANNIVERSARY OF THE DISCOVERY OF THE MISSISSIPPI

The joint resolution (S. J. Res. 175) to provide for the observance and celebration of the four hundredth anniversary of the discovery of the Mississippi River by Hernando De Soto was announced as next in order.

Mr. TAFT. Mr. President, I should like an explanation of the joint resolution, particularly as to "The Forest of Repentance."

Mr. McKELLAR. Mr. President, the joint resolution was introduced by the Senator from Minnesota [Mr. LUNDEEN] to provide for a celebration of the discovery of the Mississippi. It does not appropriate any money; it merely proposes to create a commission to make plans for what is called in the joint resolution "a conservation exposition in celebration of the four hundredth anniversary of the discovery of the Mississippi River by Hernando De Soto." I hope the Senate will pass the joint resolution.

The PRESIDING OFFICER. Is there objection?

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

Resolved, etc. That there is hereby established a commission to be known as the Mississippi Re-Discovery Commission (hereinafter referred to as the "Commission") to be composed of 11 Commissioners, as follows: The President of the United States; two Members of the Senate, one from each of the two major parties, to be appointed by the President of the Senate; two Members of the House of Representatives, one from each of the two major parties, to be appointed by the Speaker of the House of Representatives;

the Secretary of the Interior; the Secretary of Agriculture; the Chief Conservation Engineer of the Tennessee Valley Authority; and three individuals from private life, all of whom shall be residents of the Mississippi Valley, to be appointed by the President of the United States. The Commissioners shall serve without compensation and shall elect a chairman from among their number.

SEC. 2. It shall be the duty of the Commission—

(a) To set up, supervise, and maintain in the Mississippi Valley in 1941 a conservation exposition in celebration of the four hundredth anniversary of the discovery of the Mississippi River by Hernando De Soto, said conservation exposition to be held at such places in the Mississippi Valley as may be designated by the Commission, the object of which shall be an effective dramatization of the present conservation activities of the Federal and State Governments; and

(b) To prepare and submit to Congress a specific recommendation for a forest memorial to be known as "The Forest of Repentance," to be administered by the National Park Service of the Department of the Interior, or such other agency as the Commission may designate, and to be situated at or near the point of discovery of the river by Hernando De Soto, as determined by the Commission on the basis of the report of the fact-finding committee of the United States De Soto Expedition Commission. Such recommendation shall include a plan or plans for a memorial building within the "Forest of Repentance" to contain therein a bronze tablet on which there shall be set forth the Nation's resolve to conserve henceforth the natural resources of the river and its valley, with this forest as a symbol and earnest of that resolve.

SEC. 3. The Commission is authorized and directed to prepare, print, bind, and distribute a pamphlet on the conservation activities of the Federal and State Governments within the Mississippi Valley.

SEC. 4. The Commission is authorized to procure advice and assistance from any governmental agency and to procure advice and assistance from and cooperate with individuals and agencies, public or private. The Commission is authorized to accept and utilize voluntary and uncompensated services of any person and, without additional compensation, the services of such experts, consultants, research assistants, clerks, and stenographers as may be detailed by the heads of departments and establishments of the Government for the purpose of assisting the Commission to carry out the provisions of this act.

SEC. 5. The Commission is authorized to accept and utilize for the purposes of this act donations and bequests of money and real and personal property.

SEC. 6. The Commission shall cease to exist within 6 months of the date of expiration of the celebration.

The preamble was agreed to.

RELIEF OF CERTAIN VETERANS' ADMINISTRATION EMPLOYEES

The bill (S. 3749) to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the employees responsible for the excess or erroneous payments represented by the sums (including interest accruals) herein stated be, and they are hereby, relieved of financial liability therefor and the Comptroller General is authorized and directed to allow credit in the settlement of the accounts of the following-named former disbursing officers of the Veterans' Administration and Guy F. Allen, chief disbursing officer, Treasury Department, in such amounts not exceeding the sums (including interest accruals) stated herein which have been, or hereafter may be, disallowed as may be necessary to relieve such disbursing officers of financial liability therefor: *Provided*, That this act shall not be construed to bar recovery of the amounts herein specified from the persons to whom and through whom such amounts have been paid:

First. J. B. Schommer, former disbursing officer, Veterans' Administration, Washington, D. C., in the sums of \$3,654.84, symbol 99-220; \$1,680.69, symbol 11-499; \$75.21, symbol 11-501; \$3,197.75, symbol 11-532; and \$7,102.47, symbol 11-666; which amounts were expended during the period from July 1, 1929, through June 30, 1934.

Second. William H. Holmes, former disbursing officer, Veterans' Administration, Washington, D. C., in the sums of \$162.70, symbol 11-465, and \$6,843.73, symbol 11-348; which amounts were expended during the period from January 1, 1919, through June 30, 1929.

Third. Norma E. Hesterly, former disbursing officer, Veterans' Administration, Albuquerque, N. Mex., in the sum of \$154.32, symbol 99-101, which amount was expended on September 16, 1931.

Fourth. C. A. Wood, former disbursing officer, Veterans' Administration, Atlanta, Ga., in the sum of \$4,319.24, symbol 99-102, which amount was expended during the period from November 1, 1929, through June 30, 1933.

Fifth. D. H. Geiger, former disbursing officer, Veterans' Administration, Augusta, Ga., in the sum of \$116.72, symbol 11-449, which amount was expended in June 1934.

Sixth. Warren A. Minnis, former disbursing officer, Veterans' Administration, Bay Pines, Fla., in the sum of \$1,045.49, symbol 99-126, which amount was expended during the period from May 1 through May 31, 1931.

Seventh. H. H. Barraclough, former disbursing officer, Veterans' Administration, Boston, Mass., in the sum of \$203.54, symbol 99-106, which amount was expended during the period from October 1, 1929, through July 31, 1933.

Eighth. Ivan Carrico, former disbursing officer, Veterans' Administration, Charleston, W. Va. (now Huntington), in the sum of \$534.20, symbol 99-110, which amount was expended during the period September 10, 1930, through March 20, 1931.

Ninth. John W. Reynar, former disbursing officer, Veterans' Administration, Charlotte, N. C., in the sums of \$1,906.51, symbol 99-111; and \$100, symbol 11-374, which amounts were expended during the period from March 1, 1931, through August 31, 1933.

Tenth. Cary Dawson, former disbursing officer, Veterans' Administration, Cincinnati, Ohio (now Dayton, Ohio), in the sums of \$439.25, symbol 99-113; and \$60, symbol 11-400, which amounts were expended during the period from September 1, 1927, through April 16, 1935.

Eleventh. L. W. Looker, former disbursing officer, Veterans' Administration, Cleveland, Ohio, in the sum of \$80.29, symbol 99-114, which amount was expended during the period from December 1, 1930, through July 29, 1931.

Twelfth. Charles S. Gawler, former disbursing officer, Veterans' Administration, Columbia, S. C., in the sums of \$732.25, symbol 99-115; and \$3,377.98, symbol 11-403, which amounts were expended during the period from May 11, 1927, through March 31, 1935.

Thirteenth. Lorena Duncan, former disbursing officer, Veterans' Administration, Dallas, Tex., in the sum of \$531, symbol 99-116, which amount was expended during the period from March 1, 1928, through March 31, 1931.

Fourteenth. Roy E. Waters, former disbursing officer, Veterans' Administration, Dallas, Tex., in the sum of \$12, symbol 11-519, which amount was expended on July 31, 1932.

Fifteenth. W. Weldon, former disbursing officer, Veterans' Administration, Hines, Ill., in the sums of \$1,270.91, symbol 99-231; and \$50.27, symbol 11-521, which amounts were expended during the period from March 1, 1931, through June 30, 1934.

Sixteenth. Noel Jeffrey, former disbursing officer, Veterans' Administration, Hines, Ill., in the sum of \$311.26, symbol 99-227, which amount was expended on June 7, 1930.

Seventeenth. E. L. Hlinak, former disbursing officer, Veterans' Administration, Jefferson Barracks, Mo., in the sum of \$265.62, symbol 99-152, which amount was expended during the period from May 1, 1931, through November 1, 1932.

Eighteenth. E. D. Duncan, former disbursing officer, Veterans' Administration, Little Rock, Ark., in the sum of \$863.72, symbol 99-128, which amount was expended during the period from February 1, 1931, through July 31, 1931.

Nineteenth. N. B. Harrison, former disbursing officer, Veterans' Administration, Los Angeles, Calif., in the sum of \$693.01, symbol 99-129, which amount was expended during the period from May 1 through May 31, 1931.

Twentieth. P. E. Haase, former disbursing officer, Veterans' Administration, Louisville, Ky., in the sum of \$348.06, symbol 99-130, which amount was expended on April 17, 1931.

Twenty-first. Joseph F. Routhier, former disbursing officer, Veterans' Administration, Manila, P. I., in the sum of \$281.36, symbol 99-207, which amount was expended during the period from January 1 through January 31, 1928.

Twenty-second. N. H. Cobbs, former disbursing officer, Veterans' Administration, Manila, P. I., in the sum of \$66.43, symbol 99-217, which amount was expended during the period from January 1 through January 31, 1929.

Twenty-third. A. B. Gumaz, former disbursing officer, Veterans' Administration, Manila, P. I., in the sum of \$595.39, symbol 99-214, which amount was expended during the period from January 1, 1930, through March 31, 1931.

Twenty-fourth. T. H. Daley, former disbursing officer, Veterans' Administration, New Orleans, La., in the sum of \$72.26, symbol 11-256, which amount was expended in March 1925.

Twenty-fifth. Don Iler, former disbursing officer, Veterans' Administration, New York, N. Y., in the sums of \$1,439.37, symbol 99-138, and \$192.85, symbol 11-333, which amounts were expended during the period from April 1, 1931, through October 15, 1934.

Twenty-sixth. Marvin L. Morris, former disbursing officer, Veterans' Administration, Oklahoma City, Okla., in the sum of \$388.69, symbol 99-139, which amount was expended during the period from January 1 through January 31, 1931.

Twenty-seventh. P. J. Carney, former disbursing officer, Veterans' Administration, Philadelphia, Pa., in the sum of \$640.75, symbol 99-141, which amount was expended during the period from December 1, 1928, through July 31, 1934.

Twenty-eighth. J. A. Walker, former disbursing officer, Veterans' Administration, Pittsburgh, Pa., in the sum of \$621.84, symbol 99-210, which amount was expended on August 2, 1932.

Twenty-ninth. H. F. Heisey, former disbursing officer, Veterans' Administration, Richmond, Va. (now Roanoke), in the sum of \$164.58, symbol 99-148, which amount was expended during the period from February 1, 1928, through March 31, 1931.

Thirtieth. M. B. Norvell, former disbursing officer, Veterans' Administration, San Antonio, Tex., in the sum of \$378.97, symbol 99-222, which amount was expended during the period from April 1, 1931, through October 31, 1932.

Thirty-first. L. S. McCracken, former disbursing officer, Veterans' Administration, San Francisco, Calif., in the sum of \$86,

symbol 11-262, which amount was expended during the period from November 1, 1923, through May 31, 1924.

Thirty-second. H. S. Knapp, former disbursing officer, Veterans' Administration, Seattle, Wash., in the sum of \$1,194.24, symbol 99-215, which amount was expended on April 23, 1931.

Thirty-third. J. William Yates, Jr., former disbursing officer, Veterans' Administration, Tuscaloosa, Ala., in the sum of \$333.78, symbol 99-104, which amount was expended during the period from May 9, 1929, through July 31, 1931.

Thirty-fourth. Richard H. Zohn, former disbursing officer, Veterans' Administration, Wood, Wis., in the sums of \$630.63, symbol 99-216; and \$1,272.28, symbol 11-430, which amounts were expended for the period from January 1, 1918, through March 15, 1935.

Thirty-fifth. Guy F. Allen, chief disbursing officer, Treasury Department, Washington, D. C., in the sums of \$40,585.11, symbols 99-280 to 99-292, inclusive; \$65.36, symbol 89-888; \$4,829.59, symbol 11-647; \$9,010.88, symbol 11-561; \$133.18, symbol 11-564; \$160, symbol 11-566; \$99, symbol 11-569; \$858.90, symbol 11-571; \$10, symbol 11-575; \$111.67, symbol 11-583; and \$82.36, symbol 11-559, which amounts were expended during the period from July 1, 1934, through July 31, 1938, and for which certifying officers are held financially liable.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay to C. A. Blackburn, finance officer, Veterans' Administration, Little Rock, Ark., the sum of \$187.16, which amount was paid by him on November 7, 1936.

AVIS COLLINS, A MINOR

The Senate proceeded to consider the bill (S. 3587) for the relief of Avis Collins, a minor, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the word "to", to strike out "Avis Collins, of Brattleboro, Vt., the minor daughter of"; in line 6, after the name "Collins", to insert "of Brattleboro, Vt."; in line 7, after the words "sum of", to strike out "\$250" and insert "\$128.50"; in line 8, after the word "of", to strike out "her" and insert "his"; in line 9, after the word "for", to insert "dental expenses and"; and in the same line, after the word "injuries", to strike out "sustained by her" and insert "incurred by Avis Collins, a minor daughter", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Earl P. Collins, of Brattleboro, Vt., the sum of \$128.50, in full satisfaction of his claim against the United States for compensation for dental expenses and personal injuries incurred by Avis Collins, a minor daughter, as the result of a collision which occurred when the truck in which she was riding was struck by a United States Army truck operated by Richard Landus, a private, Quartermaster Corps, United States Army, in Greenfield, Mass., on August 29, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of Earl P. Collins."

VERNON C. BROWN AND F. L. COPELAND

The Senate proceeded to consider the bill (S. 3597) for the relief of Vernon C. Brown and F. L. Copeland, which had been reported from the Committee on Claims with an amendment, at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Vernon C. Brown the sum of \$80.35 and to F. L. Copeland the sum of \$227.75 in full settlement of their claims for personal injuries and loss of employment arising out of a collision between an automobile being driven by Vernon C. Brown and a truck owned by the Work Projects Administration and driven by Bryant Merryman on August 1, 1939, near Phoenix, Ariz.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

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

BLUE RIDGE PARKWAY, VIRGINIA-NORTH CAROLINA

The bill (H. R. 4282) to amend the act of June 30, 1936 (49 Stat. 2041), providing for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

SLUM CLEARANCE IN ALASKA

The bill (S. 3686) to authorize the Legislature of the Territory of Alaska to create a public corporate authority to undertake slum clearance and projects to provide dwelling accommodations for families of low income and to issue bonds and other obligations of the authority for such purpose, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Legislature of the Territory of Alaska may create a public corporate authority to undertake slum clearance and projects to provide dwelling accommodations for families of low income within the Territory.

SEC. 2. The Legislature of the Territory of Alaska may provide for the appointment and terms of the commissioners of such authority and for the powers of such authority, except that such authority shall not be given any power of taxation, nor any power to pledge the faith of the people of the Territory for any loan whatever.

SEC. 3. The Legislature of the Territory of Alaska may authorize such authority to issue bonds or other obligations with such security and in such manner as the legislature may provide, except as provided in this act. Such bonds and other obligations shall not be a debt of the Territory of Alaska or any political or municipal corporation or other subdivision of the Territory other than such authority; and such bonds and other obligations shall not constitute a debt, indebtedness, or the borrowing of money within the meaning of any limitation or restriction on the issuance of bonds or other obligations contained in the laws of the United States applicable to the Territory of Alaska or any political or municipal corporation or other subdivision of the Territory.

HOT SPRINGS DIVISION, WESTERN JUDICIAL DISTRICT OF ARKANSAS

The Senate proceeded to consider the bill (H. R. 7811) to establish the Hot Springs division of the Western Judicial District of Arkansas, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 16, after the name "Garland" to strike out "Grant"; on page 2, line 1, after the name "October" to insert "and for the Hot Springs division at Hot Springs on the third Mondays in March and September"; on the same page, line 4, after the name "Fayetteville" to insert "and Hot Springs"; in line 9, after the word "building", to insert "or addition or annex thereto"; in line 10, after the words "constructed in", to strike out "Fayetteville; and for the Hot Springs division, at Hot Springs on the third Mondays in March and September: *And provided further*, That accommodations for holding terms of court at Hot Springs shall be furnished free of cost to the United States" and insert: "Fayetteville or Hot Springs: *Provided further*, That the referee in bankruptcy of the western division of the eastern district may be appointed by the judge of the western district as referee in bankruptcy for the division herein created at Hot Springs."; in line 21, after the name "El Dorado", to strike out "and"; and in the same line, after the name "Harrison", to insert "and Hot Springs", so as to make the bill read:

Be it enacted, etc., That subsections (a), (b), (c), (d), (e), (f), and (g) of section 71 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, sec. 144), are amended to read as follows:

"SEC. 71. (a) The State of Arkansas is divided into two districts, to be known as the western and eastern districts of Arkansas.

"(b) The western district shall include six divisions constituted as follows: The Texarkana division, which shall include the territory embraced on July 1, 1920, in the counties of Sevier, Howard, Little River, Hempstead, Miller, Lafayette, and Nevada; the El Dorado division, which shall include the territory embraced on such date in the counties of Columbia, Ouachita, Union, Ashley, Bradley, and Calhoun; the Fort Smith division, which shall include the territory embraced on such date in the counties of Polk, Scott, Logan, Sebastian, Franklin, Crawford, and Johnson; the Harrison division, which shall include the territory embraced on such date in the counties of Baxter, Boone, Carroll, Marion, Newton, and Searcy; the Fayetteville division, which shall include the territory

embraced on such date in the counties of Benton, Madison, and Washington; and the Hot Springs division, which shall include the territory embraced on such date in the counties of Pike, Clark, Garland, Hot Spring, and Montgomery.

"(c) Terms of the district court for the Texarkana division shall be held at Texarkana on the second Mondays in May and November; for the El Dorado division, at El Dorado on the third Mondays in April and October; for the Fort Smith division, at Fort Smith on the second Mondays in January and June; for the Harrison division, at Harrison on the first Mondays in April and October; for the Fayetteville division, at Fayetteville on the second Mondays in March and October; and for the Hot Springs division, at Hot Springs on the third Mondays in March and September: *Provided*, That suitable rooms and accommodations for holding court at Fayetteville and Hot Springs are furnished without expense to the United States: *Provided further*, That nothing in this section shall be construed to prevent the provision of quarters for the officers of said court and appropriate courtrooms for the holding of the sessions of said court in any new Federal building or addition or annex thereto which may be constructed in Fayetteville or Hot Springs: *Provided further*, That the referee in bankruptcy of the western division of the eastern district may be appointed by the judge of the western district as referee in bankruptcy for the division herein created at Hot Springs.

"(d) The clerk of the court for the western district shall maintain an office in charge of himself or a deputy at Texarkana, Fort Smith, El Dorado, Harrison, and Hot Springs. Such offices shall be kept open at all times for the transaction of the business of the court.

"(e) The eastern district shall include four divisions constituted as follows: The eastern division, which shall include the territory embraced on July 1, 1920, in the counties of Desha, Lee, Phillips, St. Francis, Cross, Monroe, and Woodruff; the northern division, which shall include the territory embraced on such date in the counties of Fulton, Independence, Cleburne, Stone, Izard, Sharp, and Jackson; the Jonesboro division, which shall include the territory embraced on such date in the counties of Crittenden, Clay, Craighead, Greene, Mississippi, Poinsett, Randolph, and Lawrence; the western division, which shall include the territory embraced on such date in the counties of Arkansas, Chicot, Cleveland, Conway, Dallas, Drew, Faulkner, Grant, Jefferson, Lincoln, Lonoke, Perry, Pope, Prairie, Pulaski, Saline, Van Buren, White, and Yell.

"(f) Terms of the district court for the eastern division shall be held at Helena on the second Monday in March and the first Monday in October; for the northern division at Batesville on the fourth Monday in May and the second Monday in December; for the Jonesboro division, at Jonesboro on the first Monday in May and the fourth Monday in November; and for the western division, at Little Rock on the first Monday in April and the third Monday in October.

"(g) The clerk of the court for the eastern district shall maintain an office in charge of himself or a deputy at Helena, Batesville, Jonesboro, and Little Rock. Such offices shall be kept open at all times for the transaction of the business of the court."

Sec. 2. The act of April 21, 1926 (ch. 168, 44 Stat. 304), is hereby repealed.

The amendments were agreed to.

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

AMENDMENT OF PERISHABLE AGRICULTURAL COMMODITIES ACT, 1930

The bill (S. 3464) to amend the Perishable Agricultural Commodities Act, 1930, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) paragraph (4) of the first section of the Perishable Agricultural Commodities Act, 1930, as amended, is amended to read as follows:

"(4) The term 'perishable agricultural commodity' means (A) any fresh fruit or fresh vegetable, whether or not frozen or packed in ice, or (B) cherries in brine, as defined by the Secretary in accordance with trade usages."

(b) The first sentence of paragraph (6) of the first section of such act, as amended, is amended by inserting therein after the words "unless such product is frozen or packed in ice" a comma and the following: "or consists of cherries in brine."

Sec. 2. (a) Paragraph (1) of section 2 of such act, as amended, is amended to read as follows:

"(1) For any commission merchant, dealer, or broker to engage in or use any unfair, unreasonable, discriminatory, or deceptive practice in connection with the weighing, counting, or in any way determining the quantity of any perishable agricultural commodity received, bought, sold, shipped, or handled in interstate or foreign commerce;"

(b) Paragraph (5) of section 2 of such act, as amended, is amended by inserting therein before the word "condition" the following: "quantity, size, pack, weight."

ARTHUR A. SCHIPKE

The bill (S. 3223) for the relief of Arthur A. Schipke was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur A. Schipke, of Meriden, Conn., the sum of \$148.15, in full satisfaction of his claim against the United States for property damage resulting from a collision between his automobile and a Department of Agriculture truck in Union, Conn., on March 10, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

HARRY D. GANN

The Senate proceeded to consider the bill (S. 3649) for the relief of Harry D. Gann, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "\$5,782.60" and insert "\$2,462.64," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry D. Gann, of Reidsville, N. C., the sum of \$2,462.64, in full settlement of all claims against the United States for hospitalization, medical services, and personal injuries sustained by his two minor sons as a result of an accident involving an Army airplane, PB-2A, Air Corps, Numbered 35-45, Reidsville, N. C., on September 3, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

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

COOPERATION BETWEEN BUREAU OF RECLAMATION AND FARM SECURITY ADMINISTRATION

The bill (S. 3683) to remove the time limit for cooperation between the Bureau of Reclamation and the Farm Security Administration in the development of farm units on public lands under Federal reclamation projects was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of August 7, 1939 (Public No. 307, 76th Cong., 1st sess.), is hereby amended by striking out "during the fiscal year 1940,"

TRANSFER OF HARDEMAN COUNTY, TEX., TO WICHITA FALLS DIVISION

The bill (H. R. 9013) to transfer Hardeman County, Tex., from the Fort Worth division to the Wichita Falls division of the northern judicial district of Texas was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3918) adopting and authorizing the improvement of East River, N. Y., was announced as next in order.

Mr. McNARY. Mr. President, I want that bill to go over until I have an opportunity to investigate it. The President recently sent to the Committee on Commerce a letter opposing this project, and I desire to examine the bill.

The PRESIDING OFFICER. The bill will be passed over under objection.

LIMITATION OF INTERPRETATION OF TERM "PRODUCTS OF AMERICAN FISHERIES"

The bill (H. R. 8475) to limit the interpretation of the term "products of American fisheries" was considered, ordered to a third reading, read the third time, and passed.

PROTECTION OF THE BALD EAGLE

The bill (S. 1494) to preserve from extinction the American eagle, emblem of the sovereignty of the United States of America, was announced as next in order.

The PRESIDING OFFICER. This bill is identical with House bill 4832, Calendar No. 1704. Without objection, the House bill will be considered.

Mr. WALSH. I ask that the House bill be substituted for the Senate bill and be now considered.

There being no objection, the bill (H. R. 4832) for the protection of the bald eagle was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1494, being identical with the House bill, will be indefinitely postponed.

BILL PASSED OVER

The bill (H. R. 9264) to provide for uniformity of allowances for the transportation of household goods of civilian officers and employees when transferred from one official station to another for permanent duty was announced as next in order.

The PRESIDING OFFICER. The present occupant of the Chair asks that this bill go over.

DAUPHIN ISLAND-CEDAR POINT BRIDGE, ALABAMA

The Senate proceeded to consider the bill (S. 3780) authorizing Alabama Bridge Commission (an agency of the State of Alabama) to construct, maintain, and operate a toll bridge and causeway between Dauphin Island and the mainland at or near Cedar Point, within the State of Alabama, which had been reported from the Committee on Commerce with an amendment, on page 2, line 4, after "1906," to strike out "Provided, That in the event that said bridge shall be constructed by the State of Alabama or an agency thereof under the authority of the legislature of the State of Alabama or the tolls for the use thereof shall be prescribed by a contract entered into by or with the State of Alabama or an agency thereof the provisions of section 4 of said act approved March 23, 1906, with reference to tolls, shall not be applicable" and insert "subject to the exemptions provided in section 1 of the act of August 21, 1935 (49 Stat. 670): *Provided*, That when the period during which the Alabama Bridge Commission is authorized to operate and maintain such bridge for toll, pursuant to Act No. 580, General and Local Laws of Alabama, 1939, approved September 22, 1939, has been completed, the bridge shall be operated free of toll."; so as to make the bill read:

Be it enacted, etc., That Alabama Bridge Commission (an agency of the State of Alabama), its successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a toll bridge and causeway and approaches thereto at a point suitable to the interests of navigation, between Dauphin Island and the mainland at or near Cedar Point, within the State of Alabama, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the exemptions provided in section 1 of the act of August 21, 1935 (49 Stat. 670): *Provided*, That when the period during which the Alabama Bridge Commission is authorized to operate and maintain such bridge for toll, pursuant to Act No. 580, General and Local Laws of Alabama, 1939, approved September 22, 1939, has been completed, the bridge shall be operated free of toll.

Sec. 2. Public Law No. 232, Seventy-sixth Congress, approved July 26, 1939, is hereby repealed.

Sec. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

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

KETTLE RIVER BRIDGES, WASHINGTON

The Senate proceeded to consider the bill (S. 3643) granting the consent of Congress to the Secretary of the Interior and Stevens County, State of Washington, to construct, maintain, and operate a highway bridge across the Kettle River near Kettle Falls, Wash., which had been reported from the Committee on Commerce with an amendment, on page 1, line 7, after the word "near," to strike out "Kettle Falls" and insert "Marcus", so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the Secretary of the Interior and Stevens County, State of Washington, jointly or separately, to construct, maintain, and operate a toll-free highway bridge across the Kettle River at a point suitable to the interests of navigation, near Marcus, and between Ferry County and Stevens County, Wash., 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. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

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

The title was amended so as to read: "A bill granting the consent of Congress to the Secretary of the Interior and Stevens County, State of Washington, to construct, maintain, and operate a highway bridge across the Kettle River near Marcus, Wash."

The Senate proceeded to consider the bill (S. 3644) granting the consent of Congress to the Secretary of the Interior and the Great Northern Railway Co. to construct, maintain, and operate two railroad bridges across the Kettle River, near Kettle Falls, Wash., which had been reported from the Committee on Commerce with an amendment, on page 2, line 1, after the word "near", to strike out "Kettle Falls" and insert "Marcus", so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the Secretary of the Interior and the Great Northern Railway Co., a corporation organized and existing under the laws of the State of Minnesota, and their successors and assigns, jointly or separately, to construct, maintain, and operate two railroad bridges across the Kettle River at points suitable to the interests of navigation, near Marcus, and between Ferry County and Stevens County, Wash., 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 of this act.

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

The amendment was agreed to.

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

The title was amended so as to read: "A bill granting the consent of Congress to the Secretary of the Interior and the Great Northern Railway Co. to construct, maintain, and operate two railroad bridges across the Kettle River near Marcus, Wash."

MISSOURI RIVER BRIDGE, DECATUR, NEBR.

The bill (S. 3419) authorizing the county of Burt, State of Nebraska, to construct, maintain, and operate a toll bridge across the Missouri River at or near Decatur, Nebr., was announced as next in order.

The PRESIDING OFFICER. This bill is identical with House bill 8589. Without objection, the House bill will be substituted for the Senate bill.

The Senate proceeded to consider the bill (H. R. 8589) to authorize the county of Burt, State of Nebraska, to construct, maintain, and operate a toll bridge across the Missouri River at or near Decatur, Nebr., which was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3419 will be indefinitely postponed.

RIO GRANDE BRIDGE OR FERRY, BOCA CHICA, TEX.

The bill (H. R. 3138) authorizing J. E. Pate, his successors and assigns, to construct, maintain, and operate a bridge or ferry across the Rio Grande at Boca Chica, Tex., was considered, ordered to a third reading, read the third time, and passed.

SPOKANE RIVER BRIDGE, WASHINGTON

The bill (S. 3642) granting the consent of Congress to the Secretary of the Interior and the State of Washington to construct, maintain, and operate a highway bridge across the Spokane River, Wash., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Secretary of the Interior and the State of Washington, jointly or separately, to construct, maintain, and operate a toll-free highway bridge across the Spokane River at a point suitable to the interests of navigation, between Stevens County and Lincoln County, Wash., 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. The right to alter, amend, or repeal this act is hereby expressly reserved.

CONVEYANCE OF FISH HATCHERY PROPERTY AT PUT IN BAY TO STATE OF OHIO

The bill (H. R. 6481) to authorize the conveyance of the United States Fish Hatchery property at Put in Bay, Ohio, to

the State of Ohio, was considered, ordered to a third reading, read the third time, and passed.

STATE COMPACTS WITH RESPECT TO FISHING ON ATLANTIC COAST

The Senate proceeded to consider the joint resolution (H. J. Res. 302) to authorize compact or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and bays and inlets of the Atlantic Ocean on which such States border, and for other purposes, which was read, as follows:

Resolved, etc., That the consent of Congress is hereby given to any two or more of the States of Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, and Florida, to enter into compact or agreements, not in conflict with any law of the United States, for cooperative effort and mutual assistance for the uniform, common, or mutual regulation of fishing or of any species of fish, mollusks, or crustacea in the territorial waters and bays and inlets of the Atlantic Ocean on which such States border or to which their jurisdiction otherwise extends and of anadromous fish spawning in the inland waters of those States.

Sec. 2. The consent of Congress is hereby granted to States other than those specified but which have jurisdiction over inland waters frequented by anadromous fish of the sea to enter into compact or agreements authorized by this act.

Sec. 3. The consent of Congress is hereby given to any of the aforementioned States to establish such agencies or authorities, joint or otherwise, as they may deem desirable for making effective compact or agreements herein authorized.

Sec. 4. Any such compact or agreement shall not be binding or obligatory upon the signatory States unless it has been approved by the legislatures of such States and by the Congress of the United States.

Sec. 5. The right to alter, amend, or repeal this resolution is hereby expressly reserved.

Mr. LODGE. Mr. President, may we have an explanation of the bill?

Mr. BILBO. Mr. President, the explanation is found in the wording of the bill. If the Senator from Massachusetts will read the bill he will ascertain what the fishermen along the Atlantic seaboard want to do in the way of control of the fishing industry along the Atlantic seaboard. The bill provides for a compact, an agreement.

Mr. LODGE. What is the need for doing this?

Mr. BILBO. I myself am not a fisherman, but the persons who are interested in the bill insist that in order to conserve and protect the fishing industry along the Atlantic seaboard it is necessary that certain practices be abated.

Mr. LODGE. Will the Senator state who it is that is interested in this bill?

Mr. BILBO. The information brought to the committee was from the fishing industry generally, and especially from those who are engaged in the packing as well as the catching of fish along the Atlantic coast line from Florida to Maine.

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

Mr. LODGE. I yield.

Mr. WHITE. As the Senator from Mississippi has said, the bill authorizes the States named in it to enter into State compacts with respect to the fisheries along the North Atlantic seaboard. It is patterned after a similar authority which was given to the States bordering on the Great Lakes. I think it envisages a study by those interested in the preservation of our fisheries of ways and means to insure that end.

The joint resolution has the approval of most of the State commissions whose States border upon the Atlantic seaboard; and I may say that any agreements which are entered into under the authority given in the joint resolution must ultimately come back to the Congress for final sanction.

The joint resolution deals with the problems of what I may call migratory fish. It is not a measure to which I have given particular attention, but I know generally its purpose and its terms, and I think I know both generally and specifically the great need for study if we are to preserve many of our fish species.

Mr. KING. Mr. President, if the Senator will permit an inquiry, would not the passage of the joint resolution facil-

itate the organization of monopolies for the purpose of controlling specific points along the coast?

Mr. WHITE. I have heard that suggestion made, and I do not quite see how it would make any contribution to that end.

Mr. DANAHER. Mr. President, from the beginning I have followed this particular idea. It was before the Congress at the last session in a measure which passed both Houses unanimously, but the measure at that time provided that the States could enter into a compact irrespective of the approval of Congress, and the President therefore vetoed it. The bill now before us does no more than authorize any two States to enter into joint agreement to control the natural fishing grounds and the crustacea grounds, so that mutually effective remedies may be provided to wipe out pollution, to regulate fishing out of season, and things of that kind. It will help the State of Massachusetts, in conjunction with the State of New Hampshire, to regulate salmon fishing when salmon runs are restored to the North Atlantic. Such matters are under consideration now.

The bill has the support of State governments. An agreement has been reached by the Commission on State Cooperation of the Commonwealth of Massachusetts, for instance. I hold in my hand a resolution of approval from Boston, which the Senator from Massachusetts might like to examine. I know that nothing could be done under the proposed compact plan which would be deleterious to the interests of individuals, nor would it create any monopolies, as the Senator from Utah suggests.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution.

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

FISHERY EDUCATIONAL SERVICE

The bill (H. R. 4985) to provide for a Fishery Educational Service in the Bureau of Fisheries, was announced as next in order.

Mr. TAFT. I should like to have an explanation of the bill.

Mr. BILBO. I will ask the Senator from Florida to explain the bill.

Mr. PEPPER. Mr. President, all this bill, which came over from the House of Representatives, contemplates is that the Department of the Interior shall establish an agency which will set up an educational service, so that fishery products may be publicized and advertised, through services which may be projected, radio programs, and the like, to inform the public as to the value of fish as a food commodity. It calls for only a small appropriation. I think the total appropriation is \$75,000.

Mr. KING. I think the bill had better go over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

FRANKFORD CREEK, PA.

The bill (H. R. 8452) to declare Frankford Creek, Pa., to be a nonnavigable stream, was considered, ordered to a third reading, read the third time, and passed.

HOURS OF WORK ON INLAND WATERS

The bill (S. 2305) relating to hours of work of licensed officers and seamen on tugs operating in certain inland waters of the United States, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the second sentence of section 2 of the act of March 4, 1915, as amended (U. S. C., 1934 ed., Supp. IV, title 46, sec. 673), is amended to read as follows: "Except in the case of an extraordinary emergency affecting the safety of the vessel or life or property, no licensed officer or seaman in the deck or engine department of any tug documented under the laws of the United States (except boats or vessels used exclusively for fishing purposes) navigating the Great Lakes, harbors of the Great Lakes, and connecting and tributary waters between Gary, Ind.; Duluth, Minn.; Niagara Falls, N. Y.; and Ogdensburg, N. Y., shall be required or permitted to work more than 8 consecutive hours in any 1 day, and such work shall be performed within a period of time not exceeding 9 consecutive hours."

PAYMENT OF COST OF RETURNING REMAINS, FAMILIES, AND EFFECTS TO THE UNITED STATES

The bill (S. 3899) to defray the cost of returning to the United States the remains, families, and effects of officers and employees dying abroad, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in case any civilian officer or employee of the United States dies (1) while in a travel status away from his official station in the United States, or (2) while performing official duties in a Territory or possession of the United States or in a foreign country or in transit thereto or therefrom, the head of the department, independent establishment, agency, or federally owned or controlled corporation, hereinafter called department, in the service of which such officer or employee was engaged, is hereby authorized, under regulations to be prescribed by the President and except as otherwise provided by law, to pay from the appropriation available for the activity in which he was engaged—

(a) In case of the death of the officer or employee in such travel status in the United States, or in the case of the death of the officer or employee while performing official duties in a Territory or possession of the United States or in a foreign country or in transit thereto or therefrom, the expenses of preparing and transporting the remains of such officer or employee to his home or official station or such other place as the head of the department concerned shall determine to be the appropriate place of interment.

(b) In case of the death of the officer or employee while performing official duties in a Territory or possession of the United States or in a foreign country or in transit thereto or therefrom, the transportation expenses of his dependents, including expenses incurred in packing, crating, drayage, and transportation of household effects and other personal property to his former home or such other place as the head of the department shall determine.

SEC. 2. The benefits of section 1 of this act shall not be denied in any case on the ground that the deceased was temporarily absent from duty when death occurred.

SEC. 3. This act shall become effective 60 days after its enactment.

BOARD OF INDETERMINATE SENTENCE AND PAROLE

The bill (H. R. 9210) to amend an act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

ADOPTION IN THE DISTRICT OF COLUMBIA

The bill (H. R. 7084) to amend the act entitled "An act to regulate proceedings in adoption in the District of Columbia," approved August 25, 1937, was considered, ordered to a third reading, read the third time, and passed.

AMOS B. COLE

The bill (S. 1560) for the relief of Amos B. Cole was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are authorized and directed to extend the benefits of relief from the policemen and firemen's relief fund, District of Columbia, to Amos B. Cole, formerly a member of the Metropolitan Police Department of the District of Columbia, in the same manner and to the same extent as if the said Amos B. Cole had, while a member of such Department, become so permanently disabled through an injury received or disease contracted in line of duty as to incapacitate him for the performance of duty.

SEC. 2. For the purposes of this act the rate of salary received by the said Amos B. Cole on the date of his separation from such Department shall be deemed to be the rate of salary received at the date of retirement.

PARKING AUTOMOBILES IN THE MUNICIPAL CENTER

The bill (S. 3663) to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the municipal center was announced as next in order.

The PRESIDING OFFICER. Without objection, the Senate will consider an identical bill which has today been messaged over from the other House.

There being no objection, the bill (H. R. 9115) to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the municipal center, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3663 will be indefinitely postponed.

CODE OF LAWS FOR THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 3533) authorizing the appointment of a commission to prepare a new code of laws for the District of Columbia, which had been reported from the Committee on the District of Columbia with amendments, on page 1, line 3, after the word "five" to strike out "not less than four of whom shall be members of the bar of the District Court of the United States for the District of Columbia, and not less than three of whom shall have had at least 10 years' continuous actual practice before said court immediately prior to appointment"; on page 1, line 9, after the word "States" to strike out "by and with the approval of the majority of the membership of said court sitting in general term"; on page 2, line 11, after the name "United States" to strike out "and to said court for consideration"; on line 14, after the name "United States" to strike out "and by said court sitting in general term"; on page 3, line 5, after "States" to strike out "shall" and insert "may"; after line 10 to strike out section 4, as follows:

SEC. 4. There is hereby appropriated and allocated to the Attorney General of the United States, out of any money in the Treasury of the United States not otherwise appropriated, a sum sufficient to cover the compensation of said commission during its first year.

And to insert a new section 4, as follows:

SEC. 4. There is hereby authorized to be appropriated and allocated to the Attorney General of the United States a sum sufficient to cover the compensation of said commission during the first year, said sum to be prorated as follows: 40 percent from the funds of the United States not otherwise appropriated, and 60 percent from the funds in the Treasury to the credit of the District of Columbia not otherwise appropriated.

So as to make the bill read:

Be it enacted, etc., That a commission of five shall be appointed by the Attorney General of the United States to prepare a Code of Laws for the District of Columbia with complete index thereto. Such code, so far as practicable, shall be a restatement of the laws, general and permanent in their nature, relating to or in force in the District of Columbia, together with such modifications thereof, amendments thereto, and such new legislation as may seem desirable or necessary, except such laws as are of application in the District of Columbia by reason of being laws of the United States, general and permanent in their nature. Such code shall be prepared in sections and shall be presented by sections to the Attorney General of the United States, and upon completion thereof, and upon being approved by the Attorney General of the United States, such code shall be submitted to the Congress for adoption as the code for the District of Columbia. Said commission shall complete its work and make its final report within 3 years from the date of its organization unless its tenure be extended by the Attorney General of the United States.

SEC. 2. Each member of the commission shall receive an annual salary of \$6,000, payable semimonthly. The Attorney General of the United States may remove any member of the commission and fill any vacancy in the manner hereinbefore provided for original appointments.

SEC. 3. The Attorney General of the United States shall assign and set apart for the use of the commission suitable quarters in the Department of Justice Building or elsewhere and the commission shall have the free use of the postal facilities. The Attorney General of the United States may assign to the commission such law clerks, stenographers, and other assistants as the commission shall deem necessary and at such compensation as the Attorney General shall determine and shall fix. The Attorney General shall also supply the commission with necessary office equipment, typewriters, and supplies.

SEC. 4. There is hereby authorized to be appropriated and allocated to the Attorney General of the United States a sum sufficient to cover the compensation of said commission during the first year, said sum to be prorated as follows: 40 percent from the funds of the United States not otherwise appropriated, and 60 percent from the funds in the Treasury to the credit of the District of Columbia not otherwise appropriated.

The amendments were agreed to.

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

NAVAL EXPANSION

The bill (H. R. 8026) to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, is this a naval expansion bill?

Mr. WALSH. Yes; it is a naval expansion bill.

Mr. KING. I think we should have some explanation of the bill, but I do not think we should take the bill up now under the unanimous-consent agreement.

Mr. WALSH. I think it would be well to have the bill passed over at this time.

Mr. KING. I should be glad to join the Senator in an effort to have the bill taken up at an appropriate time.

The PRESIDING OFFICER. The bill will be passed over.

RELIEF OF SETTLERS IN KETCHUM, IDAHO

The bill (S. 1251) for the relief of certain settlers in the town site of Ketchum, Idaho, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That if, within 3 years from the date of enactment of this act, it shall be shown to the satisfaction of the Secretary of the Interior that any lot in the town site of Ketchum, Idaho, as shown on the official plat thereof on file in the General Land Office, has been held in good faith in peaceful, adverse possession by a citizen of the United States, his ancestors or grantors, for more than 10 years next preceding the date of enactment of this act under claim or color of title, and that during such time valuable improvements have been placed on such lot, or taxes levied on such lot have been paid, the Secretary may, in his discretion and under such rules and regulations as he may prescribe, cause a patent for such lot to issue to such citizen, upon payment therefor of such price not less than the minimum provided in sections 2384 and 2385 of the United States Revised Statutes, as may be fixed by the Secretary, without requiring a showing of privity with any persons entitled to purchase the lot as a preemption under section 2383, United States Revised Statutes: *Provided,* That notice of intention to purchase the lot under the provisions of this act is posted for a period of 30 days in the land office for the district in which the town site is situated and is published once a week for four consecutive weeks in some newspaper designated by the Secretary and that no valid protest is filed against such purchase.

REPRODUCTION OF PHOTOGRAPHS OF NATIONAL PARK SCENERY

The Senate proceeded to consider the bill (S. 769) authorizing the Secretary of the Interior to furnish mats for the reproduction in magazines and newspapers of photographs of national-park scenery, which had been reported from the Committee on Public Lands and Surveys with amendment, on page 2, line 5, after the word "for" to strike out "each fiscal year, beginning with"; on line 6, to strike out "June 30, 1940, a sum not in excess of \$5,000 for the purpose," and to insert, "June 30, 1941, the sum of \$3,000 for the purpose", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to have prepared mats which may be used for the reproduction in magazines and newspapers of photographs of such of the scenery in the national parks as, in the opinion of the Secretary, would be of interest to the people of the United States and foreign nations. Any such mats may be furnished, without charge and under such regulations as the Secretary may prescribe, to the publishers of magazines, newspapers, and any other publications which may carry photographic reproductions.

SEC. 2. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1941, the sum of \$3,000 for the purpose of carrying out the provisions of this act.

The amendments were agreed to.

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

TITLE TO COASTAL SUBMERGED LANDS

The joint resolution (S. J. Res. 92) declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve, and to eject trespassers was announced as next in order.

SEVERAL SENATORS. Over. Over.

Mr. CONNALLY. Mr. President, several objections have already been registered to the consideration of this joint

resolution, but I wish to say that it is a measure which seeks to instruct the Attorney General to bring suit for title to coastal submerged lands. Of course it would affect the interests of every State in the Union which touches on the seacoast.

The Attorney General now has the authority, if the United States has any interest in such lands, to bring the suits contemplated, and the only purpose of having the measure passed by the Congress is to give color and congressional sanction to some sort of asserted right or title to these lands. I do not think it is just or right for the Congress to seek to declare as a matter of law that the United States Government owns these lands.

A year ago, in the Committee on Public Lands and Surveys, the Department of the Navy boldly and openly charged that the Government not only had the title to these lands, but that if it did not have the title, it had, in the interest of national defense, a right to take the lands without any compensation whatever. That is the spirit that is behind the measure. Of course, we are going to resist it. The joint resolution now before us is a diluted and dehorned form of the original measure. I congratulate the Committee on Public Lands and Surveys, of which my distinguished friend the Senator from Colorado [Mr. ADAMS] is chairman, for the operation on the measure as far as it went, but it did not go far enough. The Senator should cut off its head.

I register my protest and my objection to the measure, and I hope Senators from other States will all be present when the calendar is next called, because on a former occasion, without anyone knowing what was in the measure, it slipped through the Senate and went over to the House and had to be killed in the House.

The PRESIDING OFFICER. Objection being heard, the joint resolution will be passed over.

LAURA TRICE CONVERSE

The bill (S. 3887) for the relief of Laura Trice Converse was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Laura Trice Converse, widow of Charles A. Converse, late American consul at Manchester, England, the sum of \$3,600, such sum representing 1 year's salary of her deceased husband who died while in the Foreign Service.

FIVE-YEAR FISHERIES BUILDING PROGRAM

The bill (S. 1492) to provide for a 5-year building program for the United States Bureau of Fisheries was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. BILBO. This bill was introduced by the Senator from Arizona [Mr. HAYDEN]. It is in line with a bill which passed at the last session setting up a 5-year program for the construction of fish hatcheries throughout the United States. The President vetoed the bill passed last year.

Mr. McKELLAR. Mr. President, if the Senator will yield, the Department recommended against the bill this year. It authorizes the appropriation of a very large amount of money. I ask the Senator to let it go over for the day, anyway, so that we can look into it.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

ALASKAN INTERNATIONAL HIGHWAY COMMISSION

The bill (H. R. 9271) to extend the existence of the Alaskan International Highway Commission for an additional 4 years and for other purposes was considered, ordered to a third reading, read the third time, and passed.

MRS. A. R. BARNARD AND OTHERS

The bill (S. 3307) to amend an act entitled "An act for the relief of Mrs. A. R. Barnard, Charles A. Stephens, Donald W. Prairie, and dependents of Vern A. Needles," approved July 15, 1939, was considered, ordered to be en-

grossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of July 15, 1939 (Private, No. 95, 76th Cong., 1st sess.), is amended by striking out all of that portion thereof reading "and the sum of \$5,000 to Mrs. Vern A. Needles, Newport, Oreg., widow of Vern A. Needles, who, as a member of the crew of the motorboat *M. E. Sloan*, was drowned when such motorboat was capsized and destroyed as aforesaid: *Provided*", and substituting in lieu thereof "and the sum of \$2,500 to Mrs. Vern A. Needles, Newport, Oreg., widow, and the sum of \$2,500 to Charles V. Needles, minor son of Vern A. Needles, who, as a member of the crew of the motorboat *M. E. Sloan*, was drowned when such motorboat was capsized and destroyed as aforesaid: *Provided*, That payment of the last-named amount shall be made to the legal guardian of Charles V. Needles, for his use and benefit: *Provided further*".

RELIEF OF DISBURSING OFFICERS OF THE CIVIL WORKS ADMINISTRATION

The bill (S. 3868) for the relief of certain former disbursing officers for the Civil Works Administration and the Federal Emergency Relief Administration was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of disbursing officers for payments made in good faith on public account from appropriations made available to the Civil Works Administration and the Federal Emergency Relief Administration for expenditure, notwithstanding the failure to comply with requirements of existing law or regulations: *Provided*, That the Commissioner of Work Projects or his duly authorized representative shall certify that the payments appear to be free from fraud or collusion on the part of the disbursing officer making the payment.

SEC. 2. No charge shall be made against the certifying officer for the amount of any payment for which credit shall be allowed under the preceding section where the Commissioner of Work Projects or his duly authorized representative certifies that the payment appears to have been made without fraud or collusion on the part of the certifying officer.

ESTATE OF LEWIS MARION GARRARD HALE

The bill (H. R. 4349) for the relief of the estate of Lewis Marion Garrard Hale was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF EMPLOYEES OF THE NATIONAL REEMPLOYMENT SERVICE

The bill (S. 3978) for the relief of certain former employees of the National Reemployment Service was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Brown Bethea, Jr., the sum of \$247.55; to Oliver Hardy Stone the sum of \$78.26; to Mamie Bolling Ham the sum of \$71.14; to Grover Cleveland Harris, Jr., the sum of \$95.14; to Katherine Diffly the sum of \$42.83; to Irene Scott Boyd the sum of \$31.33; to Samuel Earle Greene the sum of \$83.71; to Franklin Millard Houston the sum of \$136.71; to John Henry Jones the sum of \$211.57; to David Lloyd Hairston the sum of \$75.86; to William Francis Russell the sum of \$78.14; to Herbert Spence Sutton the sum of \$299.58; to Lloyd William Taylor the sum of \$63.75; to Shelby Chadwick Patton the sum of \$139.02; to John Burns Wood the sum of \$93.32; such sums being in full satisfaction of all claims against the United States for accrued annual leave while claimants were in the employ of the National Reemployment Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

LAWRENCE T. POST AND OTHERS

The bill (S. 3916) for the relief of Lawrence T. Post, G. F. Allen, and D. Buddrus was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit to Dr. Lawrence T. Post, consultant in the Indian Service, and to allow credit in the accounts of G. F. Allen, chief disbursing officer, and D. Buddrus, formerly cashier and certifying officer of the Five Civilized Tribes Agency, Muskogee, Okla., for the amount of \$94.56, representing per diem and travel expenses paid to said Lawrence T. Post for the period June 8 to June 21, 1938, inclusive.

I. M. COOK AND OTHERS

The bill (S. 3351) for the relief of I. M. Cooke, J. J. Allen, and the Radiator Specialty Co. was announced as next in order.

Mr. McKELLAR. May we have an explanation of this? If not, let it go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. REYNOLDS subsequently said: Mr. President, I have talked with the Senator from Tennessee [Mr. McKELLAR] in regard to Senate bill 3351, Calendar No. 1690, in which I am interested. The bill has been favorably reported by the Claims Committee.

Mr. McKELLAR. Mr. President, I withdraw my objection to the bill.

The PRESIDING OFFICER. The title of the bill will be stated for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3351) for the relief of I. M. Cook, J. J. Allen, and the Radiator Specialty Co.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Claims, with amendments, on page 1, line 5, after the initials "I. M.", to strike out "Cooke" and insert "Cook"; and on page 2, line 2, after the words "known as the" to strike out "Cooke" and insert "Cook," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to I. M. Cook of Charlotte, N. C., the sum of \$10,890.54; to J. J. Allen of Charlotte, N. C., the sum of \$9,275.34; and to the Radiator Specialty Co. of Charlotte, N. C., the sum of \$1,500 in full satisfaction of their respective claims against the United States for compensation for losses sustained by them by reason of a fire which destroyed a building, known as the Cook Body Co. Building, in Charlotte, N. C., in December 1938; such fire having started from an oil stove in a part of such building which was occupied by the Works Progress Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of I. M. Cook, J. J. Allen, and the Radiator Specialty Co."

COMPROMISE OF SUITS ON CONTRACTS OF INSURANCE

The Senate proceeded to consider the bill (S. 2679) to amend the Independent Offices Appropriation Act, 1934, as amended, with respect to the authority of the Attorney General to compromise suits on certain contracts of insurance, which was read, as follows:

Be it enacted, etc., That the sixth paragraph following the subtitle "Veterans' Administration" in the first section of the Independent Offices Appropriation Act, 1934, as amended, is amended by striking out the words "yearly, renewable term insurance" and inserting in lieu thereof the words "yearly renewable term insurance or United States Government life insurance (converted insurance)".

Mr. KING. Let us have an explanation of the bill.

Mr. GEORGE. Mr. President, this bill merely gives authority to the Attorney General to approve compromises of suits or actions on converted life insurance held by veterans. The same authority was conferred upon the Attorney General so far as war-risk insurance was concerned, and this merely extends the authority to make compromises of suits when brought upon the ordinary life or converted life policies.

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

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

ARMY PROMOTION SYSTEM—CONFERENCE REPORT

Mr. SHEPPARD submitted the following report, which was ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9243) to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, and 4.

MORRIS SHEPPARD,
ROBT. R. REYNOLDS,
ELBERT D. THOMAS,
WARREN R. AUSTIN,
STYLES BRIDGES,

Managers on the part of the Senate.

A. J. MAY,
EWING THOMASON,
DOW W. HARTER,
L. C. ARENDS,
THOS. E. MARTIN,
CHAS. H. ELSTON,

Managers on the part of the House.

TAXES ON LAND UNDER FEDERAL JURISDICTION

The bill (H. R. 6687) to authorize the levy of State, Territory, and District of Columbia taxes upon, with respect to, or measured by sales, purchases, or use of tangible personal property or upon sellers, purchasers, or users of such property measured by sales, purchases, or use thereof occurring in United States national parks, military and other reservations or sites over which the United States Government may have jurisdiction, was announced as next in order.

Mr. GEORGE. Mr. President, this is a rather important bill. It authorizes the levy of sales and use taxes on personal property where such sales or uses take place within military reservations, army posts, and so forth. I think the bill ought to go over until it can be more fully considered.

The PRESIDING OFFICER. The bill will go over under objection.

Mr. WALSH. Mr. President, a memorandum was sent me by the Navy Department making certain objections to the bill, and I will discuss the matter with the Senator from Georgia.

Mr. GEORGE. The bill has been very carefully considered, I will say to the Senator from Massachusetts, and the subcommittee considering the bill was fully advised of the objections by the Navy Department. I have an amendment which I will offer at the proper time which I think possibly will meet the Department's objection.

Mr. McKELLAR. Mr. President, does the bill provide for a general sales tax?

Mr. GEORGE. No; it merely permits the States to collect a sales tax on sales that are made within a reservation which lies within the extraterritorial jurisdiction of the State. It is not intended to confer any power upon the State, but simply to relieve the situation that now prevents the collection. I think the bill should go over.

The PRESIDING OFFICER. The bill has already been passed over.

Mr. GEORGE. I think the bill should be considered, and I shall move to take it up at the first reasonable opportunity.

Mr. BILBO. In connection with House bill 6687, I express the hope that the Senator from Georgia will seek at the earliest possible opportunity to call the bill up for final action. It means a great deal to those States which have the sales tax.

The PRESIDING OFFICER. The bill has been passed over under objection.

APPLICATIONS UNDER WORLD WAR ADJUSTED COMPENSATION ACT

The Senate proceeded to consider the bill (S. 1910) to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed, which had been reported from the Committee on Finance with an amendment, on page 1, line 7, after

"January 2," to strike out "1950" and to insert "1945", so as to make the bill read:

Be it enacted, etc., That sections 2, 3, and 4 of Public Law No. 312, Seventy-fourth Congress, approved August 23, 1935, are hereby amended by striking out "January 2, 1940" wherever it appears in such sections and inserting in lieu thereof "January 2, 1945."

The amendment was agreed to.

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

CONTINUATION OF STUDY OF TELEGRAPH INDUSTRY

The resolution (S. Res. 268) continuing the authority for a study of the telegraph industry in the United States was considered and agreed to, as follows:

Resolved, That Senate Resolution 95, Seventy-sixth Congress, first session, agreed to June 19, 1939, directing a study of the telegraph industry and certain other matters, is hereby continued in full force and effect during the sessions, recesses, and adjourned periods of the Senate in the Seventy-seventh Congress, and the Committee on Interstate Commerce is hereby authorized to expend from the contingent fund of the Senate, during such sessions, recesses, and adjourned periods, the amounts authorized for said purposes.

DOCTOR'S DAY

The Senate proceeded to consider the joint resolution (S. J. Res. 256) designating a day to be observed as Doctor's Day.

Mr. DANAHER. Mr. President, I should like to ask the author of the joint resolution if there is any particular kind of doctor he has in mind?

Mr. BILBO. If the Senator had been in the Chamber at the time I delivered an address on the joint resolution, he would have heard my explanation that the measure applies primarily to the family doctor. It applies also to all members of the medical profession to whom humanity is indebted. It does not include horse doctors.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (S. J. Res. 256) designating a day to be observed as Doctor's Day was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the 22d day of June in each year is hereby designated, and shall hereafter be known as, Doctor's Day, in commemoration of the great sacrifices and untiring efforts and devotion of the members of the medical profession in performing their duty to humanity by caring for the sick and injured in times of individual need and during periods of pestilence, war, and other disasters and catastrophes.

SEC. 2. The President is authorized and requested to issue annually a proclamation calling upon officials of the Government to display the United States flag on such day and inviting the people of the United States to observe such day in an appropriate manner.

ADMISSION OF CERTAIN PERSONS TO ST. ELIZABETHS HOSPITAL

The bill (H. R. 9576) relating to the admission to St. Elizabeths Hospital of persons resident or domiciled in the Virgin Islands of the United States was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3900) requiring approval by the Attorney General of the validity of title to lands purchased by the United States for the erection of public buildings thereon, and for other purposes, was announced as next in order.

Mr. AUSTIN. Mr. President, I have been requested to ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

JAMES G. BAILEY

The bill (H. R. 4394) granting a pension to James G. Bailey was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1550) granting an increase of pension to Christopher C. Popejoy was announced as next in order.

Mr. McKELLAR. Mr. President, I am told that this item is already included in a general pension bill, but inasmuch as the House has already passed the bill would it not be better to let it be passed, because only one pension would be granted in any event?

Mr. MINTON. I am very reliably informed that it is within the provisions of House bill 7733, Calendar No. 1595, which was unanimously passed by the Senate.

Mr. McKELLAR. Let the bill be passed over until we can ascertain the situation.

The PRESIDING OFFICER. The bill will be passed over without prejudice.

TRANSFER OF CERTAIN INDIAN LANDS TO GRAND RIVER DAM AUTHORITY

The bill (H. R. 7901) to transfer certain Indian lands to the Grand River Dam Authority, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

CRIME OF TRAIN WRECKING

The bill (S. 3202) to make it a crime to wreck or attempt to wreck a train engaged in interstate commerce was announced as next in order.

The PRESIDING OFFICER. This bill is identical with House bill 8086. Without objection, the House bill will be substituted for the Senate bill. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 8086) to make it a crime to wreck or attempt to wreck a train engaged in interstate commerce was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3202 will be indefinitely postponed.

AMENDMENT OF ACTS PERTAINING TO THE COAST GUARD

The bill (H. R. 9553) to amend and clarify certain acts pertaining to the Coast Guard, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, an identical Senate bill, S. 3865, will be indefinitely postponed.

Mr. KING. Mr. President, before that measure is finally disposed of I should like to inquire whether the bill creates new officers in the Coast Guard with increased salaries.

Mr. PEPPER. Mr. President, I am chairman of the subcommittee on the Coast Guard of the Senate Commerce Committee. We held a hearing on the bill, and Admiral Waesche, Commandant of the Coast Guard, came before the committee and testified personally. The bill has the favorable recommendation of the Treasury Department and relates only to certain technical adjustments relative to promotion and status, and the like, inside the Coast Guard. I certainly hope there will be no objection.

Mr. KING. There is no objection.

The PRESIDING OFFICER. The bill has already been passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 537) to make temporary emergency provision for the determination of foreign construction costs under section 502 (b) of the Merchant Marine Act, 1936, as amended, was announced as next in order.

Mr. KING. May I inquire, with respect to Joint Resolution 537, whether, in the light of the construction of ships and war materials, and what not, this would be any impediment or obstruction, or would interfere in any way with any plan that might be devised to expedite the program for national defense?

The PRESIDING OFFICER. The Senator from Utah has asked any members of the Commerce Committee who may be present, or any Senators familiar with House Joint Resolution 537, Calendar No. 1709, which is identical with Calendar No. 1722, kindly to give an explanation.

Mr. KING. A Senator who is absent from the Chamber requested that I ask that Calendar No. 1709 and Calendar No. 1722, covering identical bills, go over. I have no knowledge with respect to the matter myself.

Mr. PEPPER. Does the Senator ask that they be temporarily passed over?

Mr. KING. Yes; at the request of another Senator temporarily called from the Chamber.

The PRESIDING OFFICER. On objection House Joint Resolution 537 and Senate Joint Resolution 255, being identical measures, will be passed over.

BILL PASSED OVER

The bill (S. 2753) to amend part I of the Interstate Commerce Act, as amended, with respect to the use of refrigerator cars, was announced as next in order.

SEVERAL SENATORS. Over. Over.

The PRESIDING OFFICER. The bill will be passed over.

CAPT. VICTOR GONDOS, JR.

The bill (H. R. 6681) granting a pension to Capt. Victor Gondos, Jr., was considered, ordered to a third reading, read the third time, and passed.

PAYMENTS IN CONNECTION WITH CONSERVATION LANDS

The bill (S. 1717) to revise the method of determining the payments to be made by the United States to the several States with respect to conservation lands subject to the jurisdiction of the Department of Agriculture was announced as next in order.

Mr. DANAHER. Mr. President, I should like very much to have that particular bill explained before we act on it while considering measures on the Unanimous Consent Calendar.

Mr. BILBO. Mr. President, the purpose of the bill is to require the Federal Government, in the case of purchased land, which is now under the control of the Department of Agriculture, as set out in subsection 2 of the bill, to contribute to the support of schools, where the Government has taken over practically all the land subject to taxation, and only a few farms are paying taxes in the particular territory. For instance, in two districts in Perry County, Miss., more than 90 percent of the land has been bought by the Federal Government, and 10 percent of the land has to bear the burden of construction and maintenance of roads, to some extent the payment of interest on bonds, the payment of teachers, and all other expenses for maintenance of the schools. In some counties in my State so much land has been taken over by the Federal Government that the counties are practically bankrupt, and the schools in the county and the county governments are unable to meet expenses. This is merely an attempt to have the Federal Government contribute to the support of the local subdivisions in those sections where the Government has absorbed practically all the land, thus loading the expenses onto the local citizens. What I have stated is true not only with respect to Mississippi but with respect to a great many other States throughout the West and South. The Government often buys great areas of land for the preservation of timber, and for one purpose or another. I think the legislation contemplated by the bill is very righteous.

Mr. DANAHER. Mr. President, will the Senator yield for a question?

Mr. BILBO. I yield for a question. I do not know whether or not I can answer it.

Mr. DANAHER. Has the Senator from Mississippi in his file a committee report on the bill?

Mr. BILBO. No.

Mr. DANAHER. Where is the report?

Mr. BILBO. We have not had any report.

Mr. DANAHER. I shall object to the present consideration of the bill.

The PRESIDING OFFICER. The bill will go over under objection.

Mr. HARRISON. Mr. President, I did not know whether or not there was a report, but there were extended hearings on this matter. The hearings are available. The bill, if passed, would afford great help to many persons and would not involve much money. I think about \$2,000,000 is the limit. I had hoped that the Senator would not object.

The PRESIDING OFFICER. The bill has gone over under objection.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, it is obvious that we cannot conclude the calendar this afternoon. I think the Senate

has done pretty good work today. I therefore suggest that the call of the calendar be suspended.

I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. WAGNER, from the Committee on Banking and Currency, reported favorably the nomination of Sumner T. Pike of Maine, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1943, vice George C. Mathews, resigned.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of First Lt. Harold Myers Deane, Veterinary Corps Reserve, to be first lieutenant, Veterinary Corps, with rank from date of appointment.

He also, from the same committee, reported favorably the nominations of sundry officers for appointment, by transfer, in the Regular Army.

He also, from the same committee, reported favorably the nominations of several officers for promotion in the Regular Army.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. BAILEY, from the Committee on Commerce, reported favorably the nominations of sundry officers for promotion in the Coast Guard.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That concludes the calendar.

RECESS

Mr. BARKLEY. Mr. President, for the benefit of Senators I wish to announce that when we meet tomorrow the call of the calendar will be continued until it is concluded.

As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 52 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 29, 1940, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 28, 1940

POSTMASTERS

ARKANSAS

Joe C. Allen, Cove.
Edgar G. Gunnels, Emerson.
Hoyt D. Estep, Hartman.
Bunyan Gilbert, McRae.
Norine W. Thomas, Norman.
Alvin J. Wages, Norphlet.
Frank N. Johnston, Ozark.
Kenneth W. Crook, Pangburn.
Lewis F. Strickland, Trumann.

IDAHO

Edward J. Doyle, Bonners Ferry.
James V. Hawkins, Coeur d'Alene.
James B. Poyner, Council.
Arthur I. Dennis, Hagerman.
Dazel B. Howells, Oakley.
Marie E. McCarty, Plummer.
Frank A. McCall, Salmon.
Wallace H. Hanson, Shelley.
Robert J. Wood, Weiser.

KANSAS

George J. Roebuck, Arcadia.
Lloyd A. Johnson, Belleville.
Winona D. Stough, Cherokee.
John E. Brogan, Coffeyville.
Clarence H. Johnson, Enterprise.
William J. Lyons, Jr., Fort Leavenworth.
Gay A. Small, Galva.
Omar G. Beougher, Gove.
Laurence C. Forker, Haven.
Goldie L. Blades, Independence.
William S. Harris, Kiowa.
William D. O'Loughlin, Lakin.
Kathryn E. Schieferecke, Lenora.
Howard H. Spear, Leoti.
Glenn B. Hale, Mankato.
Oscar J. Strong, Mound City.
Florence J. Lehman, Nickerson.
Edwin W. Coldren, Oberlin.
Edwin Fitzgerald Hammond, Osage City.
Ellen Rae Silvers, Preston.
Raymond R. Staab, Satanta.
George W. Lank, Solomon.
William E. Wohler, Sylvan Grove.
Grover Miller, Syracuse.
Bessie M. Anderson, Tribune.
Charles W. Hickok, Ulysses.
Iris C. Schoepf, Utica.
Peter J. Romme, Victoria.
Ernest H. Hillman, Wakeeney.
Grover P. Nutt, Waverly.

LOUISIANA

Reynald J. Patin, Breaux Bridge.
Elizabeth S. Crawford, Gretna.
Henry Buller, Iowa.
John H. Lyons, Lake Charles.
John A. Williams, Oakdale.
Charles W. Lavigne, Ponchatoula.
Berenice K. Schuchs, Saint Joseph.

MARYLAND

W. George Miller, Accident.
Mayme B. Boulden, Cecilton.
Elsie V. Botts, Darlington.
Edgar R. Twilley, East New Market.
Michael G. Labuda, Fort Howard.
Marjorie E. Williams, Goldsboro.
Joseph F. Mattingly, Indianhead.
Louis E. Lamborn, McDonogh.
Ellwood E. Matthews, Pocomoke City.
Maude R. Toulson, Salisbury.
Elliott W. Marshall, Snow Hill.
Evelyn B. McBride, Street.
Earl T. Kelbaugh, Thurmont.
Robert Kemp Hughlett, Trappe.

MINNESOTA

Hugh P. Griffin, Cold Spring.
Herman Herder, Jordan.
Teresa C. Franta, Wabasso.

NORTH CAROLINA

Sam H. Ingram, Burgaw.
Ruth F. White, Colerain.
Gladys O. Howard, Cornelius.
William E. Baldwin, Dunn.
Walling D. Vreeland, Fort Bragg.
Thaddeus T. Russell, Granite Falls.
William W. Fleming, Hot Springs.
William E. Blakely, Kings Mountain.
Miriam H. Calhoun, Laurel Hill.
Robert A. Rudisill, Maiden.
Wendell W. McDevitt, Marshall.
Jarnagin C. Rice, Montreat.
Fuller T. Currie, Pinehurst.
James C. McPhail, Red Springs.
Grace S. Lambertson, Rich Square.

Helen H. Leggett, Scotland Neck.
 Everett S. Stevens, Smithfield.
 Charles Fred Moseley, Warrenton.
 Samuel R. Fowle, Jr., Washington.
 Alexander Elmo Powell, Whiteville.
 William M. Sutton, Windsor.
 James C. Helms, Wingate.

OREGON

John B. Wade, Bandon.
 Henry J. Atlee, Banks.
 Edward M. Hoare, Canyon City.
 Delbert E. Pearson, Carlton.
 Margaret M. R. Calendine, Cascade Locks.
 Arlena Kuhn, Dundee.
 Eldon A. Rush, Elgin.
 William G. Hoover, Fossil.
 James W. Drinkard, Halsey.
 Sanford Stanley Partridge, Garibaldi.
 Cecil G. Colby, Gervais.
 Irwin D. Pike, Grass Valley.
 Lemuel T. McPheeters, Hillsboro.
 Lawrence G. Allen, Joseph.
 Thomas B. Hoover, Kinzua.
 Merrill V. Smith, Lebanon.
 Sidney B. Powers, Molalla.
 Rodrick A. Chisholm, Monroe.
 Charles F. Cox, Ontario.
 Percy Pope Caufield, Oregon City.
 Vinnie B. Lay, Powers.
 Susie B. Dillard, St. Helens.
 William A. Rankin, Turner.

PENNSYLVANIA

Michael Heffren, Jr., Adah.
 Morris A. Rood, Albion.
 Charles W. Goerman, Ambridge.
 Ward T. Deise, Avis.
 Urban W. O'Donnell, Bethlehem.
 Arthur W. Kinsloe, Burnham.
 Edith M. Cockins, Canonsburg.
 Charles I. Donley, Carmichaels.
 Michael J. Hoban, Carnegie.
 Ardrey D. Boyle, Centerville.
 Harry D. Farnen, East Butler.
 Christian A. Jansen, Essington.
 Alvin C. Winner, Hatboro.
 James L. Kinter, Homer City.
 Earle Phillips Robbins, Knoxville.
 Robert E. Pfautz, Lititz.
 Matthew C. Fox, Jr., Media.
 John H. Shields, New Alexandria.
 Charles C. Bernd, Red Hill.
 John N. Backenstose, Schaefferstown.
 Harold G. Freeman, Sinking Spring.
 Frank J. Fulton, Stoystown.
 Thomas F. McBride, Upland.
 Jacob F. Hertzog, West Lawn.
 Randall H. Weaver, Worthington.

PUERTO RICO

Irma E. Kryzanowsky, Ponce.

SOUTH DAKOTA

Kelsey R. Highsaw, Belle Fourche.
 Martha Nieveen, Corsica.
 A. Harold Hoffman, Frederick.
 Emil P. A. Erdmann, Groton.
 James L. Manion, Keystone.
 George Kremer, Lesterville.
 Joseph H. Ryan, Madison.
 Anthony J. Rozum, Mitchell.
 Harry H. Jarl, New Effington.
 Paul A. Wiest, Newell.
 Randolph Y. Bagby, Pierre.
 Hermine Minnie Boschker, Pollock.
 Eugene L. Bangs, Rapid City.
 James A. Robertson, Sisseton.

Justin J. Snyder, Stephan.
 Roy B. Nelson, Viborg.
 Lysle T. Dartt, Wall.
 Thomas J. Delaney, Webster.
 Lee D. Batien, Willow Lake.
 Thomas R. Mickelson, Wilmot.

WASHINGTON

Harold W. Lewis, Bingen.
 William Robert Ross, Grand Coulee.
 Dewey Harvel Baker, Naches.
 Mabel G. Rosauer, Parkwater.
 Henry Thom, Ritzville.
 Charles O. Snapp, Springdale.
 Daisy M. McDowell, Toledo.
 Edward N. Blythe, Vancouver.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 28, 1940

The House met at 11 o'clock a. m.

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

Beneath Thy mighty hand, O God, we humble ourselves in prayer. Thou hast a palm in conflict and an unextinguished cheer amid the outward chill. Grant that our deepest needs and highest wants may find fulfillment in Thee. The mantling cloud of war is hiding the faintest pulse of quivering light; while the Rachels are weeping and humanity seems to be sinking in the morass of despair, Thy good earth is strewn with the wreckage of men, women, and children. The heavy roads by night and day are filled with trudging, heart-broken wayfarers driven by the lash of the fiends of war. Heavenly Father, Thy kingdom is so far away and the voice of our prayer seems to die out in the disconsolate and empty spaces of a wicked world; forgive, dear Lord, our lack of faith and lift us out of the valley and set our feet on the mountain made beautiful by the feet of our redeeming Lord. Grant that the countless mercies which are now blessing our country may call us to the altar of humility and prayer. In this hour of earthly calamity, move us by imperative duty and by the cries and yearnings of humanity, awakening us from repose and preparing us for any coming day. In the name of our Saviour, the Prince of Peace. Amen.

The Journal of the proceedings of yesterday 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 a bill and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1970. An act to eliminate certain oppressive labor practices affecting interstate and foreign commerce, and for other purposes; and

S. J. Res. 254. Joint resolution providing for the observance of National Dairy Day.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. GIBSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Interior.
4. Department of Justice.
5. Department of the Navy.
6. Administrative office of the United States courts.
7. Civil Aeronautics Authority.
8. General Accounting Office.
9. Interstate Commerce Commission.

10. The Panama Canal.
11. United States Maritime Commission.

EXTENSION OF REMARKS

Mr. COURTNEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short but timely article appearing in today's Times-Herald by Messrs. Pearson and Allen on our army-promotion system.

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

There was no objection.

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from Mr. J. Frank Webber, national field representative of the Make Europe Pay War Debts Committee, addressed to King George VI of Great Britain, and further to extend my remarks and include a statement by the same committee on the subject Bermuda and the Caribbean Isles Needed for Defense.

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

There was no objection.

NATIONAL LABOR RELATIONS BOARD

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

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

There was no objection.

Mr. COX. Mr. Speaker, we have been hearing a great deal of talk about the "fifth column." Who constitute the "fifth column?" Who is it that is sabotaging business through the corrupt administration of a harsh law? When we come to consider the Smith amendments to the Wagner Act we will find out.

Again I want to say, Mr. Speaker, that Nathan Witt and Saposs in policy-making positions with the Labor Board is 10,000 times more dangerous than 10,000 Harry Bridges in the field. We are going to deport Bridges. I wonder what we are going to do with Witt, Saposs, Madden, and the unspeakable Edwin Smith. [Applause.]

[Here the gavel fell.]

OUR NATIONAL DEFENSE

Mr. SPRINGER. 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 Indiana?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a brief editorial.

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

There was no objection.

Mr. SPRINGER. Mr. Speaker, while we are assembled in this Chamber deliberating upon the very serious problems of the day, we cannot fail to recognize the very serious conditions in Europe. The press carried the headline this morning that the armies of Belgium have surrendered. England and France are now fighting in this war with their backs to the wall. These very serious observations cause our people to reflect. While we do not want any part in this war in Europe, and I am bitterly opposed to sending any American boy across the Atlantic Ocean to help fight this war in Europe, yet we have the problem of making our own Nation safe against any aggressor, and to that problem we must devote our undivided attention. We must not be found to be unprepared for the defense of our Nation, its people, and its institutions.

Mr. Speaker, while the President has requested that large appropriations of money be immediately made for our national defense, yet there was one omission in his message, and that was the method by which this money is to be obtained for this very essential purpose. It is a very sad com-

mentary for us to reflect upon the very great waste of money during the past 7 years by this present administration, because we need that money now; we need that money for our national defense; we need it for our own protection and for the protection of our institutions. While it is comparatively easy for one to request the appropriation of money for a worthy project, one which meets with general public approval, yet the problem of raising that money is the one which is involved in very serious implications. It is the wish and the will of our people that we be prepared adequately for our own defense, and in view of that general demand by the people of our Nation, as one Member of this House I am wholeheartedly in favor of the passage of such measures which will allocate such funds as are necessary therefor, and, at the same time, I am in favor of passing such tax laws as may be necessary to raise the funds with which to meet the necessary expenditure for that laudable purpose.

A very carefully prepared editorial appeared in the Washington Daily News on Monday, May 27, 1940, on the very sad omission of the President in this respect, which editorial I incorporate at this point, and which editorial reads as follows:

THE PRESIDENT'S OMISSION

The President's talk last night was calmer and more reassuring than his other recent utterances. Because of that, it should help him win the confidence and cooperation he needs for the task of rearmament.

His statistics on what we have to show for the money already spent on defenses were—as statistics frequently are—slightly on the argumentative side, in that he lumped weapons on hand with weapons under order, whereas there is a real difference between a loaded gun in your hand and a picture in the catalog. The Army and Navy usually have to wait a year or more to get deliveries on their orders.

But that is of comparatively slight importance, for it is much easier to speed up the production of weapons already under order from qualified manufacturers than it is to obtain new manufacturing capacity.

Realistically the President recognizes that private industry cannot make all the capital investments in plant expansions that the abruptly enlarged defense program calls for. Properly he states that the Government is ready to provide some of the capital and assume some of the risks involved in a business where another sudden change in international affairs might stop future orders.

Also encouraging should be the President's announcement that he will call in experienced men from industry to help accelerate production of the new weapons the Army and Navy need.

We say "should be" rather than "is," because it is not clear yet who these men of private industry will be, nor how much responsibility they will have. If, as is reported around Washington, these production experts are to function only as advisers to and coordinators for Cabinet officers, it is doubtful if they can achieve any real efficiency. The problem of restoring vigor to industries now dormant and of building new industries for mass production of new needs cannot be solved merely by hiring a few "leg men" to work under Henry Morgenthau and Harry Hopkins. Getting deliveries from a plant capacity not now existing is a problem that can be solved only by giving responsibility to an independent authority composed of men who know how. Their production brains will be wasted if their hands are tied by Army and Navy procurement routines and the red tape of the Treasury and Commerce Departments. If this job is to be accomplished speedily and effectively, it will have to be done outside the Government's departmental set-up.

Another point on which the President dwelt was the retaining of all the New Deal's social gains—old-age security, unemployment insurance, help to the underprivileged, conservation of resources, subsidies to agriculture, and housing. The emergency, he said, is not such as to require yielding on any of these. Indeed, he hopes to enlarge on such blessings. We wish we could feel as sanguine as Mr. Roosevelt does. But it is a fact that all these things cost money the Government hasn't got. And the imperative new weapons of defense will cost more money the Government hasn't got.

The President, in our opinion, deserves 100-percent support on his assertion that there must be "no new group of war millionaires . . . growing rich and fat in an emergency of blood and slaughter and human suffering." But we wish the President had gone further and had advocated taking the one step necessary to prevent the war profiteering he denounces—and, incidentally, the one step necessary to preserve some of the social gains he cherishes and to obtain our imperative defense needs, namely, taxation.

The Gallup poll reports that 76 percent of the people favor special defense taxes now. Unfortunately, neither the President nor Congress appears to believe that our citizens are ready for that inescapable sacrifice. Instead, their policy continues to be more borrowing.

In this election year the President and Congress are still dealing with voters as if they were irresponsible children. They are still pursuing a policy of appeasement.

Mr. Speaker, I cannot leave this highly important subject without making another and a further observation respecting the raising of the money with which to meet the staggering appropriations which have been asked by the President, and that observation is this: It is far easier to impose a tax at the time the money is appropriated than it is after the money is spent. These elements should be followed in each instance in this body and in every appropriation of money a tax bill should immediately follow. The passage of the one bill should assure the passage of the other. In this manner the people of this Nation would become entirely cognizant of the cost of their Government. The pay-as-you-go plan would enlighten our taxpayers on the subject of "spending our way into prosperity." And every American is fully advised that we cannot buy prosperity; yet, when a tax is imposed which will raise the money to meet the expenditures of government as they are made the people will quickly realize the grave danger involved in the unlimited spending of the unearned resources of our Nation.

Mr. Speaker, while I am in favor of the passage of all necessary legislation which will assure to our Nation an adequate national defense in this critical period, yet I am definitely committed to that policy which will require the careful and conservative expenditure of all such funds which are appropriated, and which will give to our Nation one dollar in value for every dollar which is spent, and I urge that tax legislation be passed at this session of the Congress which will raise the funds necessary with which to meet the huge appropriations requested for national defense. Let us be unafraid to meet this issue. Let us legislate as statesmen at this session, and before we adjourn. [Applause.]

EXTENSION OF REMARKS

Mrs. O'Day asked and was given permission to extend her own remarks in the RECORD.

Mr. MAAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD by inserting a Memorial Day address by Bishop O'Hara.

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

There was no objection.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

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

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address by the gentleman from Massachusetts, the Honorable JOSEPH W. MARTIN, Jr., delivered before the Republican State convention at Montpelier, Vt., on May 24.

I also ask unanimous consent to extend my own remarks in the RECORD and include my address delivered before the Republican State convention assembled at Montpelier, Vt.

The SPEAKER. Is there objection to the requests of the gentleman from Vermont?

There was no objection.

NATIONAL LABOR RELATIONS BOARD

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. HOFFMAN. May I say along the same line just referred to by the gentleman from Georgia [Mr. Cox] that we will not get very far with any program for defense so long as we keep the Labor Board and the Wagner law as they now are. That Board is worse than a parasite on industry. It stirs up labor trouble. It prevents production. Its activities are an aid to those who would prevent national defense.

I wonder if the Members of the House have forgotten how for 24 days in one factory and 41 days in another an organization which the Labor Board has protected and aided held

up production at the Philadelphia Navy Yard by withholding at Detroit in the plants of the Bohn Aluminum & Brass Corporation the Navy's own materials and blocks for the manufacture of airplane motors? Have you forgotten that? What is the sense of giving the administration money and then letting an administrative board aid those who hold up production after you have appropriated the money and after the material is in the factories, and when it is ready for delivery? [Applause.]

[Here the gavel fell.]

NATIONAL DEFENSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. RICH. Mr. Speaker, as we notice in the headlines that Belgium has surrendered, we are talking now of legislation to take care of the "fifth column" which is very essential and very important to the welfare of this Nation, but it is just as important to the welfare of this Nation that Congress remain in session [applause] and not permit any individual, regardless of how well he might be qualified, to look after the interests of this country at a critical time such as we are now going through, and I do hope that the Members of Congress, if we are going to prepare for our national defense, will take some action with respect to how we are going to pay for the things that we are going to add to our defense, that is very important. [Applause.]

[Here the gavel fell.]

THE CITIZENS' MILITARY TRAINING CAMPS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that I may include in my remarks an editorial from the Lowell Sun regarding the importance of the C. M. T. C.

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

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I hope the membership of the House will join me in increasing the membership of the citizens' military training camps. I need not remind them that it may be one or two or three of their sons that some day will be very glad of the training that the citizens' military training camps give. Some day Members may be haunted because they did not grant that training. The following is the editorial in the Lowell Sun of May 24:

THE C. M. T. C.

The proposal of Congresswoman EDITH NOURSE ROGERS that the C. M. T. C. be permitted to increase its enrollment this year from 32,000 to 100,000 should find few demurrers.

The C. M. T. C. has been one of the country's greatest physical and character builders in youth, while at the same time giving the Nation's young men an insight to the rudiments of warfare during peacetime.

This organization should not be considered solely in the light of a military outfit, although it does devote considerable time to this particular aspect. It may have a still greater significance in that direction now that the air is filled with talk of military preparedness.

Back of the military maneuvers indulged in by the C. M. T. C. boys, however, is the physical and moral development afforded them throughout the summer training period. The popularity of the organization is demonstrated annually when the demand for reservations greatly exceeds the accommodations. Young America does not have to be conscripted for this service. Its general appeal to the growing boy of today warrants the extension of enrollments, as suggested by Mrs. ROGERS.

Also, Mr. Speaker, I would like to ask the membership of the House if I may not be granted hearings upon the resolution that I introduced for our remaining in continuous session.

Conditions in the world are grave, even tragic, today and hearings should be granted. I believe it imperative that we remain in session. I have written to the chairman of the committee, the gentleman from North Carolina [Mr. Dougherty], and I hope that the Members will join me in requesting hearings upon that vital subject. From the minute I introduced my resolution I have received telegrams and messages from all over the country urging that we remain in session. [Applause.]

[Here the gavel fell.]

IMPORTANCE OF MODERN AERIAL WARFARE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

Mr. BRADLEY of Michigan. Mr. Speaker, the administration and the Army high command have finally come to a full realization of the importance of modern aerial warfare. This ably was drawn to the attention of the country years ago by Gen. Billy Mitchell, and for that he was crucified; but, Mr. Speaker, we cannot train 50,000 pilots, we cannot adequately train the future flying officers of this country with 50,000 airplanes, or 100,000 airplanes, without an adequate system of airports all around this country, and yet not one word has been said in all this preparedness program about our inadequacy of available and worth-while and dependable airports, and I do not refer now to air-line terminals. I refer to airports from which our planes can fight any enemy that may approach our shores. [Applause.]

Mr. Speaker, we have an excellent system of air-line terminals that we should continue to improve from time to time as our funds will permit. The cost, however, should, in my opinion, not fall wholly upon the Federal Government but on the States and municipalities as well that most directly benefit from air-line service and the air lines themselves should bear their just share of the original cost, their share of the cost of improvements, and their share of the cost of maintenance and operation. But these air-line terminals should remain just that in the interest of safety. It is not safe, in the main, to train any such a huge army of student pilots as now contemplated and as may be proper at this time from these air-line terminal airports. With the possible exception of the emergency operation of bombers in wartime, accompanied by any protective fighter force, these terminals are not adapted for the defense program of the Nation. Therefore, in any preparedness program we might adopt, the air-line terminal operators should not be permitted to immediately seize upon these appropriations as a bonanza for their own selfish development program.

On the contrary, we should properly include in our preparedness program a fund sufficient to provide for the expansion and improvement of many existing small airports and landing fields around each of the borders of this Nation and in our interior. We should provide adequately for the construction of many new fields. It is from these that our fledgling pilots can best receive their primary training; it is from these fields these new pilots who have but recently soloed can best continue their practice flights. A network of such fields will keep these youths off the air-line terminals, will promote safety of air-line passengers and private-plane operators as well. It would permit a wider scope for the training program, and economy as well, by permitting these fledglings to remain and live at their homes, to follow their daily peaceful pursuits while continuing their flight training.

Should warfare actually come to our shores, then these smaller fields in a network over this land will prove to be one of our best sources of defense against aerial destruction, for it is from these that our interceptor aircraft can best operate. The nations of Europe, one after another, have learned that large accumulations of aircraft on large airports near large centers of population have invited disaster from enemy bombers. A few ships operating from each of a number of scattered small fields, given time to attain fighting altitude, and converging simultaneously upon their enemy bomber attacking force can raise merry hob with the attackers.

Mr. Speaker, I repeat, we cannot train, we cannot fight, without an adequate system—without an adequate network—of small airports. We have built and improved many in the past through the W. P. A., the slowest, most inefficient, and most costly method possible. Let us build in the future with modern, efficient, up-to-date road-building machinery. Let us give the taxpayer some break for his money.

EXTENSION OF REMARKS

Mr. ROUTZOHN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein some editorial comment on the National Labor Relations Board.

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

There was no objection.

Mr. JOHNSON of Illinois and Mr. KEFAUVER asked and were given permission to revise and extend their own remarks in the RECORD.

WHERE WE CAN GET THE MONEY

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, the gentleman from Pennsylvania [Mr. RICH] has been asking where we are going to get the money to meet the expenditures for national defense. I want to appeal to the administration to use the power we gave in 1933 to issue \$3,000,000,000 in currency against our gold-reserve issue, United States notes, without passing through the Federal Reserve banks. So we will not have to pay them interest on it. Issue this \$3,000,000,000 for that purpose, and then we will not have to raise the debt limit, nor will we have to levy additional taxes, but we will start farm prices to rising; it will raise commodity prices throughout the country, restore prosperity to the American farmer, which he cannot enjoy unless we are able to bring the price of cotton back to around 15 or 20 cents a pound, wheat to \$1.50 to \$2 a bushel, and other farm prices in proportion. I shall insist on this course from now on. It will do the work. [Applause.]

[Here the gavel fell.]

THE LATE RALPH T. O'NEIL

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I rise to pay tribute to Ralph T. O'Neil, who passed away very suddenly Saturday evening in Wichita, Kans. You will remember that Mr. O'Neil was recently national commander of the American Legion. He was one of the most distinguished constituents of the First District living in Topeka.

He died suddenly at the end of a day's proceedings of the State bar association of which he was president and the presiding officer.

Dyke O'Neil, as he was familiarly and affectionately known, was only 51. It happened to be my pleasure to have known Dyke's father while I was a member of the State board of administration. His distinguished father was State business manager.

Dyke was a public-spirited citizen. Having served recently on the State board of regents, he was always active in local betterment for everything in his home city and State. He was a particularly delightful human being. His friends were legion with every group and class of people. He was a distinguished member of the bar, a law partner of many years of John Hamilton, chairman of the Republican National Committee.

With war resounding in Europe worse than it ever has before and with our own Decoration Day just at hand, it was pathetic that so distinguished a patriot and soldier and all-around American should suddenly be taken from our midst.

We need the guiding hand of sober patriots like Dyke in these strenuous times of fretful fever.

Topeka loses in his passing one of her best and strongest human beings; the State and Nation, a leader; and the ex-service men over the whole United States a friend in the fullest sense.

TO EXPEDITE SHIPBUILDING

Mr. VINSON of Georgia. Mr. Speaker, I call up the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes, and move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill. Pending that I ask unanimous consent that general debate be limited to 1 hour on each side, one-half to be controlled by myself and one-half to be controlled by the gentleman from Minnesota [Mr. MAAS].

The SPEAKER. The gentleman from Georgia moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9822), and pending that motion asks unanimous consent that general debate upon the bill be limited to 2 hours, one-half to be controlled by himself, and one-half by the gentleman from Minnesota [Mr. MAAS]. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object, to ask the gentleman from Minnesota or the gentleman from Georgia if this will adequately take care of the membership who have expressed themselves as desiring to speak on the bill.

Mr. VINSON of Georgia. It will take care of all on this side who have spoken to me up to this time. As the debate progresses, some Members may come in and want time, but of course I cannot anticipate that. My requests for time take up only 50 minutes.

Mr. MARTIN of Massachusetts. This is an extremely important matter.

Mr. VINSON of Georgia. And there will be liberal time granted under the 5-minute rule. I think an hour on a side for general debate is ample time.

Mr. MARTIN of Massachusetts. The gentleman would be quite liberal under the 5-minute rule if some Member wanted to make remarks, particularly to the subject.

Mr. VINSON of Georgia. Of course, and I am anxious to be able to finish this bill and another bill today and we will try to be as liberal as possible.

Mr. MARTIN of Massachusetts. Of course, we want to cooperate in expediting the passage of this legislation, which is essential, but we do want it thoroughly considered, and everybody given an opportunity who desires to express himself.

Mr. VINSON of Georgia. I assure the gentleman there will be no effort to hasten too quickly the consideration of the bill under the 5-minute rule.

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

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Georgia that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9822.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9822, with Mr. O'NEAL in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 30 minutes. At the outset of my remarks, let me say this: I would be very glad at any time to yield to any Member to endeavor to explain the bill or to answer any questions he might see fit to ask.

Mr. Chairman, the object and purpose of this proposed legislation is to recommend ways and means by which naval shipbuilding can be expedited

In view of the international situation, it is considered necessary to speed up our shipbuilding program and to expedite the completion of ships now on the ways.

With this in mind, the Committee on Naval Affairs had exhaustive hearings last week to determine what steps were necessary to speed up our shipbuilding program.

During these hearings we had the benefit of the views and recommendations of the officials of the Navy Department directly connected with shipbuilding, as well as executives from the private shipbuilding industry having contracts for naval vessels.

The legislation proposed by the bill now under consideration is the result of the hearings.

The committee has approached this question after careful deliberation and without any hysteria. We have sought by this bill to expedite the shipbuilding program in a sane, sensible, common-sense, and businesslike manner.

Our shipbuilding program has been progressing normally and without too much delay. Since 1933 we have built and put in commission 111 ships as follows: 3 aircraft carriers, 2 heavy cruisers, 9 light cruisers, 62 destroyers, 26 submarines, 2 gunboats, 7 auxiliary vessels.

In view of the world conditions as they are today it is considered that steps should be taken at once to step up our progress and get our ships finished and in service with the fleet at the earliest possible moment.

It will be noted that the provisions of this bill provide for the relaxation of some of our protective measures, but these relaxations are of a temporary nature and will be in force for a limited time only.

With world conditions as they exist it is imperative that this building program be speeded up, and it is with this objective that the Naval Affairs Committee has reported the bill to the House and urges unanimous approval.

However, at this point let me digress and point out some of the accomplishments since 1933 in the way of legislation of a major character enacted for the naval defenses.

We passed bills which:

Provide for the construction of 238 combatant ships and 56 auxiliary ships, making a total of 294 ships.

Increased by 2,063 the authorized number of officers of the line.

Increased authorized number of planes from 1,000 to 4,500.

Authorized 6,000 Naval Reserve aviators.

Provided construction of eight graving docks and two floating drydocks.

Eighteen air bases have been authorized.

The total amount of money authorized for the naval preparedness since 1933 has been \$4,200,000,000.

Let me call your attention to this fact:

With the fleet at the present time are 155 ships of 991,215 tons underage. There are 152 overage ships with the fleet with a tonnage of 250,270 tons.

Breaking it down, the fleet today is composed of: 15 battle-ships, 6 airplane carriers, 18 heavy cruisers, 19 light cruisers, 185 destroyers, 64 submarines; making a grand total of 307 ships.

In material and personnel the House can rest assured that the American Navy is unsurpassed by any navy in the world.

A review of the above indicates strongly that the Congress has not been negligent or indifferent to the needs of the Navy.

We are building, but we are not building fast enough, and we are not building as fast as we can.

We have done as well as the law allows, but that is not good enough in the face of today's tragic abandonment of peace and human rights.

The events in this day and age move fast. It takes time to create building ways, armor facilities, machine tools, and the other necessities of naval construction. It takes precious time to get geared up for the sort of mass production that America knows how to turn out. It takes months and years to build ships—months to start mass production of planes.

We must leave no stone unturned in order to speed up naval-defense measures.

Now, I submit to you that there are definite measures which we can take to speed up naval production. Some of those measures may entail temporarily waiving treasured American privileges; but if we wish to perpetuate those privileges, then we must be prepared to make temporary sacrifices and to resort to heroic measures. We have devised protective checks and balances for normal times to safeguard our own way of living; we have sought to prevent unjust monopolies; we have sought equality of opportunity for business; we have enacted wage and hour safeguards; we have fought profiteering; we have devised means for protecting the Government's interests; we have sought to stimulate employment and recovery; we have enacted labor legislation and civil-service legislation. All of these protective checks are in line with the American way of thinking and are proper in times of peace; but in view of the uncertainties as they exist today, we must face the fact that all of them complicate the transaction of business and must of themselves slow down the processes of business.

There is no harm in a little lost motion in times of peace, but any delay is unthinkable in time of national danger. The man who would cling to impeding processes at such a time for selfish reasons fails to have the patriotic conception of his duty to his Government.

There are factors holding back the progress of naval construction; those factors can be eliminated, and for the duration of this uncertain period they must be suspended.

The obvious remedy lies in suspending, in times of national emergency, such restrictive legislation that slows up vital work.

The basic principles of the restrictive legislation is right and proper for normal peacetimes but we must all remember that these are not normal times. The suspension in whole or in part of such restrictive legislation is provided for in this measure and will accomplish for the Navy's building program that which every patriotic American earnestly and wholeheartedly urges today—the swiftest possible completion of authorized naval construction.

And in this connection I wish to emphasize that speeding up of the shipbuilding program under the provisions of this bill will be reflected in the construction of over 170 naval vessels, 68 of which are now under construction and the remainder are to be started within the next 12 months. This latter number is made up of the 19 in the 1941 naval appropriation bill; 42 that have been authorized by the acts of 1934 and 1938, and 43 that are carried in the naval expansion bill now pending in the Senate.

There are 10 sections in this bill:

Section 1 of the bill permits the Secretary of the Navy, when authorized by the President, during any national emergency, to advance to contractors 30 percent of the contract price and thereafter to make partial payments on the balance remaining. This section is of little or no force or effect in its application to the large shipbuilding plants and the large makers of naval machinery and appliances that have adequate plants and are customarily performing such work.

However, the increased tempo of expediting naval shipbuilding demands that there be the maximum competition for all articles, materials, and devices used by the Navy and, as many of these things, including perhaps some of the ships themselves, will be produced by contractors that have not the necessary machinery or plants to take on the additional work, much delay in obtaining such articles can be saved by advancing to reputable firms upon satisfactory security the funds for the needed plant extensions. Many of our ships are increasingly complicated in design as required by the demands of modern warfare.

Our battleships, in particular, require machine tools, plant appliances, enormous weight-lifting devices, furnaces, and the like, many of which are far greater in size than the average shipbuilder has in his own plant. The 30-percent advance permitted under this section will permit such firms to obtain such articles without delay and will result in a definite saving of time in completing naval contracts.

I might add that an identical provision was enacted into law under the urgent deficiency appropriation bill of 1917, so

that this is no new line of thought. If there are no questions from any members of the committee on this first section, I shall go on to section 2.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. Certainly.

Mr. CELLER. What is the situation now with reference to advances?

Mr. VINSON of Georgia. Under the law today no advances can be made at all, and as a matter of fact this will hardly be applicable to the big shipbuilding plants like the Bethlehem and the New York, but it will enable the small plants to come into being if the Government requires them to expedite this building.

Section 2 of the bill would permit the Secretary of the Navy to negotiate contracts without the necessity for competition, which competition is required by sections 3709 and 3718 of the Revised Statutes.

The normal time required for advertising is from 60 to 90 days, whereas a contract can be negotiated in a few days or a week, in many instances. Time is valuable and this provision of the bill will save time. That applies only to the 68 ships that are under construction today.

In order that there may be no delay in completing the program as a whole and in order to avoid the possibility that some firms by successful bidding might place a destroyer on a building way capable of taking a battleship and thus preclude the laying down of such a battleship some months later, it is absolutely necessary that competitive bidding be abandoned and the Navy Department be authorized to place its shipbuilding contracts at those yards where facilities are available.

Furthermore, again in order to obtain the best results and the quickest results, it is but plain common sense to assign to a yard that is skilled in building destroyers, more destroyers, rather than a new and unfamiliar type of ship; by so doing the speed of work is increased—the men are familiar with the character of work, but few additional drawings are required, and the best possible results are obtained.

Several months ago, in anticipation of the conditions that confront us now, the Navy Department made informal inquiries among the shipbuilders and the navy yards and has worked out tentative assignments of ships to private plants and to navy yards that will fulfill these conditions. To carry out these plans, the use of competitive bidding for the naval ships contained in the present and expected programs would be fatal, and there would be no telling when our badly-needed ships would be finished.

In abolishing this necessity of securing competitive bids, however, we require the Secretary to report back to the Congress at each session every contract he has entered into without using the competitive-bid system. It is estimated that there will be a saving of anywhere from 60 to 90 days to as much as 4 months in getting these ships under way.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. MARTIN of Massachusetts. The gentleman states the Secretary of the Navy is to be required to report to the Congress at the beginning of each regular session as to the number of contracts entered into.

Mr. VINSON of Georgia. That is correct.

Mr. MARTIN of Massachusetts. The Congress, of course, could not do anything about it.

Mr. VINSON of Georgia. That is true, but at least Congress would be cognizant of what the Secretary was doing. The probability is Congress would not want to do anything about it.

Mr. MARTIN of Massachusetts. Of course, we could not say as to that. The contract would have been entered into and the work started under those contracts. The point I want to bring out is that this is no protection at all to the American people. It is just a gesture and no safeguard.

Mr. VINSON of Georgia. All right. May I ask the gentleman how he would protect it?

Mr. MARTIN of Massachusetts. I am just trying to establish the facts.

Mr. VINSON of Georgia. All right. Does the gentleman want Congress to have the Secretary report before any negotiation is made? Does the gentleman want Congress to say whether or not negotiated contracts shall be entered into?

What we are driving at is a way to get ships as early as possible and to set around the expenditure of these funds all the safeguards possible so that Congress will not lose complete control of the situation.

Mr. MARTIN of Massachusetts. All I am trying to establish is the fact that such a provision is no safeguard at all. The gentleman agrees with me, does he not?

Mr. VINSON of Georgia. I agree with the gentleman to the extent that we do not require the Secretary to report until the contract has been awarded.

Mr. MARTIN of Massachusetts. And there would not be any chance to back out of any contract afterward.

Mr. VINSON of Georgia. That may be true, but at the same time the Secretary of the Navy would have to submit to Congress the contracts that are going to be entered into by negotiation and the Congress can determine whether it will do what the Secretary said we should do.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. COLE of New York. I would like to point out to the gentleman that all of these contracts which may be negotiated would still be subject to the 10-percent profits limitation.

Mr. VINSON of Georgia. Certainly they would be subject to the 10-percent profits limitation. There is not a single line in this bill but what has been drawn with the thought in mind of furnishing every protection possible. We are not trying in this bill to break down the limitation on profits, and we certainly hope that through the provisions of this bill and growing out of this speed-up campaign no millionaires will be made.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. CELLER. I think we are all in sympathy with the gentleman in the matter of negotiated contracts, but I am curious to know what effect the elimination of competitive bidding will have on the applicability of the Walsh-Healey Act.

Mr. VINSON of Georgia. Let no man disturb himself about the Walsh-Healey Act. It is not touched one particle by this legislation.

Mr. CELLER. Mr. Chairman, will the gentleman yield further?

Mr. VINSON of Georgia. Yes; but I know what the gentleman is driving at. I understand that the Administrator of the Walsh-Healey Act is seeking to put his clumsy hand of administration on various provisions of this bill. What is going through the mind of the gentleman from New York is to put the negotiated contracts under the Walsh-Healey Act. Now, if that is done you might as well eliminate some of the provisions of this bill. I certainly hope this Committee will not do it. We have had that up with the Administrator. The Navy Department has told us positively that they could not agree to his recommendations.

Mr. CELLER. The Judiciary Committee, of which I am ranking member, has for some time been discussing this matter.

Mr. VINSON of Georgia. We are all very well aware of the fact that the gentleman from New York is the ranking member of the Committee on the Judiciary.

Mr. CELLER. I am glad the gentleman is aware of that. I, however, did not want to emphasize that as the gentleman has emphasized it. But let me point out that the Comptroller General has written to one of the chairmen of the subcommittees of the Committee on Appropriations to the effect that where there is no competitive bidding the provisions of the Walsh-Healey Act do not apply.

Mr. VINSON of Georgia. That is true.

Mr. CELLER. How can the gentleman reconcile that with his previous statement?

Mr. VINSON of Georgia. The gentleman does not understand the Walsh-Healey Act. That deals with the question of labor. The other provisions deal with the question of profits under what is known as the 1934 bill limiting profits.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. VINSON of Georgia. I yield.

Mr. DONDERO. I think the country would be interested in knowing how many ships and how many airplanes we have now in existence today.

Mr. VINSON of Georgia. I gave that information a minute ago.

Mr. DONDERO. The gentleman gave the information about ships but not with reference to planes.

Mr. VINSON of Georgia. We will come to that when we take up airplanes.

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

Mr. VINSON of Georgia. I yield.

Mr. VOORHIS of California. Is there anything in the bill which changes the present profits limitations?

Mr. VINSON of Georgia. I am coming to that in 1 second. The next section does.

You cannot eat your cake and have it, too. You cannot throw around this bill all the safeguards and all the limitations that we normally have in peacetime and at the same time secure results in a short period of time. What the Naval Affairs Committee, which has reported this bill unanimously, is driving at is speed. We want to build these ships in the shortest possible time and we are seeking to cut this red tape that has hampered to a certain extent the building program. This probably was all right in peacetimes, but we are living now in abnormal times.

Section 3 of the bill raises the limit of exemptions under the Vinson-Trammell Act, limiting profits to 10 percent, from \$10,000 to \$25,000. It has been effectively shown to the committee that there are a number of small concerns who are deterred from bidding under the terms of the Profit Limiting Act by virtue of their unfamiliarity with the act and lack of legal and clerical staffs, and the general feeling of becoming involved in governmental red tape.

The effect of this, and partly due to other causes, has been a reduction in the number of bids on proposals issued by the Navy Department from about seven per proposal to five or less per proposal.

This means that competition is becoming more and more limited; and for the purpose of getting supplies and materials as rapidly as possible, it is most desirable that as many firms as practicable participate in their production.

Section 3, therefore, will also expedite naval shipbuilding and naval defense by broadening the market for naval material and appliances and thus obtaining quicker deliveries.

The committee will understand that under the act of 1934 all contracts over \$10,000 must be audited, and there is a 10-percent limitation in them. This has had the effect of slowing down bidding, and it has had the effect of doing away with a certain amount of competition, because small business firms have hesitated on account of the Government red tape to bid. The Navy Department has requested, and I think wisely, that this limit be raised to \$25,000, which means that any contract involving from \$1 to \$25,000 will not fall within the purview of the 10-percent limitation.

Section 4 of the bill also relates to the application and administration of the Vinson-Trammell law limiting profits on certain contracts to not more than 10 percent. There has developed during the last few years a difficulty regarding this that should be corrected in the interest of expediting naval shipbuilding and naval defense.

Under the present ruling and interpretation of the law, a contractor who has to furnish special additional and perhaps very expensive plant extensions or equipment for the execution of a naval contract is not informed as to the amount of the capital expenditures which he makes for them

which may be included as an item of cost under his contract until after the completion of the contract. Some shipbuilding contracts last as long as 4 years in the case of large battleships.

The contractors are thus left in the dark at the time of bidding as to how they will come out under the contract, and this has definitely resulted in the failure of not a few contractors to submit bids.

Section 4 allows the cost of special equipment needed for the accomplishment of a contract to be charged in whole or in part to the cost of that contract, and makes the Secretary of the Navy the arbiter in such matters, subject to approval by the President and review by the Federal courts, so that at the time the contract is entered into the contractor may be as fully informed as possible as to what his financial outcome is likely to be.

Section 4 also provides that similar changes may be made during the life of the contract to care for the contingency that additional plant equipment may be desired by the Navy for the purpose of expediting contracts that are now in existence.

By the provisions of this section the contractor will know where he stands from the beginning. He will be dealing with but one branch of the Government and he will not fear ex post facto rulings. He can reach his decision more quickly and come to terms by negotiation with the Navy Department more quickly.

This section of the act I consider of very great importance. It will overcome the reluctance of many shipbuilders and other furnishers of Navy material to bid. It will broaden the market. It will save time directly in connection with negotiated contracts. It will save time indirectly by increasing the number of bidders and permitting the Secretary of the Navy to spread contracts so that the shortest possible delivery times can be obtained.

You will understand that under the act of 1934 the Secretary of the Treasury and his officials determine what plant extensions shall be charged against a contract. We propose in this bill to let that determination be reached by the Secretary of the Navy, so that when a shipbuilder bids on a ship and states that it is necessary to put out ways or have machine tools, they will be in better and more intelligent position to determine whether or not that should be charged against the construction of that ship or amortized against the contract over a longer period of time. As I stated, under this bill that determination will be made by the Secretary of the Navy instead of by the Secretary of the Treasury as at present. If this power is lodged in the Secretary of the Treasury, the shipbuilder does not know what he can charge and what he cannot charge, and it naturally follows he bids much higher because there is an uncertainty with reference to whether or not he can charge this plant extension or that plant extension. I will definitely say that this provision permitting the Secretary of the Navy to make this determination in advance will enable the contractor to know what he can charge and what he cannot charge and will reflect a saving of millions upon millions of dollars in the construction of these ships. Therefore, this provision should be in here during this limited time, and possibly should become permanent law in the future.

Mr. KEEFE. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I have observed in the discussion of all these sections up to this time that the dominating influence the committee is seeking to bring about is speed.

Mr. VINSON of Georgia. Yes.

Mr. KEEFE. A reading of these sections, including section 5, discloses the fact that they are all predicated and dependent upon a finding on the part of the President that there is a national emergency existent.

Mr. VINSON of Georgia. Of course.

Mr. KEEFE. Has there been any such finding?

Mr. VINSON of Georgia. Oh, yes. On September 8, 1939, the President issued a proclamation of a limited emer-

gency, and we have specified in section 10 that this national emergency shall be construed to be a limited emergency.

Mr. KEEFE. I did not see that.

Mr. VINSON of Georgia. If the gentleman will read section 9 or 10 he will see it. Section 9 states that the President on September 8, 1939, declared a limited emergency and in section 10 we provide:

As used in this act the words "national emergency" shall be deemed to include the limited national emergency declared by the President on September 8, 1939.

Mr. KEEFE. You have restricted it to that?

Mr. VINSON of Georgia. Yes.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 7 additional minutes.

Mr. Chairman, I want to call the attention of the Members of the House to section 5, which deals with labor, and I invite everyone's attention to this, particularly the gentleman from New York [Mr. Celler]:

Section 5 deals with the hours of work and overtime pay. I desire to invite particular attention to the fact that nothing in this section operates to destroy or adversely affect in any way the benefits to labor from the various labor acts that have been passed during the present administration, such as the Bacon-Davis Act, the Walsh-Healey Act, and the Fair Labor Standards Act. This section fixes for all naval employees, including those in Washington, D. C., and the field, and for the employees of contractors having contracts in connection with naval vessels or aircraft or parts thereof or other work incidental thereto the regular hours of labor at a 5-day week of 8 hours per day, and 40 hours a week.

It further provides that all work in excess of these hours be paid for at overtime rates for all employees except certain clerical and salaried employees whom the committee did not feel were entitled to overtime pay because of their salaried status and common acceptance of the fact that such employees are expected, being on a per annum salary basis, to work beyond regular working hours from time to time as the needs of the office or the business may require.

Of course, that does not apply to stenographers, messengers, and others of the clerical force down in the Navy Department.

In order further to prevent any exploitation of labor, this section provides that the hours of labor in any one week shall not exceed 48, unless the President shall declare it necessary in the interests of national defense.

It is not expected that the President will make such declaration unless the present situation becomes very much graver than it is.

This section further provides that the Saturday Half-Holiday Act may be suspended by the President if it should be found that this act interferes with obtaining the desired rapidity of ship construction and other naval defense work.

The final proviso in this section authorizes the Secretary of the Navy to modify existing contracts accordingly. This means that contracts entered into in good faith by the business firm contemplated only regular working hours, whereas the Navy Department may, upon the passage of this act, call upon him for earlier deliveries, which may necessitate overtime work. The Government, of course, will have to pay the additional price for such overtime work and will obtain as a benefit the quicker delivery.

The committee was assured that it was the Navy Department's intention to work shifts rather than overtime whenever possible, and as proof of that intention the Navy Department on May 21 issued instructions to all of its field establishments to that effect but there are certain shops and certain trades or occupations in which shift work is impossible. For example, due to the shortage of certain naval architects and marine engineers, it is not possible to work shifts because the needed additional talent is not available in the country.

Furthermore, working shifts on a complicated design problem on the drafting board is just as impossible as for artists

to work shifts in painting a portrait. It is to take care of just these conditions that the overtime prescribed in this section should be authorized. I know it is the desire of the Navy Department, as it is the desire of the committee and of the whole Congress, to spread employment as much as possible and reduce the appalling number of unemployed in this country.

I am happy to state that the Navy Department over a year ago recognized these conditions and began a course of training for employees in those trades in which there is a shortage in order that as soon as a sufficient number were trained overtime work would not be necessary and shifts could be worked.

I desire again to emphasize that notwithstanding the erroneous reports that have appeared in the press and elsewhere that some of the sections of this bill are mere subterfuges to destroy the hard-won rights of labor; such is emphatically not the case, and, on the contrary, this section 5 thereof preserves those rights and is in my opinion a bill and a section that are eminently fair to both employers and employees.

Section 6 of the bill is to permit the reemployment of certain civilian employees of the naval service who have been retired on account of age.

It has been ascertained that many of these employees are still hale and hearty and able to render useful service. Under regulations agreed upon by the Civil Service Commission and the Navy Department, it is proposed to recall such employees to work where their services are needed, just as the Navy Department has already been authorized to recall to duty retired commissioned naval officers who are in such good physical condition that they can be restored to active duty.

The Civil Service Commission has stated that it concurs in this section of the bill. A proviso under this section makes it unnecessary for any retired civil employee thus recalled to duty to make any further contributions to the retirement fund if he is already entitled to the maximum, but at the option of the employee permits him to submit to retirement deductions from his active-duty pay if he desires thereby to increase the annuity he will receive when his services are no longer required.

The other proviso of this section I consider of great importance. It suspends during the emergency the statute requiring that no civilian employee may be discharged for cause without preferring charges, receiving a statement from the accused employee, and obtaining satisfactory proof of his offense. In times like these it is of utmost importance to the Navy and to the Nation that every single civilian employee be a loyal, patriotic worker, and that the Navy Department be permitted to remove without question any employee who is or might be a subversive element in our navy yards and gun factories or who, there is reason to believe, renders more loyalty to possible enemies of this country than to the United States. In other words, the Navy Department in particular, among all executive departments of the Government, should have the right to insure that it can count upon its working force for honest, loyal service, and to remove anyone who does not meet these requirements.

The present law, in effect, makes the Navy Department wait until the act of spying or the act of sabotage has actually been accomplished and the damage done. It is the purpose of this proviso to prevent the execution of any such acts and to prevent the damage being done.

Section 7 of the bill is for the purpose of enabling those employees who do not really need annual vacations to sacrifice their vacations and work for the benefit of the country, and in return this section provides that they shall not be deprived of the vacation pay to which they would otherwise be entitled.

For obvious reasons, this section is applicable only to employees in those trades and occupations wherein a shortage exists because there is no intention on the part of the committee or the Navy Department to make the civilian employees forego their leave to the possible detriment of their health and well-being, unless the exigencies of the situation demand their presence, in which case I submit that it is

the duty of such employees to give up their holidays in the interests of national defense, particularly since they will be paid for so doing.

Section 8 of the bill takes account of the fact that working overtime and other means of expediting naval shipbuilding will result in additional costs of vessels. Certain vessels, namely those authorized by the act of July 30, 1937, had limits of cost fixed by the Congress. Section 8 provides that these limits may be increased by the amounts of additional costs resulting from the provisions of this act.

Section 9 provides that this bill shall be applicable to the present limited emergency declared by the President on September 8, 1939.

Section 10 limits the application of this bill for a period of 3 years beginning with the date of approval of this act, by which time I sincerely trust the emergency and the gravity of the situation will have disappeared. If not, the Congress in its wisdom may of course extend the act for such period as may unfortunately be necessary.

In conclusion, let me impress this one fact upon you that this bill will not destroy one iota of the structure that has been built up for the benefit of the workingman, for the prevention of the exploitation of labor, for the curbing of monopolies, and for the curbing of accumulation of unwarranted and excess profits. The sole underlying purpose of this bill is to see that everything possible to expedite naval shipbuilding and naval defense be undertaken now, at once, without delay.

Mr. HEALEY. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Massachusetts.

Mr. HEALEY. Section 2 of this bill provides that after the President has declared a national emergency, the Secretary of the Navy is then authorized to negotiate contracts without competition. Is that true?

Mr. VINSON of Georgia. That is correct.

Mr. HEALEY. I just want to say to the gentleman that in this instance, where contracts are negotiated without competition, the provisions of the Walsh-Healey law do not apply. Those are considered open-market purchases, and the provisions of the Walsh-Healey Act do not apply to open-market purchases.

Mr. VINSON of Georgia. That is right.

Mr. HEALEY. So the effect of the gentleman's bill would be to suspend the provisions of the Walsh-Healey Act entirely, if section 2 is left intact.

Mr. VINSON of Georgia. I do not agree with the gentleman. I do not agree at all that the Walsh-Healey Act is being suspended by the provisions of this bill.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Michigan.

Mr. MICHENER. Under the law as it is now the Bacon-Davis Act fixes the wage as that prevailing in the local community. The national wage and hour law fixes a uniform wage throughout the country. The Walsh-Healey Act fixes the wage that the Secretary of Labor shall determine to be the prevailing wage in the locality, which determination is made by the Secretary of Labor and which has been extended to include 13 States. Under this bill, which wage is going to prevail, the Walsh-Healey Act wage or the Wage and Hour Act wage? They are different in many instances. The wage fixed by Secretary Perkins is in many cases much higher than the wage and hour wage.

Mr. VINSON of Georgia. May I say to the gentleman that I have it all in my manuscript and could answer the question, but I do not want to take any more time right now. I will explain that under the 5-minute rule when we get to that provision of the bill.

Mr. MARTIN of Massachusetts. I wish the gentleman would go on and explain the bill. We ought to know fully what is in the bill.

Mr. VINSON of Georgia. All right, I will take the rest of the time.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 10 additional minutes.

Labor laws affected by the provisions of section 5 of the bill, H. R. 9822, are as follows:

First. The act of August 1, 1892, as amended by the act of March 3, 1913 (U. S. C., title 40, sec. 321), provides that laborers and mechanics employed by the Government or by contractors or subcontractors shall not work more than 8 hours a day except in case of an extraordinary emergency.

Effect of this bill: Permits these employees to work more than 8 hours a day by the simple expedient of paying them time and a half for overtime. In other words, does away, temporarily, with the requirement that it takes an extraordinary emergency to justify work in excess of 8 hours a day.

Nobody knows just what constitutes an "extraordinary emergency," anyway.

Second. The act of June 19, 1912 (U. S. C., title 40, sec. 324) frequently called the 8-hour law, prohibits work in excess of 8 hours a day by laborers and mechanics employed by contractors and subcontractors with the Government, and provides a penalty of \$5 per day for every such employee who is required to exceed those hours.

Effect of this bill: Removes, temporarily, this prohibition and penalty, by permitting work in excess of 8 hours a day on condition that time and a half is paid for such overtime.

This 1912 act is not applicable to transportation, the transmission of intelligence, or purchase of supplies by the Government, except armor and armor plate. In 1917 the President was given authority to suspend this act during a national emergency and he still has it. This act was inadvertently omitted in complying with the Ramseyer rule when the bill was reported.

Third. The act of June 30, 1936 (U. S. C., Supp. V, title 41, secs. 35-45) better known as the Walsh-Healey Act, applies to any person—not just laborers and mechanics—employed by a contractor manufacturing or furnishing materials, supplies, articles, or equipment to the United States, if the contract exceeds \$10,000. The hours of labor specified are 8 hours a day and 40 hours a week. These hours may be exceeded with the approval of the Secretary of Labor, but if they are, time and a half for overtime must be paid.

Effect of this bill: Practically none, except that the approval of the Secretary of Labor would not be required for overtime work on naval contracts included in the bill—naval vessels or aircraft, or parts thereof, or other work incidental thereto. This question is academic because the Secretary of Labor has issued regulations which, so far as these contracts are concerned, permit unlimited hours so long as time and a half is paid for overtime.

Other requirements of the Walsh-Healey Act are not disturbed—child labor, convict labor, factory working conditions, qualifications of contractors. Common carriers, perishables, and so forth, were excepted from the act. The Walsh-Healey Act still applies to other Government contracts.

Fourth. The act of June 25, 1938 (U. S. C., Supp. V, title 29, ch. 8), is the Fair Labor Standards Act of 1938. It applies to all employees of private concerns, and so far as hours of labor are concerned it deals mainly with the hours per week, as distinguished from the hours per day. The first year after this act became law the workweek was 44 hours; the second year 42; and thereafter it will be 40. In other words, after June 25, 1940, the workweek will be 40 hours. All time over the specified workweek counts time and a half.

In certain cases, by agreement resulting from collective bargaining (a) on the basis of total hours for a period of 26 consecutive weeks and (b) the same for 52 consecutive weeks and (c) seasonal industries, the hours of work per week may be varied from the basic 40. If this is done, time and a half must be paid for overtime in excess of 12 hours a day or 56 hours per week.

Effect of this bill: None. This bill is patterned from this act. Possible exception: Until June 25, 1940, the workweek under the act is 42 hours, and the bill specifies 40. For a

period of something less than a month, therefore, employees would draw overtime for work in excess of 40 hours instead of 42. This is negligible.

General comment on this section of the bill:

(a) There is precious little, if anything, in this section that labor, or anyone connected with it, can complain about. It conforms to the Fair Labor Standards Act, which is an intelligently drawn law in all respects, particularly the flexibility permitted in the question that concerns us—hours of labor. The rigid provisions of other laws, such as the "extraordinary emergency" with heavy penalties for violation, and the \$5 per day per laborer penalty under the 1912 act, which says flatly "8 hours a day," are what makes this section necessary.

(b) This section is such a logical solution to the question of how to speed up shipbuilding that it does not seem open to criticism from any quarter. It is obvious that more man-hours on shipbuilding will do one of two things: Permit a given number of ships to be built in less time, or permit in a given time, the building of more ships. Some of the increase in man-hours can be effected by working shifts, which will, of course, increase employment; by increasing the workday and workweek it will be possible to speed up the work that is not susceptible of being done by shifts.

(c) If only one labor law were involved, the solution would be apparent—amend or suspend that law. With a multiplicity of laws the sensible course is to reduce the hours of labor to a common denominator, and this is being proposed. The result, happily, will be mutually advantageous to labor and the Government.

Let us not begin to draw red herrings across this speeding-up bill. Let us get down like businessmen and put some pep into the building of these ships and cut this red tape that has been hamstringing the Nation. [Applause.]

Mr. MICHENER. That is just what I am interested in.

Mr. VINSON of Georgia. I hope the gentleman heard my explanation.

Mr. MICHENER. I did, but I have a question I should like to ask and that is, Why do we not establish one standard here, one wage and hour law?

Mr. VINSON of Georgia. We do.

Mr. MICHENER. Why have the Walsh-Healey Act in the picture at all? Why not leave the wage and hour law control?

Mr. VINSON of Georgia. It is not in the picture at all.

The gentleman from Massachusetts and his collaborator are apprehensive that we are going to destroy labor. We are just as much interested in labor as they are.

Mr. MICHENER. I am not worrying about labor or capital as such. I am worrying about our country in this conflict.

Mr. VINSON of Georgia. There is no conflict.

Mr. MICHENER. You can clarify this matter very easily by saying that the Walsh-Healey law will not apply, and then you will not have to make all these restrictions.

Mr. VINSON of Georgia. The Walsh-Healey Act does not apply anyhow.

Mr. MICHENER. Then why not say so?

Mr. VINSON of Georgia. Let me say to my friend that we set up here a standard of 5 days a week, 8 hours a day, 40 hours a week. That is fixed in the bill, and then we say that if you work over 40 hours a week you get time and a half overtime, and it cannot go more than 48 hours. This puts a ceiling on labor.

Mr. MICHENER. What is the objection to just using the wage and hour law, so far as these contracts are concerned, and saying so in so many words, without trying to mollify or deceive anybody or having any controversy about it?

Mr. VINSON of Georgia. The fair wage and hour law is exactly what applies in this matter.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield to my friend from New York.

Mr. CELLER. I want to say that I want to cooperate with the gentleman, but I want some clarification—

Mr. VINSON of Georgia. Then certainly the gentleman will not offer the amendment about the Administrator—

Mr. CELLER. I am going to offer the amendment because I feel it is proper to do so if the gentleman from Massachusetts [Mr. HEALEY] does not do so.

Mr. VINSON of Georgia. By the gentleman's acts we will determine whether he is trying to cooperate or block the legislation.

Mr. CELLER. That is perfectly proper and I am willing to be judged by that. On page 4, lines 7 and 8, you have the words "notwithstanding the provisions of any other law." That refers, undoubtedly, to the Walsh-Healey Act and the Bacon-Davis Act, the act of 1912, the 8-hour law, and so forth.

Mr. VINSON of Georgia. That is correct.

Mr. CELLER. Now, notwithstanding those acts and including the Walsh-Healey Act, I admit you make provision for time and a half pay and for hours of employment, but the Walsh-Healey Act, in addition to the provisions that you have adverted to, has what is known as enforcement machinery. It has many other provisions like those concerning child labor, convict labor, and so forth.

Mr. VINSON of Georgia. We do not disturb that.

Mr. CELLER. Does the gentleman say unconditionally that the Walsh-Healey Act applies to this entire bill?

Mr. VINSON of Georgia. I say the Walsh-Healey Act is not disturbed in the slightest degree by this bill.

Mr. CELLER. The gentleman does not answer the question.

Mr. VINSON of Georgia. I do not know how to answer it any other way.

Mr. CELLER. Then does the gentleman say that the Walsh-Healey Act applies in its entirety?

Mr. VINSON of Georgia. We only disturb two labor provisions. One is with respect to extraordinary leaves and one is the \$5 a day penalty.

Mr. CELLER. But there are other provisions of the Walsh-Healey Act that you do not mention.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman.

Mr. MICHENER. The gentleman states that the Walsh-Healey Act does not apply, and in the next breath he says it does apply insofar as inspectors are concerned. The gentleman talks about red tape and yet in order to comply with the Walsh-Healey Act you must comply with the rulings of the Secretary of Labor as to working conditions, and they send out inspectors under the Walsh-Healey Act and then they send out inspectors under the wage-hour law, duplicating inspection.

Mr. VINSON of Georgia. That is true.

Mr. MICHENER. Now, what are you going to do here? If you repeal the Walsh-Healey Act and still have the Walsh-Healey inspectors, why not cut all the red tape?

Mr. VINSON of Georgia. I have stated to the gentleman and to the committee that so far as labor is concerned, we are establishing the labor standards as provided for in the Walsh-Healey Act, 5 days a week, 8 hours a day, 40 hours a week, with provision for time and a half for overtime. The other provisions of the Walsh-Healey Act are not affected by this bill. The provisions with reference to inspection and the other requirements of the Walsh-Healey Act are not disturbed. The child-labor provision and the provision for working conditions and the qualifications of contractors are not touched by this bill.

Mr. MICHENER. Does the gentleman understand that the purpose of the Walsh-Healey Act was to accomplish that which was declared unconstitutional under the N. R. A. law?

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield to me to ask a question or two if I can get a few minutes of time for him? I desire to inquire about something that has nothing to do with the Walsh-Healey Act.

Mr. VINSON of Georgia. Yes.

Mr. MAAS. Mr. Chairman, I yield the gentleman 2 minutes.

Mr. MARTIN of Massachusetts. The gentleman has not said anything concerning section 9.

Mr. VINSON of Georgia. Of course, but I was cut off in time.

Mr. MARTIN of Massachusetts. I appreciate that. I would like to have that cleared up in my mind, in respect to the national emergency.

Mr. VINSON of Georgia. Under the proclamation issued by the President on September 8, 1939, he declared a limited emergency. We have defined the phrase "national emergency" to fall within that proclamation in respect to a limited emergency.

Mr. MARTIN of Massachusetts. That does not give any more emergency powers than are now possessed.

Mr. VINSON of Georgia. Not one bit, and if the gentleman will read further he will see that the next proviso limits the life of this bill to 3 years. What we are trying to do is to hold it down to what he classified as a limited emergency and we do this in the use of the phrase "national emergency." It is to be interpreted in accordance with that proclamation.

Mr. MARTIN of Massachusetts. And no powers are given other than to expedite this construction bill?

Mr. VINSON of Georgia. That is all the power given.

Mr. MARTIN of Massachusetts. It is suggested to me this section legalizes the national emergency declared by the President in September.

Mr. VINSON of Georgia. No. What we are trying to do is to so define the President's proclamation as a national emergency as to come within the meaning of the limited emergency.

Mr. MARTIN of Massachusetts. Did the gentleman inquire as to whether the President had any right to declare that special emergency?

Mr. VINSON of Georgia. No; we did not, because we presumed that he would not have declared a limited emergency unless he had some constitutional authority.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MAAS. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. MARTIN of Massachusetts. Will the gentleman tell us how the civil service is affected by this legislation?

Mr. VINSON of Georgia. Oh, yes. This provision was written by Mr. Moyer of the Civil Service Commission. It merely permits recalling the people who have gone off the civil service on account of age or retirement. This will permit the Civil Service Commission or the Navy Department to discharge any civil-service employee without going through the red tape of filing charges and complaint, when in the judgment of the Navy Department it is not to the public interest to have that particular employee in the service. It is a direct way of getting rid of subversive influence that might be in the Department.

Everything is written exactly by the Civil Service Commission and approved by that Commission, and it does not disturb the civil-service rules and regulations at all, except those people who come in can have a reduction made of their pay, to apply on their retirement, if they want to increase it, or get the whole thing and put it in their pockets at this time.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. DONDERO. I am wondering if Hitler restricted himself by the same legislative chains we bind ourselves by in section 5?

Mr. VINSON of Georgia. If the gentleman will go along with us and this House will go along with us, we will have plenty of ships here in a short time to meet any international emergency.

Mr. DONDERO. That is what we all want.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. HEALEY. Is it not true that by the terms of this bill you have endeavored to carry out the policies of the Chief Executive?

Mr. VINSON of Georgia. Yes.

Mr. HEALEY. And nothing in this legislation would be permitted to destroy the laws that the Congress in its judgment executed for the protection and benefit of labor?

Mr. VINSON of Georgia. That is right, and the forward steps taken are not to be impaired by this legislation.

Mr. ALLEN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. ALLEN of Pennsylvania. I do not think the gentleman has to apologize for any relaxation of any of these restrictive laws which may be in this bill, because in the long run the rank and file of American labor would prefer to work overtime rather than to have the sublabor standards of a dictator country imposed upon them.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. MAAS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Chairman, taking up the discussion of this bill at the point where the gentleman from Georgia [Mr. Vinson] left off, there is no question at all but that this measure does to some extent relax and modify the Walsh-Healey Act and the Bacon-Davis Act. In both of those measures employees of the Government on public works and employees of contractors with the Government are prohibited from working longer than 8 hours. This measure relaxes that provision and gives the Secretary of the Navy and other contract employers the right to work their men more than 8 hours by paying time and a half for overtime. The testimony before the committee with regard to this entire measure given to us by the Navy Department and by representatives of the shipbuilding industry was that of all the statutes which have impeded the progress of ship construction, the Walsh-Healey Act stood out preeminent among them all. First on their list of recommendations was that the provisions of the Walsh-Healey Act should be suspended during the time of this emergency insofar as shipbuilding and airplane contracts were concerned.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. Yes.

Mr. HEALEY. And they also stated that the Vinson Act which limited the profits to 10 percent was also an act that should be repealed. They made that recommendation also?

Mr. COLE of New York. The Department recommended modification of the profit limitation in the Vinson-Trammell Act.

Mr. HEALEY. They said that impeded shipbuilding.

Mr. COLE of New York. Let me answer the gentleman. Not so much because of the 10-percent limitation on profits as because of the red tape and the preparation of reports and that sort of thing.

Mr. HEALEY. Oh, I see. They were not interested in getting additional funds.

Mr. COLE of New York. The committee thought so much of the recommendation of the Navy Department and the shipbuilders that they inserted in the bill a provision giving the President authority to suspend the provisions of the Walsh-Healey Act as set forth in section 3. That section stayed in until final consideration of the bill in the committee, when it was decided that that section was not necessary for the reason that under the construction authorization acts for ships and airplanes the President is given authority to suspend the operations of the Walsh-Healey Act in a national emergency.

Mr. CELLER. Mr. Chairman, will the gentleman yield briefly at that point?

Mr. COLE of New York. Let me continue, please. It is to be hoped that if the allegations made by the Navy Department, and made by those in the industry who are in position to know, are correct, the President will not hesitate in this emergency to suspend the operations of that act.

Mr. MICHENER and Mr. CELLER rose.

Mr. COLE of New York. Mr. Chairman, I yield to the gentleman from Michigan.

Mr. MICHENER. May I say to the gentleman from New York that when the Walsh-Healey bill was up for consideration in the beginning, the Navy Department then opposed its enactment because they said it would do the very things they now find it is doing. Within the last year they have appeared before the Judiciary Committee and opposed the extension of the Walsh-Healey bill. That is now before the Judiciary Committee. So the Navy Department certainly has at all times and on all occasions opposed the Walsh-Healey bill as one of the things that would interfere in handling a condition such as that with which we are now confronted.

Mr. COLE of New York. That is true. They came in then and prophesied the disadvantageous effect of the Walsh-Healey Act; and today they have appeared and offered proof of their contention.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I cannot yield further. There are so many phases of the bill I would like to discuss, but I shall not have time. Let it be clearly understood that the only way the Walsh-Healey Act is affected by this bill is that employees may be permitted to work longer than 8 hours a day, but that they shall be paid time and a half for overtime. Certainly nobody, least of all the employees, should object to that.

Mr. CELLER. Mr. Chairman, will the gentleman yield for just one question?

Mr. COLE of New York. No.

Going back to the beginning of the bill, section 1 permits the Secretary of the Navy to advance 30 percent of the contract price. While this may be a rather startling relaxation of the present law, it seems to be justified under the circumstances, and I would call to your attention that the Secretary of the Navy is not permitted to do this until after he has required adequate security for the protection of the Government for the payments so made.

The provisions which we have inserted throughout the bill requiring the Secretary of the Navy to submit a report to the Congress may have the color of locking the door after the horse is stolen, but at the same time under all the circumstances it is imperative that we place some confidence, some reliance, on our public officials; and I feel that we have done as much as we possibly can to protect the interests of the Government and the taxpayers, and at the same time accelerate this program.

So far as section 2 is concerned, which permits the Secretary of the Navy to negotiate contracts rather than procure them through competitive bidding, we need have no great fear that excessive prices will be charged, because they still will be under the limitation on profits of 10 percent in the case of ships and 12 percent in the case of aircraft.

Mr. BRADLEY of Michigan. Mr. Chairman, will the gentleman yield for an observation?

Mr. COLE of New York. I yield.

Mr. BRADLEY of Michigan. In the determination of cost is there included in "cost" what is known as standard shipyard practice, namely, the bare cost plus 25 percent for overhead plus 25 percent profit?

Mr. COLE of New York. I am sorry I cannot give the gentleman the answer to that question.

Mr. BRADLEY of Michigan. It was my understanding that most of the design work, most of the engineering, is done by the Navy at Government expense. The 25 percent which covers overhead in standard shipyard practice, therefore, seems to me should be taken care of by a provision in this bill.

Mr. COLE of New York. Continuing a discussion of the bill from the point where the chairman left off, the only way in which this measure relaxes the provisions of the civil-service law is that the Navy Department is given authority to recall from the retired lists any individuals whose services may be deemed necessary, whose places could not be filled from the regular channels of labor. In addition, the Department is permitted to discharge any civil-service employee without going through the formality of

establishing cause. This provision is similar to a provision in the military bill adopted last week and is designed to permit the Government to summarily discharge those in the Naval Establishment whose patriotism is questionable.

I ask your particular attention to section 7. This seems to me to be somewhat unnecessary and a dangerous section. It permits the Navy Department to retain any of its employees during the period of their vacation and to pay that employee for the time of his vacation. The effect is to make it possible for an employee of the Navy Department to sell his vacation to the Government. While it may be true that in some instances, because of the shortage of specialized labor, this may be necessary, yet I cannot help feeling that it establishes an undesirable precedent which will operate to cause ill feeling, discontent, and jealousies in the departments. It is questionable whether the gain is worth the price we shall eventually have to pay if it is adopted.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield at that point?

Mr. COLE of New York. I yield.

Mr. TREADWAY. I would like to have it made clear that the man would be getting his vacation pay also. In other words, he would be getting paid twice for the same time.

Mr. COLE of New York. That is it exactly.

Mr. TREADWAY. That is what I suppose the gentleman intended to state.

Mr. COLE of New York. It says they may be paid in addition to the regular pay the equivalent of the pay they would have drawn during the period of such vacation.

Mr. VINSON of Georgia. It means that an employee will get 13 months' pay instead of 12 if he does not take his vacation.

Mr. COLE of New York. Or in the event that he has accumulated 60 days' leave he will get 14 months' pay instead of 12.

Mr. CHURCH. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Does that mean that he is off on vacation and gets paid too?

Mr. COLE of New York. No; he must stay on the job.

Mr. ROBSION of Kentucky. He must work?

Mr. COLE of New York. Oh, yes; he must stay on the job.

Mr. Chairman, section 8 relaxes the limitation on the cost of ships authorized in the Construction Act of 1937, which provided for the construction of certain auxiliary vessels. Of course, if this bill is enacted into law the cost of construction of ships will be greatly increased, so as a precautionary measure it was necessary to wipe out this limitation.

Mr. REED of New York. What is the limitation there?

Mr. COLE of New York. Fifty million dollars.

Mr. REED of New York. Has the gentleman any estimate at all as to what the increased cost will be?

Mr. COLE of New York. Representatives of the Navy Department believe this program providing for the acceleration of construction will cost 15 percent additional to what it otherwise would.

Mr. KNUTSON. Will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Has the gentleman any information as to whether or not the international bankers have been prompted to acquire the Newport News Shipbuilding Co. in anticipation of the passage of this legislation?

Mr. COLE of New York. That subject was not inquired into at any great length.

Mr. KNUTSON. That is the largest shipbuilding plant in the country?

Mr. COLE of New York. One of the largest at least.

Mr. Chairman, the impression has gone out throughout the country that the Congress, the officials and officers of the Navy and Navy Department have been derelict in their duty in the matter of military preparedness. At least, that was

the impression until night before last. In justice to ourselves, in justice to the officers of the Navy, and for the sake of reassurance of the country, I feel it might not be amiss at this time to go over what has been accomplished in the past 6 years by way of naval construction. Bear in mind, of course, that up until 1933 and 1934 the entire world was practically at peace. We, along with the other nations of the world, had no thought of excessive, burdensome, and expensive armament. But in 1934 the Congress authorized the replacement of our treaty Navy which when prosecuted over a period of 10 years would result in a complete duplication of every ship that we then had or authorized to have by the treaty, with the exception of battleships.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. As I understand, that program was started in 1934?

Mr. COLE of New York. Yes.

Mr. AUGUST H. ANDRESEN. Six years have elapsed since that time?

Mr. COLE of New York. Yes.

Mr. AUGUST H. ANDRESEN. How is the program progressing?

Mr. COLE of New York. That is what I propose to tell the gentleman. In 1938 the Congress again authorized a 20-percent increase in the treaty strength, which then amounted to 1,200,000 tons. So we raised the authorized under-age strength of our Navy by 295,000 tons, making a total of 1,557,000 tons. Again this year the House authorized a further increase of 11 percent in the under-age tonnage and the bill is still pending in the Senate. So that now the authorized strength of the Navy is 1,724,000 tons as against 1,200,000 tons 6 years ago, or an increase of approximately 38 percent. That is what we have done so far as authority is concerned.

What has been actually accomplished? In 1934 we had 14 battleships. On May 15 of this year we had 15. One of the old ones has been reconditioned. In 1934 we had 10 cruisers while today we have 18. In 1934 we had 10 light cruisers and today we have 19. In 1934 we had three aircraft carriers. Today we have 6. Six years ago we had 71 destroyers. Today we have 189. Six years ago we had 40 submarines. Today we have 64. This made a total combatant Navy in 1934 of 148 ships as against 311 today, an increase in the actual number of ships on hand and in commission of over 100 percent. [Applause.] So that the country need have no fear that the Congress or the Navy Department have let them down in any way.

Mr. Chairman, the fact that this bill was reported unanimously by the Committee on Naval Affairs without a dissenting voice from the minority members is an indication of the readiness of the minority party to raise no political considerations in the adoption of these measures. [Applause.] Much has been said and written in the past week or so about the necessity for concerted action and cooperation between both political parties in these times of stress. With that, the minority agrees completely. Cooperation, however, is not a one-way street; it involves mutual assistance and mutual forbearance. It does not mean that the lips of the minority must be sealed while the tongues of the majority are permitted to carp incessantly that the emergency requires the continuance in office of the Chief Executive. It is as much the part of cooperation that the President should announce a willingness to serve in the Cabinet of the next administration as that a Republican should now be willing to serve in his. [Applause.]

We in the Congress, and the people of the Nation as a whole have a twofold responsibility at this hour. Not only must we make all possible speed to arm to the teeth in preparation for the conflict which is made inevitable by the defeat of the democracies of Europe but we must constantly guard against the internal development here of the very force which we so dread from abroad. The danger of this lies not solely with the "fifth columns" but with our very selves as

well. Only by jealously adhering to the principles, institutions, and traditions of our Republic, only by mutual assistance and mutual forbearance, only by placing patriotism above personal glorification can we hope to avoid stumbling into that type of government which knows no law, which depends upon the will and the whim of one man, and which leaves in its wake destitution, blood, and ruin. [Applause.]

Mr. DREWRY. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. The time is controlled by the gentleman from Georgia.

Mr. CELLER. Is it in order to secure two additional minutes by unanimous consent?

The CHAIRMAN. The gentleman would have to secure that time from the gentleman who controls the time.

Mr. CELLER. Mr. Chairman, I am in thorough sympathy with this bill, and I would vote for it a dozen times if I had the right to vote for it that frequently, but I do want some clarification of it, particularly section 2 thereof. We passed the Walsh-Healey Act. I want some unconditional statement as to whether that act does or does not apply. All I get is some qualified statement. Let us have frankness about it. In one breath we find the distinguished chairman of the committee saying the Walsh-Healey Act does apply, and in another breath he says it does not apply. There was evidently an intention to have the Walsh-Healey Act apply, because original section 3, suspending its operation, was stricken from the bill, but as I read the bill now, only certain provisions of the Walsh-Healey Act apply and other provisions of the Walsh-Healey Act are out and do not apply.

The President Sunday night in his fireside chat stated that he did not want any relaxation of those conditions that were beneficial to labor. He said that succinctly and definitely. The distinguished chairman of the Committee on Naval Affairs apparently agrees and had this to say, and I am reading from page 3296 of the hearings:

We should "not go on with the wholesale wiping out of laws which have been on the statute books and which have been enacted for the good of the laboring man and for the economic soundness of the country."

Let me read verbatim what the President said:

For that reason we must make sure, in all that we do, that there be no break-down or cancellation of any of the great social gains which we have made in these past years. We have carried on an offensive on a broad front against social and economic inequalities and abuses which had made our society weak. That offensive should not now be broken down by the pincers movement of those who would use the present needs of physical military defense to destroy it.

There is nothing in our present emergency to justify making the workers of our Nation toil for longer hours than now limited by statute. As more orders come in and as more work has to be done, tens of thousands of people who are now unemployed will receive employment.

There is nothing in our present emergency to justify a lowering of the standards of employment. Minimum wages should not be reduced. It is my hope, indeed, that the new speed-up of production will cause many businesses which now pay below the minimum standards to bring their wages up.

There is nothing in our present emergency to justify a breaking down of old-age pensions or unemployment insurance. I would rather see the systems extended to other groups who do not now enjoy them.

There is nothing in our present emergency to justify a retreat from any of our social objectives—conservation of resources, assistance to agriculture, housing, and help to the underprivileged.

I am simply following in the footsteps of the President and following in the footsteps of the distinguished chairman of the Committee on Naval Affairs when I ask that the provisions of the Walsh-Healey Act be retained in the bill. That bill created many benefits for labor. It would be a simple matter to state that the Walsh-Healey Act shall apply in its entirety, but that apparently has met with opposition for some reason. Probably because of the opposition of the Navy Department we cannot get that simple provision in the bill. There is no question but that the Walsh-Healey Act is not in this bill, except in those particular instances which were adverted to

by the chairman, because section 9 of the Walsh-Healey Act specifically exempts purchases of materials, supplies, articles, or equipment when bought in the open market or are purchased or where construction is had without competitive bidding. This provision, to wit, section 9, of the Walsh-Healey Act has been interpreted by the Comptroller General to exempt all contracts which are let without competitive bidding, and section 2 provides for letting contracts without competitive bidding. I ask anyone to controvert that. In other words, since section 2 allows construction and purchasing contracts to be let without competition, the Walsh-Healey Act does not apply. The bill, of course, has proper provisions as to labor, concerning hours and pay but that is all. Those hour and pay provisions are as good, if not better, than similar provisions contained in the Walsh-Healey Act, but there are many other salutary provisions of that act which are not in the pending bill, for example: First, those concerning enforcement machinery to insure that proper pay and hours of employment; second, convict labor; third, child labor, and so forth.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. GEHRMANN].

Mr. GEHRMANN. Mr. Chairman, I am in sympathy with the bill, because we are in an extraordinary period and naturally we must give extraordinary powers to one man, whoever happens to be our President. I do not like to feel that we are in that period, but evidently we are, especially the way things are developing in Europe. No doubt we are in that emergency, and we must give that power.

I wish to mention a few things that perhaps are not in this bill but that bear indirectly on the point that is aimed at in this bill, namely, the expediting of the building of our ships, building them much faster than we have heretofore. We know there are a great many shipyards, especially on the Great Lakes, that are not being utilized at all because they are at a disadvantage under existing laws. They are not even being utilized by the Maritime Commission, which builds all kinds of small vessels that can be gotten out of the Lakes or that can be used primarily in the Lakes, such as vessels for the Lighthouse Service and the Coast Guard Service as well as many smaller auxiliary vessels. We enacted a law, the Merchant Marine Act, a few years ago that gives certain subsidies to some sections of the country for transportation of materials, and that gives them the further advantage that the Government may accept those vessels at the point of construction. We do not have such advantages on the Great Lakes. This is why I am sure that if we could relieve some of the shipyards that are now building these smaller auxiliary vessels and award those contracts to some of our shipyards on the Great Lakes we could relieve the congestion and pressure on some of the yards on the eastern or on the western coast that are equipped to build large naval ships. I know in my own district where is located the port of Duluth and Superior, and perhaps most of the Members here do not know this, next to New York we have the largest port in point of tonnage in the United States. This, no doubt, is news to many Members, but I have stressed this fact before and, of course, the figures of the Department of Commerce will prove it. Not only this, but we have a shipyard in Superior that was in operation 24 hours a day during the war period. The Government then had all kinds of boats built there that they needed, including boats for the Navy. We have several hundred expert shipbuilders in Superior today. Most of them are idle and dependent on W. P. A. for a living. The yard is owned by the American Ship Building Co. that has several other yards with headquarters at Cleveland. They have not built any vessels up there for many years. They maintain it only as a repair plant now.

I have attempted to get some shipbuilding done in Superior, but I find that because of the subsidies, given mainly to southern and western shipbuilding yards, it is impossible for them to compete. They cannot compete against the 6-percent subsidy that is granted to certain yards.

Mr. DARDEN of Virginia. Mr. Chairman, will the gentleman yield?

Mr. GEHRMANN. I yield.

Mr. DARDEN of Virginia. There are no subsidies or differentials given to Virginia yards. I think the gentleman must be mistaken about that.

Mr. GEHRMANN. There are certain yards that are given subsidies. Of course, that does not come under the Navy, but comes under the Merchant Marine Act and under the Maritime Commission, and what I mean is that this subsidy does not apply directly in this case, but indirectly it would relieve the present congestion and make use of a shipyard that is idle and expert shipbuilders that are now on relief. It would make available these larger shipyards on the eastern coast and on the western coast that are now building these small auxiliary vessels by giving the contracts to the shipyards located on our Great Lakes, on Lake Michigan and Lake Superior. In my city, for instance, there is located the only drydock, of 750 feet, that is on the south shore or, in fact, that is located anywhere in the United States, on Lake Superior. It is the only drydock there, and they maintain it only as a repair shop today, because they cannot compete in building ships with yards where subsidies are granted.

I have gone as far as the President in my attempt to utilize this shipyard and the expert shipbuilders. I have conferred with Admiral Leahy, and Admiral Leahy happens to have been born and reared and appointed to Annapolis from my congressional district. Admiral Leahy is very familiar with the situation and in full sympathy.

[Here the gavel fell.]

Mr. CHURCH. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. GEHRMANN. But he finds that under existing law nothing can be done to use these experts and existing facility. I even appealed to the President, and after thorough consideration he answered with a three-page letter that nothing can be done.

I feel that the President today has the power by Executive order to grant subsidies to such districts under the Merchant Marine Act. In the first place, he must consider the strategic position of a certain port and then the next thing the unemployment situation and the facilities for constructing ships. This is written into the law, and I have tried to persuade or convince the President that he has this power, but his answer has been that the shipyards or the ship-building companies on the Great Lakes heretofore have not shown any great interest and have not even attempted to build and, of course, the reason they have not is because they have not had this subsidy that is granted elsewhere. Give us the same subsidies and we can build ships up there in a yard now idle and by experts now on relief. [Applause.]

Please let me point out that this twin port of Duluth-Superior is certainly one of the most strategic in the United States. With the necessity of modern equipment, steel is absolutely essential. Let us remember that 80 percent of all the iron ore consumed in this country is shipped out of Lake Superior ports. The greater part of the Nation's grain is stored for distribution in the great elevators of this port. Coal likewise is shipped in there by boats for distribution for consumers in this northwest territory.

We have often marveled at the fact that no fortifications are necessary along the Canadian-United States border. It may become necessary to change that, especially if the Allies should be defeated. This twin port is at the very border of Canada. I believe that it is not only fair, but absolutely necessary that some money be invested in this Great Lakes region that is not as easily subject to attack as are most of the coastal cities. Let us establish air bases as well as ship-building facilities, plane-parts factories, and enlarge the now existing munition plants in a section of this country that is ideally suited for it because it is far removed from possible attack.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. Hawks].

Mr. HAWKS. Mr. Chairman, the President has again addressed the citizens of our country in a fireside chat. After a rather detailed statement regarding national defenses, he referred to domestic problems. In part, he said that under no circumstances would the social gains of the past 7 years be jeopardized or changed in any respect.

What does he mean? And what does the New Deal mean by "social gains"?

Does he mean that minimum wages and maximum hours is one of the gains? If he does, how about the 10,000,000 or more unemployed?

Does he mean that the Securities and Exchange Commission is one of these so-called "social gains"? If he does, why are over \$5,000,000,000 in deposits frozen in our banks?

Why has investment in private enterprise come practically to a standstill? It could not be that these investors have no confidence—or could it?

Does he mean that the National Labor Relations Act, as it now stands, the so-called Magna Carta of labor, is one of the social gains? If he does, why this continued fight between the A. F. of L. and the C. I. O.? And why this multitude of labor troubles all over the country?

Does he mean that a \$45,000,000,000 debt is a social gain? That recurring deficits of three to five billion dollars annually is a social gain?

Does the President imply that paying the farmers to produce less, on the theory that they will get more, is a social gain?

Is robbing Peter to pay Paul a social gain?

Is he trying to convince us that the destruction of our merchant marine by subversive labor elements on the west coast, and now on the east coast, is a social gain?

Does he mean that outfits like the H. O. L. C., the F. S. A., the F. H. A., the F. T. A., and many other alphabetical contraptions, are social gains? The record is quite to the contrary, and instead of gains, practically all of them have shown tremendous losses to the American taxpayers.

Does he mean that W. P. A., P. W. A., and other relief projects are "social gains"; and that they should be permanent? If he does, he implies that America is all done, that we are sliding backward. And I cannot subscribe to that theory.

I wish this administration would realize that the war on depression, on hunger, the battle for jobs and a decent living, is still on within our own boundaries, and that that war is still as serious as it ever was, and certainly much closer to every American citizen.

Is this administration trying to sell the American public the idea that because they have absolutely failed in almost every detail in solving the problems at home during the past 7 years, that this failure qualifies them above everybody, to successfully keep America out of this European war?

Does failure in one respect beget success in another?

Has labor and industry thoroughly studied the revised industrial mobilization plan, as approved by Louis Johnson and Charles Edison? Has industry and labor and the American citizen studied the "capital levy" bill known as the Lee bill, which is now on the Senate calendar?

The question that comes to my mind is just this: Who is going to cooperate with who, and why? [Applause.]

Mr. DREWRY. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, these are serious and solemn times. They demand on our part calm and intelligent thought and action. Our country has had entirely too much of idle and inaccurate talk. Hysteria is worse than useless; it is enervating.

In these days of stress and strain our minds and our endeavors turn naturally to our national defense, for the protection of our people, for the protection of our principles. The patriotic citizens of America are ready and willing to bear the burden necessary for our security and the preservation of our liberties. As their representatives in the Congress, our present task calls for the wise application of the knowledge and the experience gained through our service in these legislative halls.

I feel that I voice your sentiments and those of the great majority of the American people in the statement that we want to keep our boys out of this European conflict, to prepare adequately for our own defense against aggression, and to prevent and punish the subversive activities of agents and followers of foreign powers within our own borders.

We come today to make provision for the necessary expansion of our first line of defense, the American Navy, which since the birth of our Nation has added glory to our history in its honorable and heroic accomplishments. By land and sea and air we must be ready to repel any invasion which may come to our shores.

Carved on the memorial monument at Yorktown where we won our freedom is a motto whose vigorous observance will preserve our freedom. It may well be our slogan in this all-important matter of defense. These are its significant words, "One Country—One Constitution—One Destiny."

"One Country." It is true that many of the early explorers of our western world were prompted by thoughts of greed and conquest, but the people who came to be its settlers were inspired and motivated by a fervent desire to escape the persecution of dictators and to enjoy the blessings of liberty. Our land was called appropriately the melting pot, mingling the blood of many nations into one common brotherhood. Unfortunately in later years that melting pot has been taxed and overloaded far beyond the capacity to achieve its full purpose, and propagandists hostile to Americanism and all the beneficent things it represents have spread through our land preaching their spurious doctrines from abroad. Secretly and insidiously they plan their nefarious intrigues. They have even deceived some of our citizens with their sterile roses of promise which in fact rarely bud and never bloom. They are seeking to establish in this country many of the very conditions and doctrines from which our forefathers fled to found a government of free men.

With prophetic vision George Washington warned against them and their activities. He counseled that the time would likely come in America when men would arise who would endeavor to undermine the God-given teachings they could not easily overthrow. Today they labor boldly to destroy our institutions and our morale. Surely the time has come for us of America, in patriotic and appreciative unity, to be not merely the passive admirers of that sturdy band of pioneers who gave us our Government, but their ardent and active and worthy successors in preserving its blessings for the children of men. This is a time of emergency when these exponents of foreign dictators' whims and caprices, inimical to the genius of our people, should be dealt with in no uncertain way and with a firm and unyielding hand. In the spirit of the fathers, the duty is upon us all to keep this "One Country."

"One Constitution." In the days when statesmen and patriots were formulating our organic law, it was the Father of his Country who said, "Let us raise a standard to which the wise and the honest may repair; the event is in the hand of God." So blessed of the Almighty was that historic undertaking that the amendments of 150 years have concerned the machinery of Government rather than its principles. Truth does not change. The fading lines of the original document may pass away, but its teachings are written in the hearts of loyal Americans. The best exemplification of its virtue is to be found in the lives of our people. It has come to us as the heritage of the ages and the foundation of liberty. The first 10 amendments, the Bill of Rights, are practically a part of the original instrument. Aside from Holy Writ, it is doubtful if there are 462 more significant words in any language. They epitomize the essential principles of a free people. In their observance they vouchsafe to us the fundamental rights and liberties of free men. Security in our homes, in our persons, in our minds, in our souls, are among the guaranties of their protection.

Today there are lands across the seas where such rights are prohibited, and there are agitators in our own land who would pervert the privilege of free speech into seditious

conspiracy. Ah, we have so much to defend, so much upon which depend "the blessings of liberty to ourselves and our posterity." The enemies of our Constitution are our enemies. We must defend this God-given birthright and in defending it be militant in thwarting the foes who would banish its blessings from our land. Preparation for such defense is more than a duty; it is a transcendent privilege. This can be kept the "One Country" the fathers intended if we will but adhere loyally to that gift of their genius, "One Constitution."

"One Destiny." What is it? More than 20 years ago, in keeping with a laudable purpose, we engaged in a militant effort to make the world safe for democracy. Noble as were our aspirations and our efforts, they have proved in vain. Dictatorship now threatens the very European scenes where our brave soldiers fought in a worthy cause. But, if the world cannot be made safe for democracy, let us in this beloved country see to it that democracy is kept safe for America. That primarily must be our mission and our destiny. And let us hope, through the genial influence of example and as the leaven that may finally leaven the lump, the peoples of the earth may learn from the exemplification of our ideals and philosophy of government that man, made in the image of God, was never fashioned to be the serf and slave of an autocratic despot. To preserve in a war-torn world the blessings of liberty, to live the truth that makes men free, to keep for the ages the rich legacy our fathers have left us, is but to fulfill the destiny which has come to us as a sacred trust.

In his farewell message to the American people, the immortal Washington taught that religion and morality are the indispensable supports of all free government. There are ideologies in the world today which recognize no such dependence. By might and power they would vanquish right and truth. Brotherhood, fraternity, love, peace, are words that have no place in their vocabulary; but if we treasure the heritage of our history, if we believe in the God who has made possible our progress and accomplishment, we Americans will never cease to strive for the survival of these ennobling graces that enrich the life of even the humblest citizen of the land.

Many years ago Longfellow wrote of the building of the ship, and in that stanza depicting the glory of our ship of state gave expression to sentiments more significant today than when they fell from the poet's pen. What of America? He said:

Humanity with all its fears,
With all the hopes of future years,
Is hanging breathless on thy fate.

Humanity, with even graver concern, now hangs more breathlessly on the fate of our free people and the preservation of their priceless liberties. The poet told of "false lights on the shore," but they were not so false or so menacing as the diabolical propaganda now spread by the enemies within our gates.

Surely, in such times our duty is plain. We must defend this country and we will. We shall keep it the bulwark of free government and a free people. We shall keep the course so wisely chartered by the fathers. In appreciation of their service and their sacrifice, of the blessings of liberty their labors have bestowed, we shall keep this "One Country" with "One Constitution" fulfilling the "One Destiny" which alone can lead to our security and our happiness. [Applause.]

MR. DREWRY. Mr. Chairman, I yield as much time as he may desire to use to the gentleman from Louisiana [Mr. GRIFFITH].

MR. GRIFFITH. Mr. Chairman, these are very serious times and I believe that an overwhelming majority of the American people realize that the situation in Europe is very grave and that this country should be well prepared at the earliest possible and practical moment to defend the United States, and enforce the Monroe Doctrine, against any aggressor nation, or combination of aggressor nations. To do this, it will be necessary for us to speed up the building

program of our Navy, which woefully lagged for a number of years immediately following the termination of the World War. It has only been a few years since we really commenced to build a new Navy. Our naval shipyards have been permitted to go down, and were working with a greatly reduced force, which had dwindled in number to a few more than 8,000 men. I am happy to say, however, that this force has now been increased to more than 50,000 men. It is my opinion that the Government shipyards are now well organized and ready to carry on the work of the emergency program.

The Naval Affairs Committee, of which I am a member, has been holding hearings, both in the forenoons and afternoons for some time, considering the testimony of, and advising with—

First, the heads of the Bureaus of the Navy who are responsible for the designing and construction of Navy vessels.

Second, the personnel officers who are responsible for furnishing the manpower necessary to carry on the work.

Third, the representatives of the larger private shipbuilding companies that construct naval vessels.

Fourth, representatives of labor; and Mr. Mitchell of the Civil Service.

There has been manifested a wonderful spirit of cooperation, and sincere desire, on the part of members of the Naval Affairs Committee, and all of those who have appeared before the committee, to do everything that was possible to be helpful in speeding up the program as fast as it was practical to do so.

The committee was mindful of the fact that in an emergency every precaution was necessary to properly conserve the expenditure of money; and that it was necessary to place every safeguard to protect Government funds in an emergency that it was practical to place in the legislation. Therefore, with this in view, we have been most careful in the preparation of this legislation. I believe that every safeguard that could be placed in the bill has been placed there.

It is my opinion that the American people are behind the President in his emergency program for preparedness; and they want an adequate Army, Navy, and air force, well equipped to properly defend our country on all sides against any, and all enemies, and combination of enemies at the earliest possible moment.

I further believe that an overwhelming majority of our people are opposed to entering the war, unless, it be in defense of our own country, and the enforcement of the Monroe Doctrine. There are some few that might want us to enter the war immediately on the side of the Allies. I have had a few letters saying that they thought we should enter the war immediately. It is my opinion that we are not prepared to enter a foreign war, and we would be of little or no help at the present time. By the time we could land three or four hundred thousand men in Europe, and that would be only a drop in the bucket where millions of men are now fighting on both sides, the war would probably be over and our Army might be stranded, and possibly captured in a foreign country. I hate to think about what demands would then be made of this Nation, and what the consequences would be. Anyhow, it is a possibility that we might have to face, and that is worthy of thought.

The Allies at present have not sufficient equipment to supply their own armies of millions and especially is this true of air equipment, which they woefully lack. We should think of the number of ships that would be required to carry the equipment that it would be necessary to send over with a large army, as well as a large number of ships that would be necessary to carry the men. Our entire Navy would be required to act as convoys; our entire air force that is available, and will be available for several months, would be insufficient to properly protect the convoys with the preponderance of air power that Germany now has.

Let us push to rapid completion our naval vessels that are under construction; also all of those that have been provided for. Let us push the construction of all of the different

necessary types of airplanes to properly balance and protect the fleet. Let us increase as rapidly as possible our facilities for training a much greater number of air pilots, and then train these pilots as fast as possible. The Navy with a sufficiently large air force as one of its principle units will be our first line of defense; and if it is efficient and big enough the aggressor nations will let us alone.

I am willing, and believe that a majority of us are willing, to vote millions to prepare for adequate defense of this country, but that we will not vote for 1 cent to send our boys to Europe.

I am now in favor of furnishing the allied countries with airplanes and munitions, as fast as we can produce them, provided it does not interfere with our own emergency preparedness program.

It has been brought out in hearings that the present program providing for naval construction is about all that the existing facilities for shipbuilding will take care of, and a provision has been made in this bill to enlarge the present facilities, and to increase the personnel wherever needed.

I hope that in a short while our facilities for the construction of naval vessels and airplanes will be greatly increased and that we will be able to take care of any expansion that may be needed.

Let us all support this bill and I hope that the Members of Congress will not offer amendments that might weaken the legislation. Of course, if anyone has an amendment which he thinks would strengthen the legislation, or hasten the program, I think that it should receive favorable consideration.

I hope that the American people and the Congress of the United States will never again permit our different lines of defense and our equipment to deteriorate as it did for a number of years immediately following the World War. We should profit by the present serious and deplorable plight of England and France, and especially from the unpreparedness of England. We should realize that dictators are always well prepared with trained troops that are well equipped with the most modern implements of war, and that these dictators never respect the rights of human beings.

I sincerely hope that we will have the largest, most modern, best equipped, and most efficiently manned navy in the world, supplemented by the largest and best fleet of airplanes of different types. When we gain navy and air supremacy I hope that we will have sense enough to maintain it, and I further hope that we will not permit those with visionary ideas to again persuade us to destroy any ships under construction.

We were deceived into fighting a useless war in Europe in 1917 and 1918, and I hope that we will never be misled again into believing that the way to avoid war is to disarm. One or two nations may make an honest effort to disarm, but the others will increase their armaments. The only nation that will be safe in the future is the one that is prepared.

I still believe, as did the Father of his Country, that we should avoid all foreign alignments and entanglements that might involve us in war.

I think that we should let Germany know in no uncertain terms that we disapprove of her actions and methods.

I am voting for and supporting this bill, and expect to vote for the funds necessary to carry out this program.

I will vote for still more funds if it is proven that it is necessary for me to do so.

I think that we should pass a tax bill that will provide funds to carry out this program and sufficient additional funds to provide a surplus with which to enlarge the program at a later date if it becomes necessary.

No matter how strong the provocation may be, I will always vote against sending American boys to Europe to fight. [Applause.]

Mr. DREWRY. Mr. Chairman, I yield such time as he may desire to the gentleman from Virginia [Mr. DARDEN].

Mr. DARDEN of Virginia. Mr. Chairman, I should like, after a very brief preliminary statement, to devote the time allotted me to a discussion of naval expenditures over the past 7 years.

There has been of late some discussion of the disposition of the sums of money appropriated for our Navy, and the country has every right to expect from us an accounting of the funds disbursed.

In my opinion, there are several matters which at this time should claim our attention.

In the first place, we must realize, and our people must realize, that we are facing a task that is not only going to require at best a considerable period of time but also tremendous sums of money. The supplemental or additional appropriation requested by the President a few days ago will be of material help in getting this work started, but it is folly for us to assume that with this appropriation available we have done more than made a beginning on what is a Herculean task.

We are faced with the necessity of placing this country on a war basis; that is, a basis which will permit the immediate defense of its vital interests.

We have for many years hoped that a way might be found to preserve peace without the necessity of diverting much of our production to the materials of war.

While our military expenditures have been heavy, they have not been on the basis comparable with our needs.

The onslaught in northern France has sounded the death knell of our dreams of a peaceful world from which force has disappeared or is about to disappear.

If we fail to heed this terrible lesson we do so at our great peril. To omit to make every possible effort to place the defenses of our country in an impregnable condition is to court inevitable disaster and to gamble recklessly with the lives of the American people.

We are watching with terror and indecision the most ruthless conquest of modern history. We see the democracies of Europe reeling under the sledge-hammer blows of an efficient military machine controlled by men without conscience and without humanity.

The destruction of open towns, the relentless and unremitting bombing of countless thousands of unarmed and panic-stricken refugees and their merciless slaughter by machine-gun fire as they struggle to escape by the congested roads of Belgium and France are but an evidence of the utter heartlessness and cruelty of the forces which challenge the principles for which our Government and our people stand.

National defense instead of being simply one of the functions of our Government must be made for the time being the primary function. Until safety has been achieved, all other demands save those vital to the State must be deferred.

Let no one be deceived into thinking that the program here set forth for the Navy and the program embodied in the Army bill of last week constitute an answer to our needs. They are but a beginning, and for that reason it seems to me imperative that a tax program be considered in order that we may be able so far as possible to meet this additional financial burden which is great and which promises to be with us for some time to come.

We have the time, we have the resources, and the skill—we need only the will to carry our program to a successful conclusion.

We cannot do it by adjourning Congress and hurrying home at this critical moment in our history. We cannot do it by abdicating in this hour of desperate need. We are the Representatives of the American people; their responsibilities are our responsibilities. Unless we are prepared to discharge our duties, our Government cannot hope to survive.

The Navy is an organization of which we have just cause to be proud. Ship for ship it is, I believe, the most powerful fighting force at sea today.

The fleet is superior to the bases on which it rests—it is superior to the industrial organization upon which it must rely for continued fighting power. On these much work is being done, and much remains to be done.

In order that the House may have a clearer idea of our problem I will devote what is left of my time to what has been accomplished in recent years.

From 1922 to 1932 we built or started 6 submarines, 1 aircraft carrier, and 14 cruisers—a total of 21 ships. It must be remembered that during this period we were subject to the limitations of the Washington and later the London naval treaties. We sincerely attempted, by example, to lead the way in world disarmament.

Since 1933 we have started 179 vessels. As of the first of this month, May 1, we have completed 111. Of the 68 remaining, which are the subject of part of this speed-up legislation, 19 will be completed in 6 months, 13 within the next 6 months, 18 in the next 6, 6 in the next 6 months, the remaining 12 in a little over the next 6 months, or 2 years in all.

Of the 111 ships which have joined the fleet since 1933 there have been 11 cruisers, 2 heavy and 9 light; there have been 3 aircraft carriers; 62 destroyers and 26 submarines; 2 gunboats and 7 noncombatant ships.

Of the 68 vessels for which we are here asking for funds in order to rush the completion there are 8 battleships, six 35,000-ton vessels, and two 45,000-ton ships—the latter we believe to be the most powerful units afloat—1 aircraft carrier, 6 light cruisers, 14 submarines, 27 destroyers, and 12 other ships, such as tenders, mine sweepers, repair ships, and so forth.

The addition of these vessels to the fleet will, of course, materially add to its striking power.

It will, I believe, please you to know that an investigation by our committee of ship construction now in progress showed that the program was being expedited in every possible way, and that in most instances construction was well ahead of contract. There is every reason for us to feel satisfied with the progress of the building program—a program which started with 8,750 men being employed and which now engages 53,750.

A considerable sum of money has been spent on this naval program in recent years. On increase of Navy—which item covers new ships—we spent in the fiscal year 1934 from the naval appropriation of \$266,581,699.68, \$43,066,761.26 plus emergency fund of \$23,664,076.48; in 1937 we spent from an appropriation of \$503,350,016.63, \$155,008,729.19 plus \$26,513,345.28 from emergency funds; in the fiscal year 1939, from naval appropriations of \$635,474,414.22, we spent \$222,484,222.72 plus emergency funds of \$4,225,083.44 on new building.

It can be readily seen that new building has taken larger sums each year. Since ships are appropriated for as they progress, you can see that the undertaking is one of major proportions—rising from approximately sixty-seven millions in 1934 to about one hundred and eighty-one millions in 1937 and two hundred and twenty-seven millions in 1939.

The regular Navy appropriations have been quite substantial in recent years:

1934	-----	\$266, 581, 699. 68
1935	-----	327, 554, 194. 01
1936	-----	404, 702, 348. 42
1937	-----	503, 350, 016. 63
1938	-----	575, 453, 311. 07
1939	-----	635, 474, 414. 22

In addition to these sums there was made available during these years—1934 to 1939, inclusive—\$336,935,780.01 from emergency funds. Of these, about two hundred and sixty-two million was used for new vessels, about nineteen million for aircraft, and about forty-nine million for public works.

During this period about \$80,000,000 of the regular appropriation went for aircraft and about thirty-eight millions for public works.

It is interesting, I think, to see that military pay took in—

1935	-----	\$151, 830, 604
1936	-----	184, 875, 987
1939	-----	219, 575, 752

While maintenance other than military pay required in—

1937	-----	\$128, 203, 545. 64
1938	-----	158, 688, 968. 17
1939	-----	155, 040, 121. 43

Not only have great additions been made to our fleet in recent years but the money for public works has been spent to great advantage. [Applause.]

I regret that time does not permit me to set forth other items which I think would be of interest.

Mr. DREWRY. Mr. Chairman, this bill has been very carefully considered for more than 30 days by the Committee on Naval Affairs, and that committee has reported it unanimously. Representatives of the shipbuilding companies, the Civil Service Commission, and the American Federation of Labor appeared before the Naval Affairs Committee. The bill represents the steps that should be taken at this time to speed up our naval construction.

This bill is a bill to expedite naval shipbuilding. It was considered by the Committee on Naval Affairs of the House for nearly a month, and everyone who wished to present his views was permitted to do so. Included in the witnesses who testified as to the provisions of the bill were representatives of the Navy Department, representatives of shipbuilding companies, officials of the Civil Service Commission, and representatives of the American Federation of Labor, and they were closely questioned by the members of the committee as to the steps that could be taken at once to expedite naval construction. The bill is not permanent in its character, but is temporary, to be effective for a period of 3 years, beginning with the date of its approval. The necessity for speed arose out of the fact that several of the most powerful nations in the world were engaged in a death grapple in Europe. No one could foresee the result of that conflict and no one could prophesy what the world would be after it was over. Some contended that these nations would come out of the conflict in such condition that there need not be any fear on the part of the United States of any aggression from any of them for many years to come, and that in that time we would be able to build our naval construction to a point where we would be immune from attack. Others took the view that with the world at war and the distances between the United States and other continents very much narrowed by the developments in air and sea construction, that we should be prepared for any eventuality. The advocates of speedier building pointed to the negligence of other countries that had been overrun by the aggressive Germans because they had not prepared in time of peace against sudden attack.

The committee reported unanimously in favor of reporting the bill, showing that the impression was in their minds, and they thought there was a feeling in the country that necessitated a quicker preparation for our naval defense. It must be remembered that the Navy is our first line of defense and that if our extensive coast lines are to be properly guarded, it is most essential that the first line be prepared to meet any force that might be brought against it by water. In order to get a true perspective of the entire situation, it might be well to point out that in 1922, the United States had probably built and was building the strongest navy in the world. In order, however, to join in with other nations with the idea of decreasing the enormous expense for ships and armament, the United States agreed to sink \$350,000,000 of its ships to put us on a ratio of 5-5-3, which at that time was agreed upon as to battleships and aircraft carriers, as between the United States, England, and Japan. Future conferences were successful, as the United States thought, in reducing the cost and production of ships in other categories along similar ratios. The United States, thinking that a great step forward had been taken and that the people of these countries would adhere to the general proposition to limit and decrease ships and armaments, did not even take the trouble to bring our Navy up to the 5-5-3 ratio. England was not so satisfied as we were and undertook some naval construction, and Japan went ahead with its building, and when the treaty was finally abrogated, there was no definite understanding of what the naval construction of Japan had been. Germany and Italy had not been party to all the elements of the treaty, and had gone ahead in certain categories which they thought specially adapted to their position in Europe.

If it had not been for our trusting disposition and our negligence in the matter, and the objection of a great many

people in the country to spending money on naval defense, thinking it would be better to provide for internal expenses, there would be no necessity now of the large expenditure necessary to build up our Navy.

It can surely be said that the high ranking naval officers and the Naval Committee saw the danger in this inaction with reference to ship construction and proposed from time to time certain expenditures to enable the Navy to build up to a degree that would not leave it utterly defenseless in time of danger; but little heed was paid to these warnings, and not until the troubled condition of the world became more apparent about 1933 was much done. Even at that time, the time limit in the contracts for ships was long and there was a great deal of delay; but the activity did not begin until 1933 and we had been made aware of our unpreparedness and the necessity for speed in production. Fifty-two ships were provided for in the acts of June 16, 1933, and June 19, 1934, and they have been completed. On March 27, 1934, a building program was started to provide for 1,262,068 tons of underage ships, with estimated expenditure of \$1,690,000,000, which with replacements, up to this time, and almost completed, makes 119 ships. In 1938, a 20 percent expansion was authorized providing for an increase of 46 combatant ships and 26 auxiliary ships, at an estimated expenditure of \$1,121,546,000, and under this and previous acts there are now being built 56 combatant ships and 12 auxiliary ships.

However, they should be completed without delay, and I wish to call attention again to the fact that the committee has proceeded on the theory of preparedness for the last 7 years, and only the conditions above described prevented their recommendations from being followed. If their recommendations had been followed, there would never have been such negligence in having a prepared Navy, and, of course, as the money was not spent in those years of indifference and neglect, we must now be willing to spend the money which should have been spent previously. As the navy yards were not being given work to keep them going, they reduced their forces and facilities; and, again, changes in design were made due to the improvements in shipbuilding. Another cause of delay, however, was due to the fact that hours of labor in this country per week were below those of other nations. When we now learn that Germany was going full speed ahead with the construction of its ships and airplanes under a 60-hour week, we can very readily understand why Germany was enabled to win its recent successes with ships and machines and airplanes over France, which, like ourselves, had only a 40-hour week.

This bill does not make any change in the present industrial movements with reference to hours of labor, but the time may soon come when it will be necessary to call on our workers, as well as all other classes of American citizens, to be willing to devote more time and more energy to the defense of the country. This bill, therefore, provides for expediting work that has to be done in this national emergency, which has been declared by the President of the United States to exist, to negotiate contracts for naval vessels and aircraft, including their equipment and tools, without going through the usual slow course of bidding.

There should not be any objection at this time to putting such matters in the hands of the Executive; in fact, it is absolutely necessary that it be done. If it is not done now, it will have to be done later, for no nation could do its work in war times if it was hampered by the slow processes of the passage of bills through legislative procedure. When that time comes, if it should come, the welfare of every man, woman, and child in the country will depend upon how the President, the Commander in Chief of the Army and Navy, who is declared by the Constitution of the United States to be the controlling power in such circumstances, shall direct the military forces of the country. In giving him such power as we see fit, we are merely doing now what we may be required to do later, and the granting at this time of such power puts us that much ahead of an expected emergency. I am referring generally, of course, to the provisions in the bill which

allow certain determinations to be made by the President instead of going through a long-drawn-out legislative procedure of committee action with its hearings and other processes which we follow in peacetime.

I will not go into a long-drawn-out explanation of these provisions of the bill, for they have been admirably discussed by the chairman of the committee; nor is it necessary to do so, for the entire country is aroused to the danger of a lack of preparedness, and with more insistence than I have ever known, have called upon Members of Congress to authorize the work to be done that is necessary, to appropriate the money, and to give the President the right to proceed as expeditiously as can be done.

As indicative of how the crisis has been finally approached by us, I wish to quote a statement by Admiral Van Keuren, of the Construction Corps of the United States Navy, who stated during the hearing before the committee:

During the period 1922-32 we built or started 6 submarines, 1 carrier, and 14 cruisers—a total of 21 ships. Since 1933 we have started 179 vessels. We have completed, as of May 1, 111 vessels. Of the 68 vessels remaining to be completed, 19 will be completed in 6 months; 32 will be completed in 12 months, including the previous 19; 50 will be completed in 18 months, including the previous 32; 56 will be completed in 24 months, including the previous 50; and the remaining 12 ships in something over 2 years.

At the beginning of the program we had employed 8,750 men in navy yards and private yards on new construction. Today we have 53,750—a 650-percent increase.

The Navy has moved and probably would have moved faster if its requests for new ships had been granted sooner. The Congress is now moving to meet the situation; and the Executive is, with his usual energy, going ahead with the general supervision of the work with speed. It therefore falls back on the people of the country to do their part, and it will require the patriotic endeavors of every person of sufficient age to enter into it. Our manufacturers and our workingmen must be willing to go ahead without grumbling, even if they do have to work longer hours; and there is a great deal that the people of the country itself can do in being ready to make such sacrifices as are demanded in this great emergency.

The people of the country should keep in mind that it is essential that the Navy of the United States be maintained in time of peace in order to prevent war. They must also understand that in order to prevent the effects of war within the country itself by invading forces that the Navy must be ready to prevent the landing of such invaders. Everybody hopes that there will be no war on the part of the United States with any other power. We are at heart a pacifistic nation and wish to live in harmony and peace with all other peoples of the world. Americans are also people of independence and courage; and if war should come, which God forbid, the people of this Nation will direct its military forces to be ready and prepared and to fight to resist any aggression. Love of country requires that every man shall do his part to insure that end and the success of our resistance to aggression from any other nation.

Mr. MAAS. Mr. Chairman, I yield now to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON of New Jersey. Mr. Chairman, the purpose of the legislation brought to the House by the House Naval Committee, and which is now under consideration, is to expedite naval shipbuilding, aircraft, and auxiliary agencies of the Navy.

Since the President made his appeal to Congress for additional strength for our national defense Congress has acted promptly and effectively. Already legislation has been passed by this House to strengthen and expand our Army. Now this legislation is before us, after careful consideration by the House Naval Affairs Committee and with its favorable recommendation. It represents an effort to cut the red tape that now ties up the letting of contracts for naval vessels.

The gentleman from Virginia [Mr. DREWRY], a distinguished member of the Naval Affairs Committee, and for whom I have a high personal regard, has just assured the membership that this bill has had the careful consideration

of the Naval Affairs Committee. Such is the case. Any time and every time the Naval Affairs Committee recommends legislation to this House under the leadership of its distinguished chairman, the gentleman from Georgia [Mr. VINSON], the membership of the House can be satisfied that it has been carefully studied and is entitled to favorable consideration.

The committee has sensed the need for our country to proceed with all possible speed to strengthen our naval forces. Time is an important consideration under present conditions. I am inclined to think that there are few Members of this House who realize the great length of time that is necessary to complete the construction of a battleship or heavy cruiser. It takes anywhere from 3 to 5 years and requires the services of thousands of trained and highly skilled employees. It is also well to remember that the different trades necessary in the building of ships are more numerous and varied than in any other industry. These forces of skilled mechanics cannot be recruited overnight. They require long years of service to attain the efficiency that is necessary in the performance of the important work incidental to the drafting of plans and the actual construction work. The men employed in our shipyards are necessarily among the highest skilled workers in our Nation. During the World War they gave an excellent account of themselves. They will do so again in this hour of emergency. But we must not overlook the importance of the time element in preparing our national defense. This, as I have pointed out, is a particularly necessary consideration in the building of ships. Thus this bill, as it cuts red tape, is a material contribution to the effort that is being made to strengthen our naval force in the shortest possible time and deserves the support of the entire membership.

The experience gained in the last war should be sufficient to convince anyone, who thinks in terms of the welfare and security of this Nation, that our greatest need from a defensive standpoint is a strong Navy. The intervening years between the World War and the present time, that have culminated in the awful tragedy now being enacted in Europe, also make plain that an adequate air force is likewise necessary. The one supplements and makes stronger the other. It is my understanding that a bill to authorize the construction or acquisition of naval aircraft will immediately follow the bill now under consideration. It was likewise reported favorably to the House by the Committee on Naval Affairs and deserves the support of the membership.

The necessity for this Nation to give further and more serious consideration to our naval strength arises at this time because of the uncertainty and doubt that surrounds the European situation. In the past the English Navy has always been considered as part of a cooperative naval force with our own to maintain the principles of free people. No one has ever seriously considered the possibility of the British Navy being rendered useless by an opposing force. Thus, we have always had the thought that in any great emergency that involved our national security that the Navy of Great Britain would be found on our side. But today we see the British Nation hard pressed and many people commencing to think about the consequences that will follow if Great Britain should fail and its Navy be taken over by opposing powers or even destroyed. In neither contingency could the British Navy be counted upon as an ally to us. The very possibility of this situation arising is sufficient to drive us ahead to procure at the earliest possible day an American Navy that will be sufficient to protect us from attack on either ocean, and no longer should we depend upon Great Britain or any other nation to supply our deficiency in naval forces.

Since 1921 our Nation has respected the purpose and intent of the Washington Treaty. We sought by deed as well as word to convince the world of our sincerity to limit naval armaments. As a result of that treaty we destroyed, built or building, approximately 800,000 tons of warships, of a value of \$400,000,000. Other nations accepted the principle but in most cases made no sacrifice by destroying any of their existing battleships. The years that have followed the signing of

the Washington Treaty showed a continuing desire upon our part as a Nation to uphold the principle of limitation of naval armament laid down in that treaty. During the same years other nations, who were parties to the treaty, built up their naval forces. Our failure to build in those categories that were not prohibited to us by the treaty has enabled other nations to outstrip us. Today, therefore, because of our adherence to the terms of the Washington Treaty, in spirit as well as deed, we have dropped far behind in naval strength. Since 1936 there has been no treaty limitation that has precluded our building on as large a scale as conditions made necessary or advisable. It has been the reverses that have come to the British Nation that had awakened us to the danger that now exists. Whatever justification or lack of justification there may be for the delay in shipbuilding during the last few years, the fact now is, we are aroused and fully realize the precarious position in which we would find ourselves if an attack should be directed at us. Now that we are awake and fully appreciate the need there can be no excuse for further delay.

In conclusion, permit me to remind you and also emphasize the fact, that the American Navy is one of the strongest influences for peace in the world. The American Navy never declares or provokes war, but, time and again its strength has been a stabilizing influence for peace. It is an agency of peace and will continue to be as long as the spirit and desire of America is for peace. Any additional strength given to our Navy makes more certain and secure our own peace and the peace of those weaker nations of the Western Hemisphere that are dependent upon us.

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Chairman, there has been a great deal of discussion lately as to the effect of the Walsh-Healey Act on the program upon which we are about to embark. There have been allegations to the effect that this act would tend to interfere with and impede the speed of this program. In order that there may not be any misunderstanding about the provisions of that act and in fairness to the act itself, I obtained this time to explain that the act itself makes full provision for the requirements of any emergency. Section 6 of the act provides that in the event of an emergency the Secretary of Labor may suspend any and all provisions of the Walsh-Healey Act. That is in the law itself, and when the law was framed those of us who worked on it had in mind of course that an emergency might occur when it would not be in the public interest to rigidly enforce all of the provisions of the law and that situations may occur requiring the suspension of some of the provisions of the act. That language will be found in section 6 of the Walsh-Healey Act. We who framed the act had foresight enough to have included in the act the language which would take care of such emergencies. Section 6 of the act, under which such exemptions may be granted, reads as follows:

Upon a written finding by the head of the contracting agency or department that the inclusion in the proposal or contract of the representations or stipulations set forth in section 1 will seriously impair the conduct of Government business, the Secretary of Labor shall make exceptions in specific cases or otherwise when justice or public interest will be served thereby. Upon the joint recommendation of the contracting agency and the contractor, the Secretary of Labor may modify the terms of an existing contract respecting minimum rates of pay and maximum hours of labor as he may find necessary and proper in the public interest or to prevent injustice and undue hardship. The Secretary of Labor may provide reasonable limitations and may make rules and regulations allowing reasonable variations, tolerances, and exemptions to and from any or all provisions of this act respecting minimum rates of pay and maximum hours of labor or the extent of the application of this act to contractors, as hereinbefore described. Whenever the Secretary of Labor shall permit an increase in the maximum hours of labor stipulated in the contract, he shall set a rate of pay for any overtime, which rate shall be not less one and one-half times the basic hourly rate received by any employee affected.

I am appending to my remarks a list of exemptions that have been granted by the Secretary of Labor under this section. These examples will amply demonstrate that there is no situation which cannot be covered under any emergency by the present provisions of the act which give adequate power to lift its application wherever and whenever the public interest may require it.

The President of the United States has spoken to the Congress and to the Nation; he has taken the people of this country into his confidence. He has given them an account of the defense preparations that have been made since this administration came into office in March 1933. Those of you who listened to his speech Sunday night heard a frank and straightforward statement of the progress that has been made in the preparation of the naval and military arms of our Government. But he unequivocally stated that under the program which he recommended to the Congress, and which I am sure the Nation expects us to pass with the greatest expedition, there shall be created no more war millionaires, and that this national emergency shall not be used as a pretext for the destruction of the social advances that have been gained under this administration. The gentleman from New York [Mr. COLE] said that from the outset that certain officials of the Navy had complained that the Walsh-Healey Act had retarded it in going forward with its program. I say to that gentleman that they also complained of the Vinson-Trammell Act. The Vinson-Trammell Act provided that there shall be a limitation of 10-percent profit on all Navy contracts. Section 3 of this bill does suspend the provisions of the Vinson-Trammell Act on all contracts to be awarded where the amount is under \$25,000. Should the emergency occur wherein the public interest requires the suspension of the provisions of the Walsh-Healey Act, which afford protection for labor, I am sure that the persons affected will willingly and patriotically comply. Is it unreasonable to expect that an equivalent sacrifice will be made by capital, industry, and, in fact, all elements of our Nation in the interest of an adequate defense program?

Exemptions from the act which have been granted

Docket No.	Industry	Exemption requested	Department
E-20.....	Airplane.....	For contract for 1 airplane from provisions of act in order that this 1 airplane might be constructed along with 6 others, contracted for before effective date of act.	U. S. Coast Guard through Procurement.
70/3.....	Bankers' directory.....	For contract with Rand-McNally Co. for period beginning Dec. 1, 1938, until Nov. 30, 1939, for Bankers' Directory, including supplements as published by said company.	Procurement.
E-1.....	Cotton textile.....	For employment of girls between 16 and 18 years of age.....	Cotton Textile Institute through Procurement.
E-11.....	Drills, radial, motor-driven.....	For contract for drills from provisions of act concerning keeping of records and 8-hour day and 40-hour week.	Navy.
E-22.....	Furniture, items Nos. 8136 to 26-S-8220.	For contract for weed stools from provisions of act, stating Great Northern Chair Co. had been awarded contract before was noticed that this company excluded operation of act in its bid.	Procurement.
F-30.....	Lamps, incandescent.....	For employment of 10 female employees between 16 and 18 years of age (Hygrade Sylvania Corporation).	Do.
E-27.....	Radio tubes.....	For employment of certain female employees (183) under 18 years of age, all of whom will reach this age during 1938. (RCA Manufacturing Co.).	Do.
E-26.....	Sound motion pictures.....	For contracts for rental of sound motion-picture films to Veterans' Administration from stipulations of sec. 1 of act because films are offered to Veterans' Administration at practically charity rates.	Veterans' Administration and Procurement.

Requested exemptions from the act which have been denied

Docket No.	Industry	Exemption requested	Department	Action taken
E-5.....	Boring machines, 3-inch spindle.	For contract for 3 horizontal boring, drilling, and milling machines from provisions of act, stating parts for assembling machines were to be taken out of stock.	Navy.....	Request withdrawn after understanding was reached that stipulations of act applied only to employees engaged in assembling machines and preparing them for actual shipment.
70/1.....	Lumber.....	For contract awarded to Colfax Lumber & Creosoting Co. for lumber because stipulations of act were omitted from contract through mutual mistake of contractor and contracting officer.	Agriculture.....	Request denied on ground that the Department of Labor has not power to grant relief in this situation.
E-10.....	Machine tool.....	From provisions of act on the premise that it would impair conduct of Government business.	Navy.....	Request denied since 1 company agreed to conform to stipulations of act.
E-7.....	Petroleum.....	For refinery workers of Associated Oil Co. from application of art. 1, sec. (c), of Regulation 504 and sec. 1, subsection (c) of act regarding number of working hours per day.	.....do.....	Request denied. Held that Secretary of Labor has no authority to grant exemption from 8-hour day, 40-hour week limits.
E-6.....	Twine.....	For exemption from provisions of act since only bids deleted stipulations concerning act.	.....do.....	Request denied in order to investigate market for flax twine and also to determine whether other bidders would submit bids and execute contract subject to stipulations of act. Navy now having no difficulty in securing flax twine.

Requested exemptions which have been withdrawn or closed with consent of all parties

Docket No.	Industry	Exemption requested	Department	Action taken
E-8.....	Airplane.....	Beech Aircraft Co. requested exemption from provisions of act with reference to number of working hours and overtime rate of pay.	Navy.....	Held because component parts had been manufactured in group production operation before contract had actually been entered into, requirements of Regulation 504 need not be kept. Contractor later designated willingness to comply with requirements of act.
E-3.....	Boiler, oil burning, marine.	From provisions of art. 601 of Regulations 504.	War.....	Mr. Reilly granted tolerance. Since copper companies have changed their attitude toward bidding on contracts for Navy, request for exemption is no longer active.
E-15.....	Copper.....	If a broker not qualified as a regular dealer under our Regulations files low bid, would Secretary consider his bid acceptable? American Metal Co. requested exemption by way of a tolerance for waiting periods caused by break-downs.	Navy.....	
E-12.....	Electric hydraulic power plants.	From act because compliance with stipulations would materially increase cost of production.	.....do.....	Conference held after which company was awarded contract without necessity for exemption.
E-25.....	Fuel oil.....	From provisions of act for Alaska, Juneau Gold Mining Co. which refuses to conform to requirements of act, and no other source of supply in Alaska is available.	Treasury.....	Since this company is only source of supply, Treasury may make open-market purchase from that company under purchase statute, Rev. Stat. 3709, which purchases are exempt from act.
E-23.....	Hemp.....	Ruling requested as to whether act applied to production of American hemp.	Navy.....	Products processed for first sale by original producers are exempt from act.
E-14.....	Lumber.....	National American Wholesale Lumber Association requested blanket exemption for all wholesale lumber dealers from operation of art. 101 (b) of Regulation 504 defining a regular dealer.	None.....	Case closed. Amendment to art. 101 (b) makes exemption unnecessary.
E-2.....	Mattress lumber.....	For contractors requiring them to be a regular dealer.	War.....	Held a perishable and therefore not included within the purview of sec. 9 of the act.
E-9.....	Machine tool, shaper planer.	For contract for shaper planer from provisions of act.	Navy.....	Conference held after which company submitted bid in compliance with act.
E-17.....	Machine tool.....	From stipulations set forth in sec. 1 of act which seriously impair conduct of Government business in that no bid can be obtained from a manufacturer who is willing to comply therewith.	.....do.....	Request no longer active since Navy has purchased machines involved.
E-21.....	.....do.....	For machine tool from provisions of act, stating it was impossible to get satisfactory bids for performance of a contract in accordance with stipulations of the law.	.....do.....	Navy no longer having difficulty in securing these machines.
E-28.....	Paper.....	American Paper and Pulp Association requested general exemption for tour workers to maintain continuity of operation despite absence of party holding similar position in relieving crew, to be applicable to any manufacturer of paper and pulp who supplies products to the United States.	Procurement.....	Mr. Walling advised company its application for exemption of shift workers futile. Case is closed.
E-19.....	Petroleum.....	From provisions of act which caused companies to refrain from bidding on Government contracts (Inland Waterways Corporation).	War.....	No exemption necessary since act is not applicable.
K-4.....	Shipbuilding.....	For blanket exemption from act insofar as provisions would apply to repair contracts in excess of \$10,000 (Inland Waterways Corporation).	.....do.....	Held that contracts for construction and repair do not come within the purview of the Walsh-Healey Act.
E-16.....	Steel.....	Of sec. 1 of act which will seriously impair conduct of Government business and cause Navy to discharge mechanics and laborers if they cannot depend upon required continuity of steel deliveries as work progresses.	Navy.....	Since steel industry has adopted 40-hour week and Navy no longer has difficulty in obtaining steel bids, request for exemption unnecessary.
E-13.....	Steel box cars.....	From requiring bidders to comply with provisions of the act (Inland Waterways Corporation).	War.....	Labor stipulations set forth in act not applicable. Held that transaction was an open-market purchase within art. 2 (a) of Regulation 304.
E-18.....	Tires and tubes.....	For tires and tubes from provisions of sec. 9 of act under open-market purchases; requested by several tire dealers.	Procurement; transmitted without recommendation.	Conference held which resulted in tire manufacturers bidding in full compliance.
E-29.....	Zinc, slab (spelter).....	By Navy Department under date of July 12, 1937.....	Navy.....	Navy readvertised and received satisfactory bids, so need for exemption no longer exists.
70/2.....	Educational orders of munitions of war.	By War Department through Procurement under date of Nov. 16, 1938.	War.....	Procurement advised on Dec. 3, 1938, that act and regulations thereunder do not prevent award of contracts under Public, 639; therefore, further action is unnecessary.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. MAAS. Mr. Chairman, this bill has been very carefully considered and it represents the minimum requirements as recommended to us by the Navy Department and shipbuilders to expedite the shipbuilding program. We have been fortunate in the past in the fact that we had two

oceans as moats to protect us. Those oceans are of value to us only so long as we control them. As a matter of fact, the ocean is the easiest and cheapest way to transport large numbers of troops. Because of this these very oceans become liabilities if we do not control them. So unless we control the sea approaches in both the Atlantic and the Pacific Oceans, they become a liability. They are an asset

only if we can control them. In order to maintain control of them we must speed up our naval construction as quickly as possible so as to bring our Navy up to full strength.

The proposals in this bill do not in any way surrender any of the progressive advances that have been made in this country. They provide that they may be suspended, or such parts of them suspended as may be necessary, in the interest of expediting the shipbuilding program. No injustice is done to anyone. These powers of the people are not surrendered by the Congress. We grant authority to the President and in some cases to the Secretary of the Navy during the emergency to suspend the operation of certain laws. Certainly we are in an emergency at the present time as relates to the state of the building progress of our Navy. We have placed a safeguard in the bill providing a time limit on the exercise of the right to suspend these laws. Should the emergency be continued indefinitely these powers will expire in 3 years and then a new Congress may decide whether they are to be extended or not. The mere continuance of a declaration of emergency will not be enough to perpetuate the suspension of these laws.

I am going to touch on just a very few of the points. The gentleman from Georgia, Chairman VINSON, has made an excellent statement on the bill in detail. I shall merely emphasize some of the provisions of the bill.

A great deal has been said about negotiated contracts. There is every safeguard in these negotiated contracts. They are not the old wartime contracts of cost plus which was, of course, a terrible thing, and a terribly costly thing in more ways than one. These contracts are cost plus a fixed fee. The experts in the Navy Department will estimate the cost of a project, and then the fee will be based upon 6 percent of that estimated cost on the progress of the work as determined by the Navy Department.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. COLE of New York. The gentleman is referring to the provision contained in the second bill concerning the construction of operating basis rather than this question of negotiated contracts.

Mr. MAAS. The gentleman is correct; I had that in mind.

Mr. COLE of New York. That is in the bill to follow. These contracts are subject to the 10-percent limitation.

Mr. MAAS. That is right. These are the 10-percent contracts under the Vinson-Trammell Act, which limits profits. There is no danger that they are going to run away with any profits because the Government is going to get it all back in some other form of tax anyway; you know that. Nobody is going to nor should make very much money out of war contracts nowadays.

Mr. DARDEN of Virginia. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. DARDEN of Virginia. Before the gentleman concludes would he be so kind as to give us his views of the possibility of keeping open the Panama Canal for the use of the fleet in either ocean during a time of emergency?

Mr. MAAS. Yes; I shall be pleased to. I think the gentleman knows I have always been apprehensive about the Panama Canal.

Mr. DARDEN of Virginia. That is the reason I asked the question. I would like to hear the gentleman's views on that.

Mr. MAAS. The gentleman from Virginia and I were down there recently and made a personal study of this matter. I am frankly apprehensive about the Panama Canal. That is why I have advocated for years that we have two fleets. We are a two-ocean nation, we have two oceans to defend. Our entire defense policy today is dependent upon the uninterrupted transit of the fleet through the Canal, or the availability of uninterrupted transit through the Canal. There are many things that can make that impossible: The destruction of a lock, the destruction of the Canal at any point, or an air attack, and the grave danger, of course, of sabotage.

I do not believe that we are going to be threatened in either ocean, as a matter of fact, unless we are threatened in both at the same time, in which case whether the Canal is open or not, we should have two fleets, one in the Pacific and one in the Atlantic, both capable of the mission for which they would be required, that is, the defense of our territorial and hemisphere waters in both oceans. We are in a precarious position even with all of the present authorized strength of the Navy if we could build it up at once, and certainly to do less than that would be national suicide. This is the least we can do, and I hope that this Nation will show its responsibility in this regard and then will continue to build its naval strength until we have a fleet in both oceans.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. MAAS. I yield.

Mr. HOFFMAN. Where is our Navy now?

Mr. MAAS. It is in the Pacific.

Mr. HOFFMAN. What protection have we in the Atlantic now?

Mr. MAAS. Such protection as can be afforded by the Atlantic squadron, which is inadequate, of course, to meet a hostile naval force, and such protection as we have temporarily by reason of the fact that the other nations with European navies seem to be engaged in a war at the present time that will keep their fleets in Europe. But when that is over we may find ourselves in a very different and critical position.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. MILLER. Not exactly on the same subject, but could the gentleman tell us whether any study has been made recently in view of changed world conditions as to where the line will be drawn between the part the Navy air service and the Army air service will take in coast defenses?

Mr. MAAS. This bill does recognize a change in that regard. Heretofore there has been a sort of unwritten agreement and understanding between the Army and the Navy that the Navy was to go to sea and their flying was to be done over the water, although they might be land-based for the purpose of their patrol planes. The Army was to do the actual flying for the defense of the coast itself. The mission of Navy planes was to be only far out at sea. That has been changed. It has become necessary for the Navy to provide some of its own protection for its bases with its own fighting craft based on shore, and the old relationship will be very materially changed, in my opinion, from now on.

Mr. MILLER. Study is being given to that currently?

Mr. MAAS. Yes; it is being given close attention now. I think the old arrangement has to be abandoned. It is not practical because when the Army is once given a mission, it may have to concentrate its entire air force in a given theater and leave the Navy bases unprotected; in that case, the Navy will have to provide its own protection; therefore, the protection must be under the same control that operates the forces themselves, that is, the Navy. Similarly, the Army will also be prepared to fly out to sea when the Army's mission requires such support, and at the moment the Navy is unable to supply it.

Mr. DWORSHAK. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Idaho.

Mr. DWORSHAK. The gentleman has referred to the placing of contracts under the proposed legislation without competition and spoke of the limitation of profits. Is the proposed plan comparable to the cost-plus system which prevailed during the last World War?

Mr. MAAS. No.

Mr. DWORSHAK. What is the difference?

Mr. MAAS. The cost-plus system during the World War guaranteed a profit based on cost and the higher you could run your cost the higher you would run your profit. That is not involved in this legislation at all.

Mr. COLE of New York. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from New York.

Mr. COLE of New York. The cost-plus contracts guaranteed a profit, while there is no guaranty of profit in here.

Mr. MAAS. Yes. The war contracts were on a cost-plus basis with a guaranteed profit. There is no such guarantee in this bill at all.

Mr. SHANLEY. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Connecticut.

Mr. SHANLEY. If the Mississippi River divided the United States into two nations, each of those nations would have a separate fleet on either ocean?

Mr. MAAS. Yes.

Mr. SHANLEY. Of course, the Mississippi River divides a united nation, but that does not change the necessity for having a fleet in both oceans?

Mr. MAAS. The gentleman is absolutely right. I have been advocating two fleets for a long time and I think the day is not far distant when we will see two fleets, one in the Atlantic, and one in the Pacific.

Mr. HOFFMAN. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Michigan.

Mr. HOFFMAN. How long would it take to get our fleet home from Pearl Harbor? That is where it is now.

Mr. MAAS. It is somewhere in that vicinity.

Mr. HOFFMAN. How long would it take to get that fleet home?

Mr. MAAS. What does the gentleman mean by "home"?

Mr. HOFFMAN. New York.

Mr. MAAS. It depends on whether they would go through the Panama Canal or not.

Mr. HOFFMAN. In either case, around or through. I am sure the gentleman can tell me either way.

Mr. MAAS. I could tell the gentleman. I could give him a figure that would be approximate at least.

Mr. HOFFMAN. All right, but give me a guess anyway.

Mr. MAAS. You could get the fleet to New York in 3 weeks, though the regular time under normal conditions is 4 weeks. The distance through the Canal is over 6,600 miles.

Mr. HOFFMAN. And around?

Mr. MAAS. Around where?

Mr. HOFFMAN. Oh, around South America.

Mr. MAAS. It would normally take 8 weeks to go around the Horn of South America. Under forced draft it could be done with favorable conditions in six and a half weeks. The distance from Honolulu to New York around the Horn is about 13,500 miles.

Mr. HEALEY. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Massachusetts.

Mr. HEALEY. Does the gentleman think that section 2 of the act, which provides that these contracts may be negotiated without competition, will mean that substantially all this material will be acquired by the Navy in that manner?

Mr. MAAS. I think it probably will be, and if it becomes necessary in the expedition of this program to acquire it that way, I think the materials should be acquired that way. Time is the essence of this problem. We ought to stop talking and look at what has been going on in Europe. They have been talking for years. Now look at them. What we want is some action in this country. [Applause.] England and France would not be in the position they are today if they had done a little something instead of talking for 5 years. I hope that our talking period is over in this country and that it will be action from now on.

Mr. CRAWFORD. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Here is a copy of a bill which is now being considered by the Banking and Currency Committee. This bill clearly proposes to have the R. F. C. create new corporations, Government corporations, which in turn are to go out and build plants, acquire raw material, bring together their working capital and start production. Why in the name of heaven do we not use the idle plant capacity now available in this country?

Mr. MAAS. I cannot argue with the gentleman about that, because I agree with him. I think we ought to find

a way to use both our idle labor and our idle plants, and it can be done.

Another provision in this bill would permit the Secretary of the Navy to administer the 10-percent profit limitation act as it relates to naval contracts in order to encourage plant expansion. Mr. Chairman, we are bottlenecked in a number of ways. One is in reference to plant facilities that now exist, and if we are going to get these companies to expand their plants, we must permit them to charge the legitimate cost of that plant expansion into their contracts. If we do not permit them to do so, they are not going to expand and the whole plan of speeding up the building of the fleet will be defeated.

Mr. CELLER. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from New York.

Mr. CELLER. I have before me the act approved May 17, 1938, which has provisions in it exactly like the pending naval bill of 1940. The 1938 act specifically provides that the Walsh-Healey Act shall apply. All of the construction authorized by these two bills and all subsequent construction are by competitive bidding. By the very terms of the Walsh-Healey Act, namely section 9 thereof, the provisions of the Walsh-Healey Act applies, but such terms do not apply in cases of negotiated contracts, that is, when there is no competitive bidding. How does the gentleman reconcile the assertions made repeatedly here that the Walsh-Healey Act applies to the provisions of the pending bill? The gentleman from Georgia says the sections of the 1938 and 1940 naval construction bills concerning the Walsh-Healey Act apply to the pending bill. I say they only apply when the bidding is competitive.

Mr. MAAS. It does apply except as provided in the exceptions, and those exceptions are necessary. I want to remind the gentleman that Germany is not winning this war with a 40-hour week.

Mr. CELLER. I agree with the gentleman. That does not answer my question.

Mr. MAAS. That is what has happened to France and England. If we have to work 48 or 58 hours or even more to save our democracy, we are going to work that long. [Applause.]

Mr. CELLER. I am not objecting to that.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That whenever in the opinion of the President of the United States such course would be in the best interests of national defense during any national emergency declared by the President to exist, the Secretary of the Navy is authorized to advance, from appropriations available therefor, payments to contractors in amounts not exceeding 30 percent of the contract price, upon such terms as he shall prescribe, and he shall require adequate security for the protection of the Government for the payments so made. He is further authorized in his discretion to make partial payments on the balance of the contract price from time to time during the progress of the work, such partial payments not to exceed the value of the work already done, but to be subject to a lien as provided by the act of August 22, 1911 (37 Stat. 32; U. S. C., title 34, sec. 582), entitled "An act authorizing the Secretary of the Navy to make partial payments for work already done under public contracts": *Provided*, That the Secretary of the Navy shall report to the Congress at the beginning of each regular session the advance payments made under the authority of this section.

Mr. COLLINS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the Washington Times-Herald of today we find an article which reads as follows:

PLANES CARRYING 30-TON TANKS CALLED HITLER'S SECRET WEAPON

NEW YORK, May 27.—The secret weapon which Germany plans to use in attacking England was described at Roosevelt Field today as a huge type of airplane, capable of carrying a 30-ton tank.

The gigantic German plane, not yet used in the war, has been manufactured in large numbers in a factory in Germany's Black Forest, according to the Roosevelt Field informant. He is a German, now living in this country, whose home for a time was near the Black Forest.

The tank-carrying ships, of which 200 were said to have been completed before the war began, have a wing spread of 200 feet and are equipped with 4 motors of 1,200 horsepower each, the German said.

The fuselage is really a massive shell with a trap door in the bottom, through which the tank is placed aboard. The inside of the fuselage is equipped with fittings for anchoring the tank during flight.

Aeronautical engineers at Roosevelt Field said it would be possible for a plane of the size described to carry a 30-ton tank.

Mr. Chairman, the tank-carrying plane is not a secret weapon. A composite drawing of a plane carrying a tank has been hanging on the wall in my office for 8 or 10 years. My military friends have considered it a fantastic idea, but European countries have found that new weapons of this and other types are a threat to their very existence.

We in this country must change our military technique. Modern manufacturable implements are our chief need of the moment. [Applause.]

GEN. BILLY MITCHELL

Mr. RANKIN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I agree thoroughly with the statement of my distinguished colleague the gentleman from Mississippi [Mr. COLLINS] on the subject of mechanized equipment. We see what it is doing in Europe today.

For many years it has been my contention that we ought to have a more adequate air force. We must prepare to defend America against all probable enemies, now and throughout the generations to come.

I was here when Gen. Billy Mitchell announced to the world that he could sink any naval vessel from the air. They defied him to prove it by demonstration. They put on the demonstration I believe in Hampton Roads, and he proved every statement he made. Finally they said, "Oh, well, these are small vessels you are sinking. Suppose we had a real war vessel." Well, they had one, the *Ostfriesland*, the largest German vessel captured by us during the World War. They agreed to put on a test to see whether or not he could sink that vessel, and strange as it may seem, they set the very day for that bombing contest for the day we had set to vote on the Fordney-McCumber tariff bill, so that neither Democrats nor Republicans could afford to leave Washington to witness the results.

However, there was an ex-Congressman living at Congress Hall at that time who did go, and when he came back he said to me:

This is a world-changing event.

I do not know how much truth there is in what he said, but I am going to give you his statement to me. He said:

I was about 2 miles from the *Ostfriesland* when the bombing began. They were dropping 2-ton bombs—

I believe he said—

The first one missed the *Ostfriesland*. The next one went right down by the side of it and exploded.

It blew a hole in the side of it into which you could roll a house. The vessel turned over on its back, the water rolled over it about 4 feet deep, and the next plane that came over dropped a bomb right on top of it, and we never saw the *Ostfriesland* again.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. Does not the gentleman recall that the *Ostfriesland* was one of the ships that had been built by Germany with the view of making them unsinkable?

Mr. RANKIN. Yes; it was one of Germany's boasted unsinkable vessels.

I said to this gentleman, "How long did this bombing contest last?" He said, "About 20 minutes." In 20 minutes they destroyed the pride of the German Navy, with three bombs from an airplane, just what General Mitchell told them he could do.

As a result of General Mitchell's activities and his criticism of our unpreparedness, our lack of national defense, he was finally court-martialed and driven from the service. He went down to his grave with a broken heart. The time will come when the American people will erect a monument to

him for his contribution to our national defense and for warning us in time.

I sincerely trust that this program will go through and that every dollar of this money will be so spent as to make our country so strong that no nation, or set of nations, will dare attack us. [Applause.]

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, when I came here in 1923 as a new Member, one of the Members who were in this body at that time and who had preceded me in his membership in this body was the gentleman from Mississippi [Mr. COLLINS]. I recall that in 1930 when the Democrats took control of the House and in 1931 and 1932 the gentleman from Mississippi [Mr. COLLINS] was chairman of the Subcommittee on War Department Appropriations. I remember well the various speeches he made during those years, and I opposed them as did many other Members. I am frankly admitting now that the gentleman was right on that occasion and I was wrong. The gentleman was making speeches for a mechanized Army. He wanted a mechanized Army so that our country would be prepared for defense and would be prepared to inflict punishment on any nation or combination of nations that might wage war upon us.

The gentleman was years ahead of his time. He was a lone voice with very few in those days supporting him. He was attacked throughout the country, and I was one of those who misunderstood the gentleman, and in my misunderstanding took a position opposite to his, and in my misunderstanding unintentionally and unconsciously became one of those who criticized him. I am pleased to say, in view of what is happening abroad, that the gentleman from Mississippi [Mr. COLLINS] was absolutely correct; he was years ahead of his time; and I am pleased to make these few observations to give credit where credit is due. So far as this country is concerned, the gentleman from Mississippi [Mr. COLLINS] is the first American citizen, certainly the first Member of Congress, that I know of, in my time and during my years of experience, that advocated what is now apparent to all of us, a powerfully mechanized Army, Navy, and air force, in order to assure adequate defense of our country. [Applause.]

The Clerk read as follows:

SEC. 2. That whenever deemed by the President of the United States to be in the best interests of the national defense during any national emergency declared by the President to exist, the Secretary of the Navy is hereby authorized to negotiate contracts for the acquisition, construction, repair, or alteration of complete naval vessels or aircraft, or any portion thereof, including plans, spare parts, and equipment therefor, that have been or may be authorized, and also for machine tools and other equipment, without competition: *Provided*, That he shall determine the price to be fair and reasonable: *Provided further*, That the Secretary of the Navy shall report to the Congress at the beginning of each regular session the contracts entered into under the authority of this section.

With the following committee amendment:

On page 2, in line 21, after the word "competition", insert "and all orders for such machine tools and other equipment shall, in the discretion of the President, take priority over orders for export."

The committee amendment was agreed to.

Mr. HEALEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEALEY: On page 3, line 2, after the period in line 2, insert the following: "*Provided further*, That contracts negotiated by the Secretary of the Navy pursuant to the provisions of this section shall not be deemed to be contracts for the purchase of such materials, supplies, articles, or equipment as may usually be bought in the open market within the meaning of section 9 of the act entitled 'An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes,' approved June 30, 1936."

Mr. HEALEY. Mr. Chairman, section 2 of this bill authorizes the Secretary of the Navy to negotiate contracts for the purchase of materials and supplies without competition. The Walsh-Healey Act provides in section 9 that such articles as may be purchased on the open market are exempted from the provisions of that act. Therefore, if

this provision in this bill is permitted to stand as it is written, the practical effect will be to suspend the application of the provisions of the Walsh-Healey Act to the purchase of the materials that are enumerated in this section.

Now, Mr. Chairman, the amendment which I have introduced will still permit the Secretary of the Navy to negotiate for these supplies without competition, but will take such supplies out of the category of open-market purchases and will permit the provisions of the Walsh-Healey Act to apply to such purchases.

As I stated a while ago, the President of the United States in his broadcast on Sunday said that this emergency—or this program that we are about to embark upon—should not be permitted to break down the social advances we have made or to destroy the protective laws that we have enacted for the benefit of labor. The Walsh-Healey Act, back in 1936 when standards affecting labor were on a downward spiral, when sweatshops and cutthroat competition were everywhere prevalent, was enacted to remedy such conditions insofar as Government purchases were concerned. That was the policy as enunciated by the Congress of the United States, and since the passage of that act millions of dollars of contracts have been filled under decent labor standards, and there has been little complaint about the administration of the act. But now those who seek to attack all labor laws, who have long been engaged in an assault on all laws affecting labor, are using this emergency program as an excuse for weakening this act.

Mr. Chairman, the act itself, as I explained before, takes care of emergencies by permitting the Secretary of Labor in the event of an emergency to suspend its provisions whenever public policy so requires.

Do not forget, Mr. Chairman, that that act also provides against the employment of child labor and convict labor, safeguards to which I submit we ought to cling. If this amendment is adopted, it will not impede the expeditious start and completion of the work contemplated under this bill.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. The gentleman is the author of the Fair Labor Standards Act which bears his name and I would like to ask him if in his judgment an amendment such as he has offered is necessary in order to maintain the provisions of the Walsh-Healey Act.

Mr. HEALEY. In my judgment it is absolutely necessary.

Mr. VINSON of Georgia. With reference to the hours of labor?

Mr. HEALEY. With reference to the hours of labor as well as the other provisions.

Mr. VINSON of Georgia. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CELLER. Mr. Chairman, I rise in favor of the amendment. I yield to no man in my desire to have the strongest possible Navy, and I yield to no man in my desire to have that strongest possible Navy built as quickly as possible. I am not an obstructionist, and I am not going to be used as a scapegoat because I seek clarification and clearing up of uncertainties in the bill. I want clarification of the bill concerning labor's banner provisions as embodied in the Walsh-Healey Act. There are grave doubts in the bill. We do not know whether the Walsh-Healey Act applies or does not apply wholly or partly. Portions of the Walsh-Healey Act undoubtedly do apply, particularly with reference to wages and hours, but there is no Walsh-Healey enforcement machinery with reference to wages and hours in the pending bill. The Walsh-Healey Act provides excellent enforcement machinery. What is the workman going to do if he is denied time and a half wages under the provisions of this act? He is relegated to his common-law remedy in the courts, and what defenseless laborer is going into the courts

to fight these giant shipbuilding corporations? No laborer is going to risk his job to do that. The Walsh-Healey Act provides enforcement machinery and, in a word, says that the Secretary of Labor, where there is such violation of the wage and hour question, may withhold from the contractor, from the shipbuilding concern, proceeds from the contract to the extent of the wages that are due the workman which have not been paid him. That is why I am anxious to have a categorical statement put into the Record by the chairman of the committee to the effect that the Walsh-Healey Act applies.

It is not sufficient to say that it applies only with reference to the number of hours and time and a half overtime. We want the other provisions of the Walsh-Healey Act inserted and made applicable, and I say that particularly because of what the President said Sunday night, that he does not want subtracted from labor one iota of the benefits heretofore created for it, and I say that because of what the distinguished chairman of the committee himself said, to the effect that we should not attempt to take away any of the rights heretofore granted to labor.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. In just a moment. The gentleman from Georgia [Mr. VINSON] states that in the act of 1938, as of May 17, and in the pending similar naval bill of 1940 there is a provision that all construction and alteration and furnishing and equipment of any naval vessel authorized by those acts or for any ships the keels of which are laid down subsequently, shall be affected by the Walsh-Healey Act, and the Walsh-Healey Act shall apply, but he fails to tell you that the Walsh-Healey Act by its terms provides that where there is no competitive bidding and contracts are allocated and negotiated, then the Walsh-Healey Act does not apply, so that it avails us nothing to cite these acts of 1938 and 1940—the latter pending—which provide, of course, the Walsh-Healey Act applies to all the ships covered by those acts, since they provide for competitive bidding. The chairman fails to point out that distinction. He fails to tell you that all construction under those acts, unlike under the pending bill, involves competition. For that reason it is well to clarify the situation and say what we mean, that it does not apply. Let us, therefore, remove the joker in the bill. The pending amendment does just that. The Navy Department has repeatedly opposed before our Judiciary Committee the Walsh-Healey Act and amendments thereto. They want no Walsh-Healey provisions in the pending act. That is the sum and substance of it all.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOOK. Mr. Chairman, I rise in support of the amendment. It may be refreshing in these days of strife and turmoil, to review a little of what happened in Europe. After the World War, Germany, of course, seemed to be crushed. A republic arose. As the economic condition of the German people became worse, the Communist organization and communistic philosophy found it a fertile ground to plant the seeds that have finally brought forth dragon teeth. Communism became rife. It was the order of the day. Then they fought communism with destructive capitalism. Capitalism went into Germany and took charge, to fight communism. The result was that capitalism then prevailed, but it was destructive capitalism. Then this creature called Hitler came into the picture with his Nazi godless element of force and revenge, with the help of destructive capitalism, took charge of a people tired in body and broken in spirit because of the economic condition they labored under.

The first thing that Hitler did after he was placed in power was to wipe out all labor unions and all social legislation. When this was accomplished he then outlawed all political parties excepting the National Socialist Party. Little by little through murder and fear, he gained complete control. The next move was to wipe out the capitalistic system and set up a totalitarian dictatorship which controls the body and souls of men and women. He wiped out all religion and all freedom for the individual.

We talk about preserving democracy. The only way we shall preserve democracy is to preserve the capitalistic system. You cannot preserve the capitalistic system by allowing destructive capitalism to crush labor. Labor and the capitalistic system must go hand in hand. Industry and labor must cooperate in the interest of national defense.

The capitalistic system which I refer to is the system of free competition. The chance of American youth to compete in everyday life. A chance to rise from the bottom to the top depending on his individual initiative, character, and ability. His right to free speech, free press, to worship God according to the dictates of his own conscience. Democracy is born in the hearts and minds of people. That spark so born can only be preserved if we preserve our individual rights. Individual rights can only be preserved by fair competition in industry, in agriculture, and labor. May God grant that we will rise as one in support of our President and create a military-defense program that will be able to meet any threat to our freedom or our Nation. However, in doing that we must consider that we must keep the things that are worth while defending. Let us keep America as we know it, as we love it. Let not any "fifth column," be it Nazi, Communist, Fascist, or destructive capitalism interfere with the preparation of a defense of our shores.

By destructive capitalism I mean the industrialist who is the chiseler. Ninety percent of the businessmen and industrialists of this country are honest, conscientious men and women, but about 10 percent of them are chiselers or destructive capitalists. It is that 10 percent that we must fight and guard against. They drag honest industry down to their level in order to compete, and the laboring man must pay. In the interest of the defense of America, in the interest of national defense, do not lower the standards of living or sabotage the social legislation that has been placed in our laws.

The laboring man was not wanting at any critical point in our history. He will gladly give his all for his country. He is an integral part of the national defense. Be fair to labor and labor will be fair to you. I know that working together we need fear no enemy either foreign or domestic.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. VINSON of Georgia. I wish the gentleman would point out where we are trying to crush labor by any provision in this bill.

Mr. HOOK. I am not saying that you are trying to crush labor by this bill. I am saying that we should not in any way let the bars down on the Walsh-Healey bill.

Mr. VINSON of Georgia. All right; now let us get down to facts, let us talk intelligently about this. Point out now where this bill lets down the bars of the Walsh-Healey bill or where in any particular this bill would crush labor. The gentleman is making these accusations. He should be able to justify them. Let us see what he says.

Mr. HOOK. All right. Let me ask the gentleman this: Why not accept the amendment just offered? Will it hurt the bill to accept the amendment?

Mr. VINSON of Georgia. Yes; and I will explain why.

Mr. HOOK. Then, if it hurts the bill to accept the amendment there must be some effect with regard to the Walsh-Healey Act. I am asking the gentleman why he is not willing to accept this amendment if the bill does not affect the Walsh-Healey Act.

Mr. VINSON of Georgia. The gentleman is making a speech and is advocating that this amendment should be adopted for various reasons. I have asked him a question, and I submit that he should furnish the House with the foundations for his statement instead of by innuendo saying that those who oppose the amendment are trying to wreck labor.

Mr. HOOK. But we protecting labor must in every way guard its interests.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. HEALEY. The gentleman from Georgia asked the gentleman from Michigan how it would affect the bill. I think I have explained the amendment. I have explained that under the provisions of section 2 of this bill the Secretary of Labor may acquire these supplies by negotiation and without competition. Section 9 of the Walsh-Healey Act exempts open-market purchases. Those can be purchased in the open market under the terms of this bill. Therefore it would not be affected.

Mr. VINSON of Georgia. How does that affect labor?

Mr. HEALEY. Because the hour and wage provision of the Walsh-Healey bill would not apply.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope this House will bear in mind the objectives of this bill. The main objective of this bill is to cut red tape and to get down to the business of building ships. That is the main objective. [Applause.] If you want to accomplish that, accept the work of the committee. After 2 weeks' hearings the Committee on Naval Affairs brought in a bill that is technical in a great many details, and we are asking this House now to go on record whether it wants to do one of two things, and I use the word advisedly because it is correct—to let the clumsy fist of the administrator of the Healey-Walsh Act to continue to impede shipbuilding or not?

What happened? Mr. Metcalfe Walling, the administrator, ever since this bill now before the Committee was proposed, has been trying to horn in on it. He has been down to the Navy Department every day and has called my office time after time. I pointed out to him that there was not any suspension, as far as labor was concerned, by any provision of this bill against his rights under the Healey-Walsh Act. He said, "You provide time and a half for overtime, but who is going to administer that?" He said, "We want to administer it to see that the laboring man gets his time-and-a-half overtime."

Now, that is what they are driving at—that is the whole thing. They want to put these negotiated contracts under the provisions of the Healey-Walsh Act so Mr. Walling can see that the laboring man gets his time and a half overtime. The law of self-preservation, one of the first laws of Nature, will take care of that. Every union will see that every man who works overtime gets his time and a half pay.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. No; not now. That is at the bottom of the whole thing. Here is an amendment which was submitted to the Navy Department and the Navy Department rejected it. I am asking this House now to show to the American people that it means business by cutting red tape to build these ships in the shortest possible time—by adopting this bill just like this committee has written it. [Applause.]

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

The Clerk read as follows:

SEC. 3. The President of the United States is hereby authorized during any national emergency declared by him to exist to suspend, with respect to naval contracts, the provisions of the act approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35-45), whenever, in his judgment, compliance therewith would be prejudicial to the national defense.

With the following committee amendment:

Strike out all of section 3.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 4. The provisions of section 3 of the act of March 27, 1934 (48 Stat. 505), as amended by the acts of June 25, 1936 (49 Stat. 1926), and April 3, 1939 (53 Stat. 560; U. S. C., Supp. V, title 34, sec. 496), shall, during the period of any national emergency declared by the President to exist, be limited to contracts or subcontracts where the award exceeds \$25,000.

With the following committee amendment:

Page 3, line 10, strike out the figure "4" and insert in lieu thereof the figure "3."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 5. During any national emergency declared by the President to exist the decision of the Secretary of the Navy as to the necessity and the cost, including the proportion thereof to be charged against the particular contract, of special additional equipment and facilities required to facilitate the completion of any naval vessel or aircraft, or parts thereof, in private plants shall be final, subject to review only by the President and the Federal courts. This decision may be made at any time after the contract is awarded if in the judgment of the Secretary of the Navy sufficient data are available to permit of reasonable accuracy: *Provided*, That the Secretary of the Navy shall report to the Congress, at the beginning of each regular session, the cost of such special equipment and facilities to be borne by the Government under each contract.

With the following committee amendments:

Page 3, line 17, strike out "5" and insert "4."

Page 3, lines 23 and 24, strike out the words "review only" and insert in lieu thereof the word "approval."

Page 3, line 24, after the word "and", insert the words "review by."

The committee amendments were agreed to.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe that every Member of the House shares the desire to promote the program of national defense. I know I do. I think it of great importance, however, that we consider this whole question as carefully, calmly, and deliberately as is possible for us to do. There is also importance, in my opinion, in having some of us rise in our place from time to time to ask questions in order that we may understand and in order that insofar as possible we may work this thing out in a way that is going to be fair and just to everybody. I prepared an amendment to this section which I showed to the chairman of the Committee on Naval Affairs. He told me if the amendment were adopted it would seriously cripple the program, and therefore I have not offered the amendment, but I want to ask some questions regarding it.

As I understand this section, it means that the Secretary of the Navy may make arrangements so that if a contract is given to somebody to furnish a ship or equipment for the Navy, and if that manufacturer does not have the necessary equipment, the ways, or what not with which to do the job, then the cost of such equipment or facilities can be made a part of the contract price and hence paid for by the Government. It seems to me that if the Government is to pay for such facilities on the ground that it is important to national defense, then they ought to belong to the Government.

My question is, Why is that not reasonable, and does the Government of the United States have any protection against going out and literally paying for plant equipment and then giving it away as a free gift to some private manufacturer?

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. The gentleman is absolutely correct. If the Government puts up money to aid a shipbuilder in building or carrying out his contract, and pays for the additional ways or machine tools, by some agreement entered into between the Government and a shipbuilder, the property would naturally belong to the Government.

What happens is this: Some big shipbuilding company or a small shipbuilding company makes a bid for a contract. The Government enters into that contract for the construction of a vessel. The shipbuilder says, "We can not build this ship immediately because we have not the money to put up a ways upon which it can be constructed." Then the Navy Department says, "We will advance to you \$2,000,000 or \$3,000,000, and we will charge it against that contract or we will amortize it over a period of years in which you will have other contracts coming in." Of course, if the shipbuilder charged it all against the first contract and he

got subsequent contracts, then his subsequent contracts must be reduced the amount that it cost in the first instance. So there is no need or necessity of saying that the property will belong to the Government because the contract that the Government will make, when it advances the money, will take care of those situations.

Mr. VOORHIS of California. Then, as I understand the gentleman, in cases where the Government advances that money it would pay that much less to the builder?

Mr. VINSON of Georgia. Why, certainly. For instance, in the appropriation now there are more than \$6,000,000 provided to be spent over here in a steel plant. If that \$6,000,000 were to be charged in the first instance against the armor, when the next contract comes along, having had an expenditure of \$6,000,000 in the first instance, we are entitled to a reduced price by \$6,000,000.

Mr. VOORHIS of California. I thank the gentleman.

Mr. MAGNUSON. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Washington.

Mr. MAGNUSON. I have just come from attending a hearing—and if the ship contractor keeps these tools, then the Comptroller puts a value on those tools and about how much in value they have lost. If you think they can get anything out of them, you go and attend one of these hearings and listen to what the Comptroller General says about cutting the amount down.

Mr. VOORHIS of California. There is one more thought that I have in connection with this matter. I am glad to note in today's press that it has been decided to hold Congress in session at least until a tax measure has been passed. Some of us have been advocating that for a long time. And I want to say once more that the most logical, the most just, the most appropriate tax that could and should be levied now is a tax on excess profits resulting from the war and national-defense situation. Such a tax will place the burden on those who benefit from this present tragic situation and will not place it on those many people and industries whose business has been crippled by it. For my part, I think I would have us begin with ourselves and go right down the line with a tax program that will put us on as nearly a pay-as-you-go basis as possible.

[Here the gavel fell.]

The Clerk read as follows:

SEC. 6. Notwithstanding the provisions of any other law the regular hours of labor for employees of the United States Government, and of contractors and subcontractors, when such employees are engaged in work in connection with naval vessels or aircraft or parts thereof or other work incidental thereto, shall, during the period of any national emergency declared by the President to exist, be a 5-day week of 8 hours per day and 40 hours per week: *Provided*, That these hours may be exceeded and that such employees shall receive compensation for their employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which they are employed: *Provided further*, That such compensation for overtime shall apply only to per diem, hourly, professional, and subprofessional employees and to blue printers, photostat and rotoprint operators, inspectors, supervisor planners, estimators, and progressmen and assistants to shop and plant superintendents of the C. A. F. service, all as defined by the Classification Act of March 4, 1923 (42 Stat. 1488; U. S. C. 5, ch. 13), as amended, and by the classification rules of the United States Civil Service Commission in the case of Government employees; and to similar classes of employees of contractors and subcontractors: *Provided further*, That in determining the overtime compensation of per annum Government employees the pay for one day shall be considered one three-hundred-and-sixtieth of their respective per annum salaries: *Provided further*, That the hours of labor in any one week shall not exceed 48 unless the President shall declare it necessary in the interest of the national defense: *Provided further*, That the President of the United States is authorized to suspend during the period of any national emergency declared by him to exist, the provisions of the act of March 3, 1931 (48 Stat. 1482), if in his judgment such course is necessary in the interest of the national defense: *And provided further*, That the Secretary of the Navy is authorized to modify existing contracts accordingly.

With the following committee amendments:

Page 4, line 7, strike out "6" and insert "5."

Page 4, line 22, strike out "rotoprint" and insert "rotaprint" and strike out "supervisor planners" and insert "supervisory planners and."

The committee amendments were agreed to.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 5, line 18, at the end of section 5, add a new section to be known as section 5 (a) to read as follows:

"Sec. 5 (a). Notwithstanding the provisions of this act and notwithstanding the provisions of any other law, the provisions of the National Labor Relations Act shall not be applicable to nor shall the jurisdiction of the National Labor Relations Board extend over any activity undertaken under this act."

Mr. VINSON of Georgia. Mr. Chairman, I make the point of order that the amendment is not germane.

The CHAIRMAN. Does the gentleman from Michigan [Mr. HOFFMAN] desire to be heard?

Mr. HOFFMAN. Yes. This amendment falls under the same rule that covers the other exceptions, for instance, the one beginning on page 4 reading "notwithstanding the provisions of any other law." In fact, it is copied from that. The only difference is a change in the name of the act.

The CHAIRMAN. Does the gentleman from Georgia desire to be heard?

Mr. VINSON of Georgia. No.

The CHAIRMAN. The Chair is of the opinion that the amendment offered by the gentleman from Michigan [Mr. HOFFMAN] has reference to the subject of the requirement relative to the appointment of labor, and therefore is germane. The Chair overrules the point of order.

Mr. HOFFMAN. Mr. Chairman, I have three amendments. I do not propose to talk on all of them separately, but I ask unanimous consent to proceed at this time for 10 minutes so that I may discuss the principle involved in all of these amendments.

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

There was no objection.

Mr. HOFFMAN. Mr. Chairman, whatever may be said about Hitler one fact remains, that he is efficient. We cannot dispute that. Most of us know how he prepared for this war. He did not have any Walsh-Healey Act; he did not have any Wage and Hour Act; he did not have any N. L. R. A., and some way he got along without an N. L. R. B. The fact also remains that if we have now an emergency, the man who is threatening us is Hitler, and it does seem that it would be no more than common sense and prudence for us, if we do not care to copy all of his methods—and I am sure we do not, at least no more than we must—to take into consideration how he achieved his present powerful position, to note what made him so powerful that no nation has as yet been able to resist his armed forces. It might be well for us to consider how he got his tanks and how he fabricated his airplanes and his bombers. Perhaps we can learn something from him. We failed to follow the advice of the gentleman from Mississippi [Mr. COLLINS], to whom that fine and well-deserved tribute was just paid today by the gentleman from Massachusetts [Mr. McCORMACK], but we might now profit, if we want to, from what Hitler has done by adopting at least some of his decent methods of production, of preparedness.

This is not a bill to end the depression; this is not a bill to regulate wages and hours; this is a bill, the sole purpose of which is to enable us to meet whatever hostile force may come. It is essential for us, so we have been told and we must perforce accept that statement, to have planes and tanks and guns and munitions and transportation and communication. We must have them. What is the easiest and most efficient way to get them?

If war comes to our shores, it is not going to be a 40-hour-a-week war, nor will any man fighting that war get time and a half overtime pay. That is not the kind of a war that Hitler is waging across the seas. We were advised today that shortly we are to have a new tax bill, and I think we should begin to pay as we spend. I think this Congress should have the courage to put through a tax bill. If we are going to have a new tax bill, and some day we must have one, and if our people are to be taxed, as they will be, to the utmost of their ability to pay, then why should we in this bill limit

production by retaining and making applicable to the working of this bill provisions in other laws which have to do with limiting hours? Do you suppose the American workingman—and no one questions his patriotism, his willingness to serve, or his willingness to give—is today thinking about time and a half or a 40-hour week? His leaders, his organizers, labor politicians, and those who profit by a labor vote, may be thinking of those things, but the American workingman is thinking about how he can do his utmost to contribute to this program. He is not working for time and a half, or rather, he will not be working for time and a half when this program goes into effect. He will not be working for a minimum week or because of a minimum week. He will be working because he wants to prepare to protect his home and his family as well as his Nation. That is what he will be working for.

How can you get production? Oh, you are going to draft the factories, you are going to draft the industrialists. Fine; go ahead. And when you have the factories, when you have the chief executives, undoubtedly those men will cooperate; but neither the factories nor the executives nor the two combined can give us production. You have to have labor and you have to have harmony to do that, but how are you going to get it with outsiders interfering all the time?

Remember Steel? You have the Labor Board over here. Are they interested in production? Have they ever been interested in production? No; not since the day they took office have they cared about production. What do they do? They are interested as the organizing agent for the C. I. O., which, as William Green recently said, has altogether too many Communists in key positions.

You can only judge of the future by remembering what has been done in the past. On the 2d day of June 1937 there was a prospect of trouble down at Pittsburgh in the steel mills. Move it ahead and put it this June, or put it next June, in 1941, if you will, and you can visualize what might happen to us. Then there was a prospect of trouble down there. It could all have been ironed out with the right kind of men in charge, with the right kind of men giving advice, but what happened? The secretary of the Labor Board, Nathan Witt, went down to Pittsburgh on the 2d day of June in answer to the call of C. I. O. officials, and there he met the general counsel, Lee Pressman, and Phil Murray, the vice president, and, according to the records of the Board—not according to the testimony of some industrialists, not according to the testimony of some labor spy, but according to the records of the Labor Board—his visit was in answer to the call of the C. I. O. He instigated the strike, which held up production, and the controversy was not decided for 2 years and 8 months.

My point is this: If we are interested, and, of course, we are vitally so, in preparedness; if we want production, and we must have production if we are to prepare to defend ourselves, let the Labor Board and the N. L. R. A., until this House takes action, function as they have or as they choose, in other industrial operations; but, as to this measure, where an act of this kind has for its sole objective the production of these things which, the President tells us are absolutely essential if we are to continue to exist as a Nation, and to resist the aggression which he, a week ago next Thursday, pictured as coming to our shores, and which can only come through efficiency and the continuous operation of factories, let us sweep aside all that red tape. Let us get rid of, so far as this act is concerned, the National Labor Relations law; of the National Labor Relations Board, which has paralyzed production, created industrial strife and brought about discord, in so many, many instances where it has been called upon to act.

I appeal to the chairman of the committee; let us get rid of the Labor Board, which has been a disgrace to our system of government; which has been unjust, arbitrary, and destructive of cooperation. Let us get rid of all of that influence which exists wherever the Board acts; put the Board and the act out of this picture, and, as the gentleman said a while ago, let us make our ships; let us make our aircraft; let us make our munitions that we are preparing for national defense.

Let us do all these things unhampered and free from interference by this Board which, like an enemy boring from within, can do so much to nullify all that we may do here. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, the gentleman from Michigan [Mr. HOFFMAN] has submitted an amendment and during the 10 minutes he occupied the floor he did not point out to the committee what effect the amendment would have or how the amendment would expedite the building of the ships and the cutting of red tape.

Mr. HOFFMAN. Mr. Chairman, will the gentleman let me answer that?

Mr. VINSON of Georgia. Ordinarily I agree with a great deal that the gentleman has to say, but this bill is very technical and there are a great many laws that have to be changed. It has been worked on for weeks and weeks by the committee and the Judge Advocate General's office and other legal divisions.

I want to be frank and candid with the House and say that I do not know what effect the gentleman's amendment would have in slowing down this program, but I do know that if it would speed up the construction of these ships it would have been put into this bill, and therefore I have the apprehension that we might be doing something that we have not thoroughly worked out and it might have the opposite effect from what the gentleman wants; and for that reason I trust the committee will go along with what we have already done and reject the amendment. I therefore ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

The Clerk read as follows:

SEC. 7. Notwithstanding the provisions of section 204 of the act of June 30, 1932 (47 Stat. 404; U. S. C., title 5, sec. 715), the Secretary of the Navy is authorized to reemploy during the period of any national emergency declared by the President to exist, retired employees of the Navy Department and the Naval Establishment, under such rules and regulations as may be agreed upon by the Navy Department and the Civil Service Commission. Such reemployment shall be without prejudice to any rights to retirement or annuity heretofore or hereafter accruing to such employee, as provided by law, except that the payment of such annuity shall be suspended for the duration of the reemployment.

With the following committee amendment:

Strike out all of section 7 and insert:

SEC. 6. Notwithstanding the provisions of section 2 of the act of May 29, 1930 (46 Stat. 463), and section 204 of the act of June 30, 1932 (47 Stat. 404), any person heretofore or hereafter retired under the Civil Service Retirement Act of May 29, 1930, as amended, may be reemployed in the service of the Navy Department: *Provided*, That there shall be deducted and withheld from the basic salary, pay, or compensation of such person and credited to his account as provided in section 12 (a) of the act of May 29, 1930, as amended, the regular deductions prescribed by the said act: *Provided further*, That upon separation from the service for any cause such person may elect to receive a refund of the total deductions so withheld together with interest at 4 per cent per annum compounded on June 30 of each year, or receive credit for the additional service in the computation of any annuity awarded thereafter: *Provided further*, That payment of the annuity of such person shall be suspended during the period of such employment: *And provided further*, That in connection with the defense program of the United States the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555; U. S. C., title 5, sec. 652), may be waived in any case when approved by the Secretary of the Navy.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 8. The act of March 14, 1936, entitled "An act to provide for vacations to Government employees and for other purposes" (49 Stat. 1161) is hereby amended by adding, after section 7, a new section to read as follows:

"SEC. 8. Employees of the Navy Department and the Naval Establishment may, during the period of any national emergency declared by the President to exist, be employed during the time they would otherwise be on vacation without deprivation of their vacation pay for the time so worked. Employees who forego their vacations in accordance with the provisions of this section may be paid, in addition to their regular pay, the equivalent of the pay they would have drawn during the period of such vacation. The provisions of this section shall be applicable only to employees in those trades and occupations wherein a shortage exists."

With the following committee amendment:

Page 7, line 5, strike out "3" and insert "7."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 9. The limit of cost of the vessels authorized by the act of July 30, 1937 (50 Stat. 544), is hereby increased by an amount equal to additional costs resulting from the provisions of this act.

With the following committee amendment:

Page 7, line 20, strike out "9" and insert "8."

The committee amendment was agreed to.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am heartily in favor of the President's program and I want action. I want to stand by the committee, that is so well informed on the subject. The only objection that I have to this measure is the committee has paid too much attention to the interests of the shipbuilders and the interests of the employees working for the shipbuilders, as well as the employees in the navy yards. I do not yield to any man in this House from the standpoint of supporting labor legislation. My record is 100 percent, but this is a national emergency.

Word has already come to us this morning that we are going to be asked to increase the national debt \$3,000,000,000. On top of that, as I understand it, we are going to be asked to pass a tax bill, whereby we are to raise \$700,000,000 a year in order that we may be able to retire the \$3,000,000,000 of national defense bonds in 5 years. Who is going to pay for this? The taxpayers of the country. They are the patriotic people who are going to foot the bill for this national-defense program, and I insist we should pay more attention to the interests of the taxpayers than to the shipbuilders or the employees in our navy yards and shipyards, who are the best paid union men in the entire United States. You have law after law benefitting the men who work in the navy yards and shipyards on Government ships. For the last 15 years I have helped to enact them. They receive sick leave and many other benefits that employees in other private industries do not receive. All through this bill you think of nothing but taking care of the shipbuilders and the employees. The patriotic taxpayers of this country, none of whom is complaining, and all of whom are going along with the President of the United States in providing a proper national defense, should be in our minds.

I hope when this bill is finally enacted into law it will not provide for excessive profits, and I further hope that when the revenue bill comes in here we will provide for a reasonable profit for those who are going to build these ships, those who are going to manufacture aircraft, who are going to supply us with other munitions of war, and that we shall also provide that over and above a reasonable profit 100 percent in excess profits shall go back into the Treasury of the United States.

If there are any laws on our statute books now that might retard progress in this shipbuilding program, as well as our program for other phases of our national defense, then in this emergency let us have the courage to suspend them.

We have been told certain laws have slowed up the regular building program and increased the cost. I do not know whether or not it is true; but if it is, then I am ready and willing now to take the necessary action to see that it does not occur in this emergency. We owe it to those who must advance the cash to get just as much for the money we spend for national defense as it is possible to get. We should profit by our experience in the World War. We have heard it said we want no new millionaires as a result of this program. So far as I am concerned, I am willing to limit the profits so no one will get rich at the expense of the taxpayers in these trying times. Those who get work as a result of this legislation should be willing to make some concessions. Let us not ask the taxpayers to shoulder the entire burden. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

SEC. 10. During any national emergency declared by him to exist the President of the United States is authorized to suspend such

portions of the Civil Service Act or the civil-service rules as may be necessary to prevent any delay in obtaining required acceptable civilian employees in the Navy Department and the field service thereof.

With the following committee amendment:

Strike out all of section 10.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 11. As used in this act, the words "national emergency" shall be deemed to include the limited national emergency declared by the President on September 8, 1939.

With the following committee amendment:

Page 8, line 5, strike out the figure "11" and insert the figure "9."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 12. The provisions herein contained shall be effective for a period of 3 years beginning with the date of approval of this act.

With the following committee amendment:

Page 8, line 8, strike out the figure "12" and insert the figure "10."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. VINSON of Georgia. Mr. Chairman, I move the Committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'NEAL, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 9822 and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. VINSON of Georgia. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros. The question is on agreeing to the amendments.

The amendments were agreed to.

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

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

The SPEAKER. The question now is on the passage of the bill.

Mr. VINSON of Georgia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 401, nays 1, not voting 28, as follows:

[Roll No. 127]

YEAS—401

Allen, Ill.	Beam	Bryson	Celler
Allen, La.	Beckworth	Buck	Chapman
Allen, Pa.	Bell	Buckler, Minn.	Chipherfield
Andersen, H. Carl	Bender	Buckley, N. Y.	Church
Anderson, Calif.	Blackney	Bulwinkle	Clark
Anderson, Mo.	Bland	Burch	Clason
Andresen, A. H.	Bloom	Burdick	Claypool
Andrews	Boehne	Burgin	Clevenger
Angell	Boland	Byrne, N. Y.	Cochran
Arends	Bolles	Byrns, Tenn.	Coffee, Nebr.
Arnold	Bolton	Byron	Coffee, Wash.
Austin	Boren	Camp	Cole, Md.
Ball	Boykin	Cannon, Fla.	Cole, N. Y.
Barden, N. C.	Bradley, Mich.	Cannon, Mo.	Collins
Barnes	Bradley, Pa.	Carlson	Colmer
Barry	Brewster	Carter	Connery
Barton, N. Y.	Brooks	Cartwright	Cooley
Bates, Ky.	Brown, Ga.	Case, S. Dak.	Cooper
Bates, Mass.	Brown, Ohio	Casey, Mass.	Corbett

Costello	Hall, Leonard W.	McKeough	Sasscer
Courtney	Halleck	McLaughlin	Satterfield
Cox	Hancock	McLean	Schaefer, Ill.
Cravens	Hare	McMillan, Clara	Schaefer, Wis.
Crawford	Harness	McMillan, John L.	Schiffner
Creal	Harrington	Maas	Schuetz
Crosser	Hart	Maclejewski	Schulte
Crowe	Harter, N. Y.	Magnuson	Schwert
Crowthier	Harter, Ohio	Mahon	Scruggam
Culkin	Hartley	Maloney	Seccombe
Cullen	Havener	Marshall	Secrest
Cummings	Hawks	Martin, Ill.	Seger
Curtis	Healey	Martin, Iowa	Shanley
D'Alesandro	Hendricks	Martin, Mass.	Shannon
Darden, Va.	Hennings	Mason	Sheppard
Davis	Hess	Massingale	Short
Delaney	Hill	May	Simpson
Dempsey	Hinchaw	Michener	Smith, Conn.
DeRouen	Hobbs	Miller	Smith, Ill.
Dickstein	Hoffman	Mills, Ark.	Smith, Ohio
Dies	Holmes	Mills, La.	Smith, Va.
Dingell	Hook	Monkiewicz	Smith, Wash.
Dirksen	Hope	Monroney	Smith, W. Va.
Disney	Horton	Moser	Snyder
Ditter	Houston	Mott	Somers, N. Y.
Dondero	Hull	Mouton	South
Doughton	Hunter	Mundt	Sparkman
Douglas	Izac	Murdock, Ariz.	Spence
Doxey	Jacobsen	Murdock, Utah	Springer
Drewry	Jarrett	Murray	Steagall
Duncan	Jeffries	Myers	Stearns, N. H.
Dunn	Jenkins, Ohio	Nelson	Stefan
Dworshak	Jenks, N. H.	Nichols	Sullivan
Eaton	Jensen	Norrell	Sumner, Ill.
Eberharter	Johns	O'Brien	Summers, Tex.
Edelstein	Johnson, Ill.	O'Connor	Sutphin
Edmiston	Johnson, Ind.	O'Day	Sweeney
Elliott	Johnson, Luther A.	O'Leary	Sweet
Ellis	Johnson, Lyndon	Oliver	Taber
Elston	Johnson, Okla.	O'Neal	Talle
Engel	Johnson, W. Va.	Osmers	Tarver
Englebright	Jones, Ohio	O'Toole	Tenerowicz
Evans	Jones, Tex.	Pace	Terry
Fay	Jonkman	Parsons	Thill
Fenton	Kean	Patman	Thomas, Tex.
Ferguson	Keefe	Patrick	Thomason
Fernandez	Kefauver	Patton	Tibbott
Fish	Keller	Pearson	Tolan
Fitzpatrick	Kelly	Peterson, Fla.	Treadway
Flaherty	Kennedy, Martin	Peterson, Ga.	Van Zandt
Flannagan	Kennedy, Md.	Pfeifer	Vincent, Ky.
Flannery	Kennedy, Michael	Pierce	Vinson, Ga.
Ford, Leland M.	Keogh	Pittenger	Voorhis, Calif.
Ford, Miss.	Kilburn	Plumley	Vorys, Ohio
Ford, Thomas F.	Kilday	Poage	Vreeland
Fries	Kinzer	Polk	Wadsworth
Fulmer	Kirwan	Powers	Walgren
Gamble	Kitchens	Rabaut	Walter
Garrett	Kleberg	Ramspeck	Ward
Gartner	Knutson	Randolph	Warren
Gathings	Kocialkowski	Rankin	Weaver
Gavagan	Kramer	Rayburn	Welch
Gearhart	Kunkel	Reece, Tenn.	West
Gehrmann	Lambertson	Reed, Ill.	Wheat
Gerlach	Landis	Reed, N. Y.	Whelchel
Geyer, Calif.	Lanham	Rees, Kans.	White, Idaho
Gibbs	Larrabee	Rich	Whittington
Gifford	Leavy	Richards	Wigglesworth
Gilchrist	LeCompte	Robertson	Williams, Del.
Gillie	Lesinski	Robinson, Utah	Williams, Mo.
Goodwin	Lewis, Colo.	Robson, Ky.	Winter
Gore	Lewis, Ohio	Rockefeller	Wolcott
Gossett	Luce	Rodgers, Pa.	Wolfenden, Pa.
Graham	Ludlow	Rogers, Mass.	Wolverton, N. J.
Grant, Ala.	Lynch	Rogers, Okla.	Wood
Grant, Ind.	McAndrews	Romjue	Woodruff, Mich.
Gregory	McArdle	Routzohn	Woodrum, Va.
Griffith	McCormack	Rutherford	Youngdahl
Gross	McDowell	Ryan	Zimmerman
Guyer, Kans.	McGehee	Sabath	
Gwynne	McGranery	Sacks	
Hall, Edwin A.	McGregor	Sandager	

NAYS—1

Marcantonio

NOT VOTING—28

Alexander	Green	McLeod	Sheridan
Caldwell	Jarman	Mansfield	Starnes, Ala.
Cluett	Jennings	Merritt	Taylor
Darrow	Kee	MITCHELL	Thomas, N. J.
Durham	Kerr	Norton	Thorkelson
Faddis	Lea	Risk	Tinkham
Folger	Lemke	Shafer, Mich.	White, Ohio

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Mansfield with Mr. Thomas of New Jersey.
Mr. Caldwell with Mr. Cluett.
Mr. Faddis with Mr. Alexander.
Mr. Starnes of Alabama with Mr. Jennings.
Mr. Taylor with Mr. Shafer of Michigan.
Mr. Durham with Mr. Tinkham.

Mr. Jarman with Mr. Risk.
 Mr. Merritt with Mr. Darrow.
 Mr. Kerr with Mr. Thorkelson.
 Mr. Folger with Mr. White of Ohio.
 Mr. Green with Mr. Lemke.
 Mr. Johnson of Oklahoma with Mr. McLeod.
 Mr. Lea with Mr. Kee.
 Mr. Sheridan with Mr. Mitchell.

Mr. SUTPHIN. Mr. Speaker, my colleague the gentleman from New Jersey, Mrs. NORRIS, is absent on account of official business. If she were here, she would have voted "yea" on the bill just passed.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, my colleague the gentleman from Minnesota, Mr. ALEXANDER, was unavoidably absent. Had he been present, he would have voted "yea."

Mr. CASE of South Dakota. Mr. Speaker, the gentleman from Montana, Mr. THORKELSON, is unavoidably absent. Had he been present he would have voted "yea."

The result of the vote was announced as above recorded.

EXTENSION OF REMARKS

Mr. EDMISTON asked and was given permission to revise and extend his own remarks.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article by Henry R. Luce, editor of Time magazine.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain letters.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief editorial.

The SPEAKER. Without objection it is so ordered.

There was no objection.

CONSTRUCTION OF NAVAL AIRCRAFT AND CERTAIN PUBLIC WORKS

Mr. VINSON of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9848) to authorize the construction or acquisition of naval aircraft, the construction of certain public works, and for other purposes; and pending that motion I ask unanimous consent that general debate may be limited to 2 hours, to be equally divided and controlled by the gentleman from Minnesota [Mr. MAAS] and myself.

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

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Georgia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9848) to authorize the construction or acquisition of naval aircraft, the construction of certain public works, and for other purposes, with Mr. O'NEAL in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, we are all conscious of the increasingly important part played by the aviation arm in warfare. The lessons of the current war in this regard are being brought home to us with greater emphasis every day.

While we are keenly aware of the destruction which aircraft are capable of imposing upon the organized military and naval forces, and realize that these losses must be regarded as the legitimate tolls of war, we cannot lose sight of the fact that this new weapon in the hands of those who subscribe to the ruthless doctrine of "total war" can also be used to bring death and desolation to the doorsteps of a civilian population.

It is a well-established principle that once an air attack is launched it is the most difficult of all forms of attack to frustrate. It follows, therefore, that in the aviation branches of the armed services advantage rests with the offensive to a greater extent than in any other arm. The avenue of the air is broad and high. It lends itself to innumerable directions, speeds, and altitudes of approach, to cloud concealment, to surprise.

One way to counter this threat lies in the expansion of existing aircraft bases and the establishment of additional ones so located strategically as to permit aircraft operating from them to give the earliest possible warning of the movements of hostile surface or air units and thus to permit to concentrate, in time, the forces needed to defeat the attainment of the enemy's objective.

A still greater degree of security would be attained by the expansion of our Navy and its air components to an extent which would contemplate in war an offensive against all threatening bases and ships used for the operations of aircraft and so to forestall the launching of air attacks or render such bases and ships impotent for other operations.

It is realized that no monetary outlay for national-defense purposes is sufficient to give us positive and permanent protection in all the areas of our national interest. It is necessary, therefore, to compromise and evaluate carefully what our reasonable minimum needs would be. This bill reflects those needs insofar as naval aviation is concerned. Its shore development features follow, in general, the original recommendations of the Hepburn Board.

The general nature of the tasks which confront our naval aviation, if we were engaged in a two-ocean war, has been recognized. The magnitude of those tasks continues to increase. Although the current naval expansion bill provides for additional cruisers with aircraft complements, for three additional aircraft carriers over the number now authorized, and for additional tenders to support the operations of Navy patrol planes, it is evident from a survey of the coast lines and of the vast ocean areas into which it may be necessary to project our naval effort that these surface units cannot, of their own resources, cover, protect, and defend the areas of vital interest without the assistance of strategically located coastal or island shore-based aircraft.

Therefore the purpose of this bill is to grant authority to the President to expand and to improve naval aviation by increases in personnel, aircraft, and shore facilities.

The increase in personnel will ultimately provide for a total of 16,000 naval aviators and enlisted pilots.

The increase in aircraft provides for the acquisition and maintenance of useful naval planes at not less than 10,000 and lighter-than-air craft at not less than 48.

The bill also provides for the improvement and expansion of existing shore aviation facilities as well as the establishment and development of some additional ones.

With the increase in planes and personnel as authorized in this bill, it naturally follows that there must be corresponding increases in the aviation facilities.

Not only are these increases necessary to provide the additional training facilities required to meet the greatly increased output of aviators and pilots to meet the rapid expansion but facilities will be required at which the greatly increased number of planes can be based and at which the aviators can be stationed after qualifying in order to continue with the proper advanced training so essential to maintain the efficiency to this branch of the naval service.

We have in the world today examples of the lack of preparedness and readiness which are being borne home to every thinking man and woman in this country.

Steps taken a few short months ago to improve and strengthen our national defense have become, in the light of events of the past week, totally inadequate and insufficient.

The importance of time, so thoroughly understood by every student of war, has also been brought home to us, as it has to many now engaged in a life-and-death struggle.

The full and awful significance of the words "too late" already has been indelibly inscribed on the minds of those whose lives and fortunes are hanging in the balance. It is

our solemn duty to insure that no such crisis or fate awaits us.

The ocean distances which separate us from the areas of strife, strife which certainly must be defined as nothing short of "total war," have lulled us heretofore into a feeling of security. That this has been a false sense of security there can now be no doubt. Consideration of cold, hard facts must displace wishful thinking. The necessity confronts us of taking immediate steps toward greater preparedness in order that we, too, may not at some future date be forced to write "too late."

Aircraft are now being developed that will make flying the Atlantic Ocean a comparatively easy task.

The thought "it can't happen here" has brought realization to the fact that "it can happen here" unless we are determined to take vigorous steps for its prevention, and to take them immediately. That is what this bill proposes to do.

It is evident, too, that we cannot place our dependence upon others. We must find within ourselves our needed strength and build it up with the utmost possible speed if we are to face the future with the confidence and composure so vital to the welfare of the Nation.

The word "speed" has taken on new significance, and that is the objective of this bill to speed up in providing an adequate air defense for this country.

Nations desiring peace must be stronger than those desiring war.

Even though it has taken so long to come to this realization, it is not yet "too late," but we should not waste any more time in strengthening our armament so that we can be so strong no nation will dare to challenge our security.

Now, as to the bill, one of the main purposes is to provide in the very shortest time possible 16,000 aviators for the Navy.

At this time we need not be concerned about combat planes, for we must first get the aviators before we get the planes; however, let me assure you that there will be no difficulty in providing sufficient training planes immediately to carry out this expansion program.

In the past the main source of obtaining aviators for the Navy has been the Naval Academy. With the expansion of the fleet it became apparent that this source would not furnish sufficient aviators.

Therefore, on April 15, 1935, Congress enacted what is known as the aviation cadet bill, which permits students from the various colleges and universities to be inducted into the Naval and Marine Corps Reserve and sent to Pensacola for flight training.

After 1 year of training at Pensacola, these reserves were assigned to duty with the fleet for a period of 3 years.

Under this training program, 1,520 aviators have been trained and sent to the fleet.

At the beginning of this program in 1935, only 50 students entered Pensacola per month; however, this has been steadily increased until the present time, and on July 1 they will begin taking in 150 students per month.

This number of students completely utilizes the facilities at Pensacola, which has been enlarged to its fullest possibility.

At the rate at which the students have been taken in the past it would have provided all of the aviators required for the fleet, but you must bear in mind that this program goes far beyond that. We are not only providing sufficient aviators for the fleet but we are also providing for aviation units to operate from shore bases which are provided for in this bill.

These aviators who will operate from shore bases will be a part and parcel of the Navy and will perform their duty in connection with naval missions. There will be no duplication with the Army by basing these aviators on shore, for they will operate seaplanes and long-range bombers.

In order to expedite the training program to provide aviators for these shore bases, it will be necessary to utilize the aviation facilities at Jacksonville and Miami and to establish an additional training center at Corpus Christi, Tex.

With the expansion of the present facilities at Miami and Jacksonville, which can be accomplished by the end of the

year, it is estimated that it will permit an intake of 500 students per month at Pensacola, Miami, and Jacksonville.

The training of these 500 students will be coordinated between these three stations, each affording facilities for a specific part of the training.

Out of this 500 who commence training, it is estimated that at least 70 percent will qualify, which will mean an increase of 350 aviators per month for the Navy. This program can get in full swing by the end of this year.

It is absolutely essential to reach 16,000 within the shortest time possible, and in order to do so it is necessary to provide training facilities for more than an intake of 500 per month.

In order to bring this about, in view of the fact that Pensacola has been expanded to its very limit, there is provided in this bill for the establishment of a training station at Corpus Christi, Tex., as recommended by the Hepburn board.

It is contemplated that just as soon as this bill becomes law that additional training facilities will get under way at Corpus Christi. This is being done so that the number of students who can begin training each month can be considerably increased over the 500 that will be trained at Pensacola, Miami, and Jacksonville.

With the expenditure of \$25,000,000 at Corpus Christi, it is believed that by July 1, 1941, training can begin at that station, and the number taken in each month can be raised to 300 per month.

Of course, the station will not be finished when training gets under way. It will take years to build the station in accordance with the recommendation of the Hepburn board, but such facilities can be provided within the next year which will permit the training to commence.

Now, with these combined facilities it will permit an intake of 800 students per month, which means in reality that the Navy will be increased by 560 aviators per month shortly after July 1, 1941.

This aviation program as set forth in this bill was not conceived as a result of hysteria. It is a well-rounded and thought-out program, carrying out the recommendations of the Hepburn board submitted to Congress in 1939.

Following this aviation expansion it is going to be necessary to submit to the Congress legislation to establish in the Navy an air unit along the lines of the Marine Corps.

The defense and security of this Nation demands that the Navy be invincible in the air as well as on the water and under the water. That is the sole object and purpose of this bill.

This is no paper authorization. Just as soon as this bill becomes a law, a deficiency appropriation to provide the money will be asked for. When this program has been completed and the 10,000 planes have been purchased and the 16,000 aviators obtained, it will entail an expenditure of approximately \$1,150,000,000.

If Congress and the American people but adhere to the advice of the Father of his Country—no entangling alliances, and in peacetime prepare for war—this Republic will never perish from the face of the earth. [Applause.]

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. TERRY. I notice a provision on the first page of the bill for the acquisition or construction of lighter-than-air craft to a total of not less than 48. What sized aircraft does the committee have in mind?

Mr. VINSON of Georgia. We hope they will be what are called blimps.

Mr. TERRY. It is not the purpose to go into the construction of large dirigibles?

Mr. VINSON of Georgia. No; we have no intention whatsoever of building duplicates of the *Akron* and the *Macon*.

Mr. TERRY. Nothing has happened abroad to indicate that they are going back to lighter-than-air craft.

Mr. VINSON of Georgia. That is true. The close proximity of countries over there make lighter-than-air craft ineffective, but with our enormous coast lines and the carrying out of our naval missions on this hemisphere they can be used advantageously.

Mr. TERRY. Why should we provide that they construct as many as 48?

Mr. VINSON of Georgia. That could be cut down. It is limited to 48.

Mr. Chairman, I yield back the balance of my time.

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, I believe this is one of the most important days in the history of this Republic, for the reason that we are today dealing with uncertainties and we do not know just what tomorrow will bring.

The Committee on Naval Affairs, of which it has been my privilege to be a member for the past 4 years, has given unstintingly of its time and effort to the study of various naval-defense problems of the country. To that end down through the last 4-year period, we have brought to the floor of the House what we considered to be legislation imperative for the national defense of this Nation. The bill before us today is just a continuation of the program we have already developed and which has been approved by the Navy officials and already accepted in part by the House in previous years. This is the culmination of the well-defined, well-rounded plan based on a careful study of the defense needs of this Nation not only as they apply to the mainland itself but also to our outlying possessions in the Pacific, the Atlantic, and the Caribbean.

The measure before us contemplates an expansion of our naval aviation base facilities, and particularly the enlargement of our naval air training facilities at Corpus Christi in conjunction with our naval aviation training which is now carried on at Pensacola, Fla.

Whatever may be said about the defense condition of this country, it cannot be truthfully stated that the Committee on Naval Affairs has in any way shirked its responsibility or that the members thereof have not given unstintingly of their time to the naval problems before them. I want to call your attention to facts which are very important to keep in mind, and I do this for the benefit of the Members of the House and the people of the country as a whole.

Should the Committee on Naval Affairs make no further recommendations in the line of naval authorizations, it will have brought to your attention certain defense needs during the past 3 years and which the Congress has already approved for a total authorization for construction of both combatant and auxiliary ships as of July 1, 1940, of \$2,561,650,039.

On July 1, 1940, the Navy will have a total authorization for vessels building and to be built of:

	Tons
Combatant ships.....	897, 330
Auxiliary ships.....	213, 834

The total estimated cost of the above tonnage is:

Combatant ships.....	\$2, 412, 947, 870
Auxiliary ships.....	472, 600, 800

Total.....	2, 885, 548, 670
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Against this total authority there will have been expended \$323,898,631, leaving on July 1, 1940, a total authority to spend for shipbuilding \$2,561,650,039.

It is estimated that the above total authority, assuming normal rate of expenditures—that is, without the expediting which should follow enactment of H. R. 9822—will be as follows:

Fiscal year	Combatant	Auxiliary	Total
1941.....	\$355, 231, 178	\$58, 948, 812	\$414, 179, 990
1942.....	635, 473, 858	133, 863, 034	769, 336, 892
1943.....	601, 822, 295	114, 494, 097	716, 316, 392
1944.....	322, 083, 624	65, 963, 439	388, 047, 063
1945.....	168, 305, 207	22, 329, 509	190, 634, 716
Subsequent.....	75, 034, 986	8, 100, 000	83, 134, 986
Total.....	2, 157, 951, 148	403, 698, 891	2, 561, 650, 039

Rough estimate, additional cost for expediting the above program, \$350,000,000.

It will be seen from the above that the grand total to be expended under the ship-construction program which the Navy plans to start on July 1, 1940, if the money is appropriated, will be \$2,911,650,039.

The bill now before us, H. R. 9848, calls for a total of not less than 10,000 naval airplanes. The estimated cost of these planes will be \$1,500,000,000. The aviation facilities incorporated in this bill will add \$144,000,000 more.

It will be noted that the sum total of all money that can be spent for the above facilities under authorizations as of July 1 of this year and including authorizations in this bill will be \$4,555,650,039. To this may be added the cost of additional shore facilities, already planned, amounting to over \$100,000,000.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. BATES of Massachusetts. Mr. Chairman, that in itself shows the character of the work that the House Committee on Naval Affairs has been doing during the past 4 years, ably led by the very distinguished chairman of that committee who has an experience of 25 years behind him. I commend this legislation to you for immediate and urgent passage, believing, as we all do, in the building of a great national defense for this country without waste of any time, in order that we may feel secure from the ravages of those who would trample on us if the opportunity arose. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH].

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, the able gentleman who has just spoken to the committee stated that this is one of the most important days in the history of our country. If that is so it seems to me that the distinguished gentleman who is a member of the Committee on Naval Affairs should have more than 5 minutes to discuss the pending bill in the House of Representatives. What I protest against is the consideration of this important legislation with undue speed and under a condition of hysteria. We will pay for it in grief and the expenditure of huge sums of money later. There should be full and free debate and deliberation on our defense policy.

We are confronted with the greatest national emergency in recent world history. I do not limit it to the history of America. The American people expect the Congress in this great national emergency to stay on the job and to safeguard their vital interests. We Members of Congress, are paid \$10,000 a year to protect the interests of the American people and to serve their interests, yet only a few days ago it was seriously proposed to rush national-defense legislation through, and adjourn the Congress by the 15th of June without considering raising revenue to pay for the expenditure of the \$3,000,000,000 for preparedness. I submit that the Congress has a duty to the country, not only in enacting this national-defense program, but in providing revenue to pay for it. All of us in the Congress are for preparedness. We propose to make America invincible on land, sea, and air, and we likewise propose to keep America out of Europe and Europe out of America. [Applause.] But if we are to do our full duty, we should remain here and consider and enact revenue legislation to defray the cost.

Mr. Chairman, as unpopular as it may be, the time has come in this crisis to enact tax measures. I would suggest a 2½ percent or a 2¼ percent manufacturers' sales tax. As long as 20 years ago the Congress talked about it, but it was afraid to enact such legislation at that time. However, the time has come in the financial condition of our country when we will have to raise revenue one way or the other, and that is one of the few ways that is left. The other

way, which I also recommend, is an excess-profits tax on all munitions or goods made for war purposes. [Applause.]

We are in the midst of war hysteria, of fear, and a dread of war. Many columnists in the East, internationalists and interventionists, like Kaltenborn, Lippmann, Dorothy Thompson, and Frederic Wile, are every day deluging the American people with war propaganda, war hysteria, and that in the defense of America we must enter the European war. The American people have become almost hysterical. Many good Americans believe today that the Congress has failed in its duty to provide an adequate Navy, that we are as defenseless and as helpless as Abyssinia, Poland, China, Holland, or Belgium, and that we are about to be attacked. Even such a distinguished Member of the House as the chairman of the Committee on Naval Affairs, who just spoke, and no one knows more about national defense than he, and he has rendered a great service to his country by seeing to it that we have a great and powerful Navy, the best navy in the world today, goes a little bit too far when he suggests airplanes flying over here and attacking America. Colonel Lindbergh, whom I submit in this instance knows more than the distinguished gentleman, stated in a recent radio speech that we have nothing whatever to fear from attacks by foreign airplanes, at least for a number of years. Every Member of Congress must know that there is not a foreign airplane that has been invented up to now which could fly over, bomb the city of New York or the city of Washington, and get back to its base; yet the American people believe all these hysterical statements and actually believe that we are about to be attacked by Germany, that we are utterly defenseless, and that Germany will come over here and swallow us up as they have done Denmark, Holland, and Belgium, their neighbors.

We are still 3,000 miles from Europe, and as President Washington said, and it applies precisely to present-day conditions, why forego the advantages of so peculiar a situation, why quit our own to stand upon foreign ground? Yet there are those who think that we may be attacked overnight by some foreign fleet. Let us look at the record. Let us see what the record discloses and what the facts really are.

Thanks to the gentleman and his committee, we have for the first time in our history, except for a short period after the World War and the Civil War, the greatest fleet in the world. Our Navy today for the first time is greater than the British Navy. It is six or seven times larger than the German Navy. If this war continues a month or so it will be much greater than the German and English Navies combined. Every admiral will testify that any foreign country to attack the United States must have a fleet two or three times larger than ours even to dare to attack us, not even to land troops but to attack us. Those words of George Washington have more meaning today than they did 150 years ago, because in those days an enemy fleet with sails, brought their own means of locomotion with them. They might take 2 weeks or 2 months to get over here. Today a modern fleet loses 20 percent of its efficiency every 1,000 miles it gets away from its base. They cannot even bring over their torpedo boats with them and many of the auxiliary naval ships, with the net result that must be obvious to everybody, that if they came over to attack us and if their battleships were disabled, they would have no way to get back to their shipyards. Yet this hysteria persists and we do not answer it.

We in Congress, particularly the distinguished gentleman who is the head of this committee and who has given us the most powerful Navy in the world, has permitted this propaganda to spread throughout the country. We remain silent and allow the hysterical propaganda of these interventionists and internationalist columnists who want to get us into the European war to permeate America. We Americans are told that we are prey to any foreign nation that wants to pounce upon us. I do not believe it is fair to the country and fair to the American people to let this type of

propaganda spread throughout the land and deceive our people and make them think the Congress has failed in providing a strong, powerful, and efficient Navy.

I believe everybody in the House is for this bill, and the committee is to be congratulated, but this bill provides not only for the increase of our naval airplanes to 10,000, but also for the acquisition of a great number of airports that are badly needed in the United States. But I want to go further than this bill. I want to follow the advice of Charles Lindbergh, given in his radio address to the country only a few days ago, when he said that if we really want to be prepared we should take in the whole Western Hemisphere, we should make agreements with the Latin American countries so that we could have air bases there and defend the Panama Canal and all of Central America and South America. If any attack came, it would not come first against the United States, it would come against South and Central America, and we have no air bases there to help uphold the Monroe Doctrine and to defend this hemisphere.

Furthermore, I should like to see this bill followed up or have negotiations begun by the State Department or the President to liquidate a part of our war debt and ask in return from England those islands off our shores that rightly belong to us—Bermuda, Nassau, Jamaica, and the West Indies, so that we could use those islands as air bases and submarine bases for the protection of our own country. They are no good to England. They serve no real purpose to England. It probably costs England money to maintain them. It might even cost us money to maintain them, but they will provide adequate air bases and submarine bases to protect the Panama Canal, our shores, and Latin America.

As long as we are talking today in terms of preparedness on land, sea, and air, then I believe this bill ought to be followed up by acquiring air bases in Central America and South America and taking over these West Indian Islands from Great Britain in payment of her war debt.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

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

Mr. MAAS. Has anything along those lines emanated from the gentleman's committee, the Committee on Foreign Affairs, where it would, of course, have to originate?

Mr. FISH. There are a number of bills pending, but we have not been able to get hearings on them as yet.

Mr. MAAS. You have had no hearings on the subject?

Mr. FISH. We have had no hearings. Some of us in Congress have advocated acquiring these islands off our coasts for more than 15 years—since right after I came into the Congress—as have other Members in the House, and as has Senator LUNDEN in the Senate. That would provide for national defense and that is what we want in America.

I was not so concerned when the Navy bill was under consideration a few months ago and added three more airplane carriers. I did not believe we needed them. I voted for them, but I did not think we needed them then. I do not think we need them now, except for aggression, and I am opposed to aggression. I would not vote one dollar for the Navy or for the air force unless it is for defense. Instead of spending \$130,000,000 for those additional airplane carriers that we do not need, I should like to acquire these islands off our shores that would afford real protection, and use that \$130,000,000 in that way.

Mr. DARDEN of Virginia. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Virginia.

Mr. DARDEN of Virginia. What would you do with your fleet operating in the North Atlantic? Granted that the bases in the South Atlantic might be taken care of, what would you do about carriers in the North Atlantic?

Mr. FISH. I am glad the gentleman mentioned that because I overlooked it. I would buy Greenland just as quickly as possible.

Mr. DARDEN of Virginia. Suppose you could not buy it? [Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. FISH. I believe every Member of this House agrees with what I am going to say this time, even the Democrats. I think we should make known to the world that we believe in the Monroe Doctrine and that we intend to uphold it, and that if any nation, Germany, Japan, or any other nation, invades any part of Latin America it means war with the United States.

If we let the world know that, no nation will try to invade any part of Latin America. If we can acquire Greenland, we ought to do so, and we ought to also acquire those islands off of Ecuador in the Pacific Ocean. [Applause.]

[Here the gavel fell.]

Mr. SUTPHIN. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, at the outset I express my appreciation of the patriotic promptness which causes the members of the Committee on Naval Affairs to bring to this body a comprehensive measure incorporating the need now for an additional plane force, well manned by trained aviators.

I would not turn back the pages of the CONGRESSIONAL RECORD to March 17, 1938, except to point out my position at that time and to read just a few sentences from certain remarks which I made in connection with an amendment which I offered to strike out the item for the authorization, as it was, in H. R. 9218, for construction of three additional battleships. I felt then, as I have felt since, that that authorization, with the resulting appropriation, should be turned into legislation bringing about a stronger naval air force rather than a concentration upon the building of what I claimed then and I claim now were not three floating fortresses of the oceans, but floating targets of the sea.

I realize that it is not easy to quote poetry on this floor, and it has been said repeatedly that there is more truth than poetry in certain statements individuals make. I do recall, however, to the membership of this body that in 1840, a century ago, a poet named Alfred Lord Tennyson did write prophetic lines. I think we can well repeat them here this afternoon. In the poem, Locksley Hall, he used these prophetic words:

Heard the heavens fill with shouting, and there rained a ghastly dew
From the nations' airy navies grappling in the central blue.

Thus, a century ago Tennyson foretold what is actually taking place in the world of warfare and conflict today. On March 17, 1938, when I offered the amendment, I stated:

I simply say this to you, with all the feeling which I tried to present day before yesterday and a few weeks ago when we had the regular naval appropriation bill before us, and at the cost of being charged with repeating something that you might say is not worth repeating, that the scene of modern warfare, whether we admit it this afternoon or not—and we will admit it some day—the scene of conflict and bloodshed has shifted from the land and sea into the air.

Mr. BREWSTER. Was it not the contention of many at that time that insufficient consideration—I think the gentleman who is speaking was one who led in that contention—had been given by our various executive authorities to the consideration of the aerial forces of our combat arms?

Mr. RANDOLPH. I think the statement of the gentleman from Maine is true, and I recall that many members, including the gentleman from Maine, supported the amendment which was lost at that time by a teller vote of 63 to 98.

I want to hurry on. I call attention in this concluding moment to this further statement I made in March 1938:

It is going to be proven to the Members of this body and to the citizenry of America that what I have said about this scene of warfare shifting to the air is true. It is going to be so demonstrated, and the people of America, whether they live on the broad plains of the Middle West, on the west coast, in the deep South, or on the shores of New England, will say that it is the hour for new methods in adequately preparing ourselves—not for aggression but for the best defense.

That is what this bill before us today does. It presents a program designed to aid in giving the best possible defense to

this country. Again I compliment this committee, and in doing so I feel that I express the feelings of this Congress and the American people.

The hour has come when we must finish with fitful, sporadic, half-way, and vacillating methods and lay down a long-range plan of national defense for this country, with emphasis on air strength as our best safeguard. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. BREWSTER].

Mr. BREWSTER. Mr. Chairman, a vote of 400 to 1 sufficiently indicates the unity of patriotic purpose of the Congress in our national defense.

Congress and the country are today air-minded. This is naturally a matter of gratification to those of us who 2 years ago fought in vain to place more emphasis upon development of our aeronautical defense.

Aircraft today have revolutionized the conduct of war on land and sea. America finds itself with most of its planes rendered obsolete by the developments of recent months.

Yet 2 years ago in a formal report to this House as a member of the House Committee on Naval Affairs I pointed out that the bill then proposed by the administration and reported to the House by the majority of the committee "limited naval aircraft when the importance of aircraft for defense is increasing with revolutionary rapidity and other nations are spending 10 times what we are for experimentation in aircraft development for defense."

The report went on to call the attention of the House to the famous Inskip report on the vital necessity of aircraft for defense.

I quote from the minority report of March 7, 1938:

The evidence before our committee emphasized the extreme flexibility of aircraft in the defense of the American continent where aircraft can be available in either ocean within 24 hours.

The Congress may also most profitably read the evidence before the committee as to the amazing advances in aircraft even in the past 2 years since the Inskip report was published. Each day witnesses new achievements by aircraft.

The disconcerting aspect of the proposed legislation in regard to aircraft is its imposition for the first time of a limit on the number of aircraft the Navy may possess.

Insofar as aircraft are concerned this legislation limits the existing authorization.

Under the Vinson-Trammell Act it is provided that "the President is hereby authorized to procure the necessary naval aircraft for vessels and other naval purposes in numbers commensurate with a treaty navy."

The Navy decided that this meant 2,050 planes, but this limit rested solely in Executive discretion and could be altered at will.

The authorization was unlimited so far as Congress or treaty was concerned.

The proposed legislation now for the first time imposes a limit of 3,000.

Yet England has just presented an air program providing 12,000 planes and placed air defenses on a parity with the Army and the Navy in the amount of the appropriations. This is in startling contrast to the American allocation although America seems ideally adapted to emphasize air defense.

The unanimity of the House today with only a single dissenting vote indicates America is now aroused.

May our voices now be heeded in urging that an industrial coordinator of competent abilities shall be placed in charge of procurement.

The task is a tremendous one. The labor of thousands of men must be brought into efficient operation in plants all over the United States. Thousands of men must be trained to operate and care for all the intricate creations that are a part of a modern mechanized defense.

There might be argument as to whether this task should be entrusted to the Army and the Navy and the Air Corps or to an industrial coordinator.

There can be no argument that the task cannot be properly entrusted to the Secretary of the Treasury whose entire industrial experience is confined to operating an apple orchard at Hyde Park.

The chairman of the committee has pointed out that every measure we would desire for defense is not possible. Selection must be made. Our defense program must be unified. Competition between the Army, the Navy and the Air Corps

must be controlled both in the matter of appropriation and procurement.

The renewed consideration of a Department of National Defense is an encouraging indication that the lessons of Europe are having their effect. Defense must be totalitarian. Lack of liaison between the various branches of the service apparently explains many of the difficulties of the Allies.

To suggest that such unified control exists in the Chief Executive is placing far too much responsibility for detail in the lap of one already overburdened man.

Pending such unification of control of our armed forces there can be no doubt as to the imperative necessity of an industrial coordinator of the first caliber.

The tremendous task of prompt procurement of planes and tanks and all the other paraphernalia of modern war must have a single responsible head if a tragic failure is not to be the inevitable result.

An advisory committee without even a chairman such as is now proposed cannot possibly supply the need.

Any competent businessman will recognize the fundamental principle of organization that is necessarily involved.

It is to be hoped that 2 years from today it will not be necessary to call attention to this warning when time may not then suffice to repair the errors of our course.

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BREWSTER. I yield.

Mr. ANDERSON of Missouri. Who would the gentleman suggest as an industrial coordinator?

Mr. BREWSTER. The gentleman asks whom I would name. There are a dozen industrial leaders of the highest competency and patriotic purpose to whom the task might properly be assigned.

One thing I would not do. I would not appoint an advisory committee and then refuse to let its report see the light of day.

Napoleon said, "One bad general is better than two good generals." In military operations or industrial preparedness it is imperative there be one directing head. Policies may be made by a board or a congress. They must be executed by a man. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from New Hampshire [Mr. JENKS].

Mr. JENKS of New Hampshire. Mr. Chairman, whether we like it or not, it seems to me that the policy of our national defense is regulated by foreign countries. I remember, as you do, how 2 years ago when we heard rumblings of war in Europe the Naval Affairs Committee brought into this House a bill to increase our Navy by 25 percent. The pending bill, in my judgment, would not be here had it not been for those rumblings in Europe that finally broke into open warfare.

I listened last night to the radio and heard a man ask this question: "What are we going to defend?" I think we have a great deal to defend. Some say that not more than 25 miles separates this country from Russia at the western tip of Alaska. This country is not more than 25 miles from Russia. We have a coast line stretching all the way from Alaska down the Pacific coast, and if we defend the Monroe Doctrine, as we say always we are going to, we go down the coast of South America, way around Cape Horn and up on the Atlantic side of South America.

It seems to me any man who would ask the question, What are we going to defend? has not given much thought to the geography of this country.

Mr. Chairman, in my opinion this bill is not sufficient to protect our shores and never will be until we have a two-ocean navy. We are not unmindful of the fact that one of our great hazards is the Panama Canal. After what has happened by bombs being dropped on battleships and on different kinds of naval craft in the present war in Europe, I can see where a hostile nation coming to our shores might be willing to sacrifice hundreds of planes and hundreds of

men in order to get in and drop a few bombs to put our Panama Canal out of business.

In the 4 years I have been a member of the Naval Affairs Committee, our fleet has been on the Pacific coast most of the time, I presume because our Navy Department felt it was wise to keep it there. But how about the Atlantic coast? We have some interests on the Atlantic coast that need protection. In my own district we have a navy yard making nothing but submarines, the only navy yard in this country making submarines exclusively, and that yard has not even the protection of one aircraft gun. I believe there may be developments in Europe, before we realize it, that may make it necessary for us or another Congress to plan for a two-ocean navy. We have always considered the British Fleet friendly to us, but who knows where the British Fleet might be in a very short time from now?

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER. Mr. Chairman, at the outset I want to commend the Naval Affairs Committee for bringing this bill to us today, and may I say that because I had the good fortune or misfortune to play an insignificant part in the development of the Air Corps during the war I do not pose as an expert on aeronautical matters. Because of that service and because of the fact there are substantial aviation industries within my district, I have tried to keep current with the development of aviation.

I particularly want to commend the committee for including in the bill provisions for the expansion of air bases. I believe the biggest weakness in the development of our air-defense program is to be found in the training of pilots, and, second to that, the acquiring of adequate airports, and, next, meeting our needs in the procurement of the aircraft itself, although I believe we can meet them. This bill provides for a needed expansion of air bases and I hope that when the Military Affairs Committee completes its program a substantial sum of money will be set aside for the establishment of needed airports for our armed forces. At the present time at the East Boston, Mass., airport you will find aircraft tied outdoors, staked down, row after row, almost up to the runways. It is ridiculous to talk about 20,000, 30,000, or 50,000 military and Navy airplanes in this country until we have a place for them to land and a place from which they can operate. However, there is not the thrill to providing airports that perhaps there is to providing aircraft. People do not go to airports to see the construction of the airport. They go to see the planes. But the airport is mighty essential and thus far we have neglected to provide for these much needed airports.

Mr. Chairman, I want to take just a minute to pay tribute to the men who have developed the aircraft industry in the United States. We necessarily have to put a great deal of confidence in the manufacturers of aircraft and it is fortunate that we can truthfully say that the patriotism of those who are developing our aircraft industry at the present time cannot be questioned. Some of the executives of our larger aircraft units received their early training in either Annapolis or West Point. Many others saw service during the World War.

I believe that the Congress can with a great deal of confidence approve of negotiated contracts with these people, knowing that the men who are conducting that industry have a very real stake and a very real interest in providing the very best in the way of aircraft construction, because they know, as we all know, that should we have the misfortune of having an attack upon our shores these plants will be the first of the military objectives to be attacked.

In the remaining moment I desire to refer to some of the remarks that have been made about acquiring an air force of 50,000 planes. I think that was a very unfortunate remark. Perhaps it was made in a spirit of enthusiasm. I am glad that the House Naval Affairs Committee has not been swept off its feet by any enthusiasm or hysteria of that nature. I am glad it brought in a bill requesting a reasonable number

of aircraft, something that we can hope to attain, because I will stake my reputation on the statement that it will be many long years in this country before we can turn out 50,000 airplanes for our Army and Navy, in addition to providing for the allied forces and keeping up our civilian airlines at the same time. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

AUTHORITY TO ACQUIRE ISLAND BASES

Mr. CASE of South Dakota. Mr. Chairman, I wish to call attention to a part of the bill as it will come before us which deals with a need that has been mentioned, but to which language attention has not been directed in the remarks I have heard. I refer to a committee amendment for section 2 which will permit the acquisition and development of island bases.

Section 2 starts out—

The Secretary of the Navy is hereby authorized to establish, develop, or increase naval aviation facilities, with which shall be included the authority to purchase, accept by gift, or otherwise acquire land and to construct buildings and accessories—

And then follow several specific places for the expenditure of approximate sums of money. Following this, in italics, as a committee amendment, will be found a proposal for two additional authorizations. The first is for aviation bases for the Naval Reserve within the continental United States:

At such localities within the continental limits of the United States as may in his judgment be necessary for the Naval Reserve, which authority shall also include the acquisition of existing facilities, \$10,000,000.

The authority for the outlying bases comes in these few important words in the next and last clause of the amendment—

And in such vicinities as he may, in his discretion, deem advisable, \$10,000,000.

"In such vicinities as he may deem advisable." There is a definite recognition of the need and a provision for acquisition of land bases either adjacent to the Panama Canal east or west of it or wherever in the judgment of the Secretary it is found advisable to have them.

The gentleman from New York [Mr. FISH] spoke of his advocacy of such a step some time past. The gentleman from West Virginia [Mr. RANDOLPH] and others have made similar proposals. The very able ranking minority member of the Naval Affairs Committee [Mr. MAAS] has been active in the matter. Many of the proposals have been associated with a plan to acquire these bases in exchange for credits to nations in default on their war debts.

I added my own bit to the proposition when I introduced House Concurrent Resolution No. 49 on February 28, just 3 months ago today. It was when we were considering the third set of locks in the civil bill for the War Department, a matter which will come again before this House tomorrow, I believe. I advocated the bases as an immediately usable alternative to the locks in defense plans.

MIGHT USE GOLD OR CREDITS ON WAR DEBTS

My resolution differed from other proposals in that in addition to granting credits on defaulted war debts it suggested use of gold from the stabilization fund administered by the Secretary of the Treasury for part payment. My aim there was to accomplish something definite in the redistribution of gold. Today we have over 70 percent of the world's gold in the United States—\$19,200,000,000 of it. The use of a part of the \$1,800,000,000 in the stabilization fund to acquire needed land bases would permit dealing with nations that are not in default to us. Some of them may have bases that we need, if they can be peacefully and properly acquired.

Today we hear an increasing demand from some quarters for a modification of the Johnson Act which prevents private loans to foreign debtors who are in default to this country. This demand arises from the mistaken notion that these nations need credits today. They do not—they have spent

only a small part of the credits they already have in this country. That may change, of course, but it will be far preferable to buy something from them—these bases for example—than to give them credits which will be only so much ink on the books.

The committee proposal here is to set up an authorization of \$10,000,000. I have no idea that that will do the job that should be done in land acquisition and improvement, but if a start is made, the fund can be increased. The money is to come by regular appropriation from the Treasury, which might be handled so as to use gold from the stabilization fund if that was most persuasive and, I presume, that the Treasury might arrange to apply credits on defaulted debts if that was a part of a bargain negotiated by the Secretary of the Navy under the power "to purchase, accept by gift, or otherwise acquire."

In any event, here we have before us today, a concrete proposal to make possible the acquisition of bases for naval aviation outside the continental United States. In my judgment, it is one of the most important parts of the legislation we shall pass today.

BETTER THAN COUNTING ON CANAL LOCKS

I have mentioned the fact that tomorrow we are expected to take up the conference report on the appropriation bill for the civil functions of the War Department. One of the items in disagreement is the proposal to start the 6-year construction of a third set of locks at the Panama Canal at an estimated cost of \$277,000,000.

Let me suggest to you now that in your thinking about this bill you keep in mind for tomorrow the possibility of acquiring land bases east and west of the Canal as a very desirable alternative to the building of a third set of locks. In 6 hours from the time we acquire island bases or land bases east or west of the Canal they could be ready to do more for the defense of the Panama Canal than 6 years of building on a third set of locks. Estimated normal time to construct them is 9 years, and it will take at least 6 years under the emergency speed-up program, the engineers have estimated. And, when done, they will be merely another set of locks a quarter or a half-mile away from the existing double locks. The land bases needed to keep an enemy away from the Canal can be acquired and developed in much less time, of course, than that; in fact, some of them will be usable instantly on their acquisition.

I use the words "east and west of the Canal" because it must be remembered that from whatever direction you expect the potential enemy to come, if you have merely a guard stationed at the front door it would be a simple thing for him to go around to the back door. If either door is closed, the power of our Navy is nearly cut in two. Consequently, in our thinking of the acquisition of land bases for the protection of the Canal we must think of the west as well as the east, and of the east as well as the west.

I am confident from conferences, correspondence, public statements, and private expressions that the men who are charged with the responsibility of our defense in both the Army and the Navy are most anxious that some such land bases be acquired. Testimony to this effect has been given repeatedly before the Subcommittee on Appropriations for the War Department, much of it off the record, but some of it is on the record.

On page 8 of our hearings on the appropriation bill for civil functions of the War Department you will find this statement by General Strong, who is Chief of War Plans on the General Staff:

The prevention of air raids on the Panama Canal from either carrier-based aviation or land-based aviation makes it highly desirable that our defensive aircraft cover generally a line whose radius is about 1,000 miles from the Canal Zone. * * * You will note that Puerto Rico is at the northern end of this arc. From a purely military standpoint, it would be of very great advantage in the defense of the Canal if we had another such base located either on the north coast of South America or on some of the southern islands of the Lesser Antilles.

ALSO A QUESTION OF FOREIGN RELATIONS

In the same statement General Strong made a further observation, which is highly significant, and which should be considered in this connection. He said:

In this connection, however, in view of the international questions involved which are essentially those of governmental policy, the War Department can make no recommendation as to the acquisition of land now under foreign control but which, if it belonged to us, might be used for national-defense purposes. The question of the acquisition of such land is primarily a question of foreign relations. The War Department is limited to considering the use of our own territory, and can make no recommendation in the premises unless and until so requested by the State Department.

Obviously, the Navy Department is under the same restrictions as is the War Department. And obviously, the acquisition of outlying bases by the Navy is as much a question of foreign relations as it would be if done by the War Department.

I proposed that the Secretary of State act in consultation with the Secretary of War and the Secretary of the Navy. To handle it in the bill before us, when we reach the appropriate point in consideration of the committee amendment, I shall offer an amendment. I believe in centralizing responsibility for any action. I shall not propose to take that away from the Secretary of the Navy. My amendment will merely propose that in exercising this authority to acquire what he deems desirable, the Secretary shall act in consultation with the Secretary of War and the Secretary of State.

I include the Secretary of War because he is charged with defense also, and because we have found that bases are established sometimes where a little consultation might have made a base more usable for both arms of the service. I have in mind the situation in Alaska, where we have the naval base at Kodiak and also a proposed Army base at Anchorage. There is some authority for the thought that possibly those should have been combined. I do not know that that is the case, but at least that point has been raised. So, when we come to that portion of the bill where the committee amendment is offered, I shall offer a slight amendment to propose that, in acquiring what he deems desirable, the Secretary of the Navy shall consult with the other branch of the service and the Department of State. [Applause.]

[Here the gavel fell.]

Mr. SUTPHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Chairman, it will certainly be no surprise to Members of this House for me to announce at this time that I shall gladly and enthusiastically support the pending defense bill. In discussing another defense measure, brought here a few days ago by the Military Affairs Committee of the House, I stated then that although there have been several times when there has been serious doubt in my mind about the advisability and practicability of some phases of our defense program in the past, particularly with reference to the construction of some of the large battleships that cost from sixty to a hundred million dollars each, I have always resolved any doubt in favor of defense, whether it be on the land, on water, or in the air. [Applause.]

As the gentleman from West Virginia [Mr. RANDOLPH] pointed out a few minutes ago, I have not hesitated to remind Members of Congress that it takes from 4 to 5 years to build one of those great battleships, and yet for a hundred million dollars we can within a few months build literally thousands of the fastest and most powerful bombers in the world.

The pending bill provides for only 10,000 planes. Frankly, I am disappointed that it does not call for at least twice that number. But I realize full well that the problem of building ten or twenty thousand planes immediately with our present facilities is not an easy assignment. Members should be reminded, however, that America has private industries, such as the great automobile factories at Detroit, that within a few months could greatly increase our present manufacture of planes. Of course, these same industries are in position now to turn out thousands of the best Army trucks and other equipment necessary for national defense to be found on the face of the earth.

But, getting back to the defense program in the air for a moment, let me say that our people in the great Southwest are very much concerned about the necessity for at least one more air base in that area. I have this week discussed the proposal of an air base to be located in Oklahoma with the Secretary of War, Woodring; with the Chief of the Air Corps, General Arnold; with General Fickel; and others in authority in the Air Corps; and I think I am not giving away any secret or overstating the situation to say that both the Secretary of War and the Air Corps would look with favor on an air base to be located somewhere within a radius of 50 or 60 miles of Fort Sill, Okla. Several available locations for an Oklahoma air base have been suggested—one in Cotton County, 25 or 30 miles to the south, one several miles east of Fort Sill, and still another location west of El Reno, where the War Department now owns several sections of land. Certainly such a base should be immediately placed somewhere in southwest Oklahoma.

Recent developments and disclosures of "fifth column" activities, spies, saboteurs, and other subversive activities along the Mexican border, and especially across the Rio Grande in Mexico, cannot be laughed off nor ignored. It is well known that there is but one air base between Kansas and Mexico. That air base is, of course, at San Antonio—only a few minutes by air from the Mexican border. With our vast resources in the Southwest, and particularly considering our great oil fields, coal fields, lead and zinc mines, we cannot afford to permit them to go unprotected from any potential enemy, whether they be Communists, Fascists, Nazis, or "fifth column" spies, who might come over the Mexican border riding their Trojan horses. [Applause.]

I understand hearings on the Military Establishment bill will start tomorrow, and I have requested the opportunity of appearing before that subcommittee to stress the necessity of an air base to be established in Oklahoma, and give notice now that I shall leave no stone unturned, either before the committee or on the floor of this House, to see that every reasonable effort is made that this be done.

Let me say in passing that I agree thoroughly with the gentleman from West Virginia and others that Congress should immediately make adequate defense preparations, but that those preparations should be made, not for an offensive warfare against anyone or any nation, but to defend ourselves against the invasion of any war-mad or power-mad country that might be foolish enough to ever attack us. This, of course, will never occur if we really protect ourselves now against any invasion of a foreign foe and also against enemies within our borders.

The American Legion, in State and National conventions, year after year, has repeatedly warned the country against subversive un-American activities in the United States. So has the Veterans of Foreign Wars. Some of those on this floor today who are now becoming somewhat excited about our defense program, as well as the subversive activities, have heretofore scoffed at the Legion, Veterans of Foreign Wars, and other patriotic organizations which have had the courage and foresight to warn the country repeatedly of the necessity of curbing, jailing, and, if necessary, deporting the damnable, treacherous foreign spies within our own borders. [Applause.]

It is also very significant that some Members of Congress who today, and during the past several days, are bitter in their criticism of the President of the United States, for what they call his tardiness in bringing to the attention of the Congress the necessity for a well-rounded program of national defense, only a few short months ago were using every scheme and excuse possible to thwart, delay, and actually defeat the President's preparedness program. As I pointed out on the floor of this House a few days ago, one of the high-powered Republican spellbinders who always manages to insert partisanship in any speech he makes on the floor of this House, and who never fails to grasp the opportunity of lambasting, ridiculing, and unduly criticizing the President of the United States, only last June enthusiastically supported an amendment to a defense bill prohibiting

the construction of more than 1,000 planes in any 1 year. He is the same gentleman who criticizes the President because as he says "the administration's hindsight is so much better than its foresight."

Today my good friend the able gentleman from Maine [Mr. BREWSTER] repeatedly referred to the gentleman farmer from Hyde Park. I am not sure that I know the gentleman to whom he refers. Furthermore, I hope that I am mistaken in the inference I gathered from his remarks. But if the gentleman from Maine, in his caustic remarks and veiled criticisms, has reference to our great, beloved Chief Executive, then I will say to him that for my part, so far as national defense is concerned, I expect in the future, as in the past, to go along with Franklin D. Roosevelt. [Applause.]

Mr. BREWSTER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes; I yield to the distinguished gentleman from Maine.

Mr. BREWSTER. I was not on the floor, but I understand that my reference to the farmer from Hyde Park was applied to the President of the United States.

Mr. JOHNSON of Oklahoma. Well, I will say to my friend that I said I did not know to whom the gentleman referred but assumed he had in mind the President of the United States.

Mr. BREWSTER. I certainly want to clear the record immediately. I thought that my discussion was sufficiently clear to indicate the one to whom I referred. I referred to the recent newspaper report that the President had designated Secretary Morgenthau as the industrial coordinator. My remark was not at all applied to the President, because I know his interest in the Navy and his very great desire to see us adequately defended.

Mr. JOHNSON of Oklahoma. I thank the gentleman for that explanation.

The gentleman from New York [Mr. FISH] a few moments ago delivered an interesting address. But as usual, the distinguished gentleman was unable to conclude without criticizing the President. I am glad to note, however, that even the gentleman from New York is becoming much less vicious in his criticisms of the President, to whom he refers as "his constituent." His mellowing attitude would indicate that his distinguished constituent from Hyde Park, who is today the most popular and best beloved citizen in all the world, is a whale of a lot more popular up in his New York district than the gentleman who has been so critical of him evidently thought he was a few months ago. [Applause.]

Let me add here that although I find myself seldom in agreement with the gentleman from New York, I agree with him that this Congress should not adjourn during this international crisis until the President's defense program has been enacted in full. [Applause.] And I know that the entire delegation in Congress from Oklahoma voice the same sentiment. I can go further with the gentleman in saying that the Congress should not adjourn while this crisis is so acute and uncertain unless, and until, this Congress raises the tax limit or authorizes the Committee on Ways and Means to begin working on a bill to do so, provided by law. This Congress must not ignore the fact that we must enact a tax bill to raise whatever finances are necessary to meet the demands for the payment of the President's defense program. To do so would not only be shortsighted and indefensible but it would be running out on the people whom we represent. [Applause.]

I cannot agree with the gentleman from New York, however, in his advocacy of what he calls the "manufacturers' sales tax" to finance the entire defense program. That, in my judgment, is unthinkable. During my 7 years in the State Senate of Oklahoma I consistently voted against all sales-tax legislation. One of the first bills I was called upon to vote for when I came to this Congress back in those dark days of Republican misrule under the Hoover regime was the so-called Hoover Federal sales-tax bill. I refused to vote for it then, believing as I did and still do, that a sales tax is a poor man's tax. It was conceived and brought forth

by the greedy rich who desired to escape income taxes. It is for the purpose of heaping the burden of the Government on those less able to pay. Let those of us who pay income taxes dig a little deeper and as we dig, thank God that we live in America, about the one and only democracy left on the face of the globe.

Some of those of you who are criticizing this legislation, yet who will vote for it, insist on saying that Congress is becoming hysterical in rushing through this defense legislation. Certainly there is nothing hysterical, unreasonable, or impractical about the pending defense bill. It is altogether possible that additional defense bills may of necessity be brought here before very long. We cannot ignore our responsibilities. We must not run out on our President or the people who are looking to us to enact all needed preparedness legislation now. We cannot afford to run home to campaign, or for any other reason, during this crisis, as long as we are needed in Washington. What happens to us individually is of little consequence when the destiny of our Nation is at stake. [Applause.]

In closing may I express the hope that there will not be a single vote cast against the pending bill. Let us present a solid front. That is the language that the power-mad dictators understand. A united front today is another notice to the war-mad dictators that the Congress of the United States is determined to be adequately prepared to defend the liberties of American citizens against any foreign foe. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield such time as he may desire to use the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, many a truth has been spoken on the floor of this House, but none can overshadow Napoleon's remark that "an army marches on its stomach." Food supplies in wartime have always created a problem. To keep the kitchen moving with advancing troops is as essential to a successful campaign as high-gear munition trains. The morale of an army depends on how it is fed. That is why I now present to you the necessity of including roads in a national-defense program. America has thousands of lines of secondary highways that are in need of improvement and in many cases reconstruction. They constitute the all-important network that connects our rich agricultural back country with our main arterial highways. Tons and tons of food consumed in metropolitan areas are transported over these highways daily. But this is normal, peacetime service. In time of war, their importance is doubled. Their dependability must be beyond question. They must serve us under all conditions, all tests.

Highway engineers report that thousands of miles of America's rural roads are still fit for nothing more than "horse and buggy" traffic. They are dirt paths of another era. During the spring thaw and wet seasons they present their problems. Often they become altogether useless. Yet we look to these roadways to get fresh foodstuffs and dairy products to market and to carry millions of rural school children to educational centers daily. Failure of these roads in time of national distress would place our military units in a grave situation. We must not sit back now—now when we have the opportunity to overcome these deficiencies. We must make a real effort to eliminate and iron out all our weaknesses so that our defensive strength will indeed have that invulnerable quality of which the President speaks.

But a few months ago, a national highway survey was made by a group of American road builders. It was made purposely to compare our present system of highways with road facilities actually needed for our mechanized Army. Their findings were alarming. The report reads:

American military forces would be hopelessly entangled within 24 hours because of lack of adequate highways for troops and supply movement in the event of an armed invasion.

That should strike home, gentlemen, because it goes to the very roots of our first line of roads. It attacks our road system from our main highways on down. The assertion in this re-

port that our highways are entirely inadequate for national defense certainly is sufficient warning to stimulate some action on our part.

In peace—

The report further states—

It is good policy to prepare for war. Heading the list of defense preparations that constitute the best possible investment while at peace is a modern highway system. * * * Roads built for rapid transportation of mechanized units will serve equally well for rapid transportation of American citizens in automobiles, buses, trucks, and trailers while the country is at peace.

So the appropriation for highways meet a twofold purpose. They stand for cultural and commercial profit in peacetime and for defense in time of conflict. It has been proved that efficient military mobility is only possible on an adequate system of modern roadways. European warfare has proved this fact. Mounted on rubber-tired wheels, armies move 200 miles and more a day. Armies can be split and reunited again in a matter of hours. They can be concentrated on sectors and quickly moved to other points of defense, but only on a system of modern interregional motorways. With the best road-construction engineering minds in the country attempting to work out plans to overcome these defects, I feel our cooperation and support is a major factor in the success of their efforts.

There are no specifically designated national military roads, according to the War Department. Lt. Col. Paul Tombaugh, speaking for the Department, recently said—

Highways which must be constructed for commerce and national development will, in general, be identical with those required for military purposes.

We can well assume, then, that recommendations of the Public Road Administration for a system of peacetime highways will be favorably regarded by the military authorities. Peacetime and military highways are, after all, synonymous. An adequate road system, minus traffic congestion at important centers, is the paramount necessity in both cases. Congested areas are not an uncommon thing in our present road system. Main highways pour thousands of cars hourly into already heavy city traffic. We find trucks carrying essential food and commercial products converging at these points and losing hours of time in their movement. If this happens to our commercial and pleasure vehicles in normal times, imagine the confusion troop movements would encounter if thousands of men, hundreds of equipment pieces, and supply trucks were suddenly required to move swiftly and without hitch. To reroute our main arteries of supply leading to these centers is the only answer.

I began by warning you of our poor system of secondary roads which carry daily food supplies to metropolitan centers. And I mean to reiterate—they are sorely in need of attention. You have heard the report of leading American engineers on our primary system of roads. It points out that to correct our deficiencies, many problems are involved. In fact, so great are our needs in the first line of highways that no consideration was given to the farm-to-market road. We know, however, that time, money, and great energy in man-hours are put forth each year on our secondary highway system. We know that our road builders recognize their importance in relation to the primary system, so I say, let us recognize the role we legislators play in bringing about a giant united effort to combat our highway shortcomings.

Our neglected secondary roads are doing a job that is almost beyond their ability to perform. In the West, we find trucks hauling cattle, grain, and wheat. Coming east to industrial centers, we find them conveying coal, reinforcing and fabricated steel. In the South we find the movement of food, clothing, and machinery, as well as refrigerator trucks bearing fresh fruits and vegetables. These feeder highways bring all this commerce into common veins of traffic which connect different regions and centers of distribution. They are like the nerves of the human body which perform the function of keeping all parts coordinated. They make up an integral part of our national life in peace and our national defense in time of war.

You have but to read the news from the war-torn countries of Europe today to realize the importance of roads. It was the privilege of a few of us to visit Germany some months ago and inspect the hundreds of miles of "autobahns" or superhighways which stretch across that country to see the importance of highway systems in time of war. We inspected the farm-to-market or secondary highways in that country. We found how these secondary roads are closely linked to these superhighways in order to facilitate the rapid transit of foods to the highly mechanized troops which so rapidly traverse over these "autobahns" from one part of the country to another. In planning national defense here in America we cannot eliminate the importance of the roads which lead to the doors of our Nation's source of food and raw materials. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, I did not intend to take any of the time of the Committee, but am moved to say a few words because of receiving only about an hour ago a special-delivery letter from a man whom I consider one of the most promising experts on airplane construction that I have ever had the pleasure of meeting. About 2 years ago I urged the Air Corps of the War and Navy Departments to accord him a hearing and have experts go over with him ideas and designs that he had long been working on for the perfection of the helicopter and also for aerial torpedoes.

My interest in such things had been greatly increased by my realization at about that time that the Nation needed a great deal more preparedness for defensive purposes than it then had. It was on March 18, 1938, to be exact, that I made a speech here in which I pointed out my belief that Adolf Hitler was a man who had an insatiable ambition for world dominion in the back of his head and that it behooved the United States to prepare itself for any emergency. About everything I predicted has already come true. This was within a few days of the time Hitler took Austria. I predicted he would also take Czechoslovakia, Danzig, and then Poland. I cannot resist quoting just a few words here from my speech of March 18, 1938, and then the House can judge for itself how nearly I was right:

There is not the slightest doubt in my mind but that Hitler, Mussolini, and the raving-mad Japanese war lords are in a conspiracy to divide the entire world among themselves. Great Britain, rather late, is commencing to realize its danger. Does Poland realize her danger? If this nefarious triumvirate should effect the dismemberment of the great British Empire, what would become of Canada? Could we still feel free and at ease without present-day Canada?

I asked that question of you more than 2 years ago, and in the light of what has transpired since that time I repeat the question now. If Germany proves to be powerful and audacious enough to attack Great Britain and deprive her of her colonies and dominions, of which Canada is one, I submit that Hitler would not be too far removed from us to give us plenty of concern. Of course, along with every other American, I am hoping against hope that if he does try it he will fail, and fail miserably.

I am recalling the thoughts that were in my mind 2 years ago to explain why I was taking new interest in the development of all types of military aircraft, and why in that speech I became for the first time an advocate of big and bigger preparedness and voted for the enlarged national defense program as urged by President Roosevelt. I felt that because of this war maniac Hitler we should have enough defense preparedness to be able to cope with any eventuality that might arise. And I am thinking now that we started none too soon.

At the time I made the speech I have alluded to some of my colleagues thought I was fearful about things that could never happen, but they are happening, and in view of conditions I feel that we should not delay or hesitate, but should make every preparation possible for a warm reception for Adolf Hitler and his military satellites if they should ever dare to place a foot on American shores.

Personally, I am against sending a single American boy or man across the seas [applause], but I am perfectly willing

and anxious to do everything on earth short of that to make ourselves impregnable and safe.

But, Mr. Chairman, coming back to the communication which I have just received and which time does not permit me to read, but which I shall turn over to the committee, I wish to say that a few days before making the preparedness speech which I mentioned, a colleague of mine asked that I grant an interview to a gentleman of extraordinary ability in aircraft construction. Acting upon that request I met the gentleman and I was actually amazed with the knowledge he possessed and with the experience he had had in aeronautics. As I recollect, he was a man who was an instructor in aviation during the World War and had devised many improvements of aircraft. He urged me to obtain the interest of the aeronautics divisions of the departments to which he sought to submit a model of his helicopter which he claimed had greater speed and lifting power than any other theretofore devised.

I then urged the Department to give consideration to his invention, whereupon he was invited to Washington and made several trips here and to Dayton, Ohio, and had conferences with General Arnold and several other officers, most of whom he had worked with during the war, and from the correspondence which he showed me it appeared they were familiar with his extraordinary ability. However, they stipulated that he should first build a helicopter and aerial bomber for demonstration purposes. He pointed out to them that he was without means but that with a small allowance he would do so. While we had appropriated \$2,000,000 for experimental purposes, the Department failed to allocate to him a few thousand dollars to build a helicopter which he believed would enable him to prove conclusively his contention as to its worth and practicability. He then appealed to several of his friends with whom I joined in contributing enough to enable him to construct a 6-foot model which, in a demonstration that I witnessed, raised and flew according to his prediction. He brought the model to Washington and it was then demanded of him that he build a model large enough to demonstrate by an actual flying trial. Without finances he was unable to do so, and he left Washington to again obtain the help of friends to raise sufficient money to construct the larger model. I was informed a few months ago that he was successful in raising enough funds to start construction on the helicopter as well as on an aerial bomber.

Mr. Chairman, I call attention to this situation because I feel that the knowledge of such an inventor should have been sought by our air service and that a few thousand dollars—not hundreds of thousands—should have been allocated to him to build a helicopter on the basis of the successful demonstration of the small model which he had constructed on his own time and without expense to the Government. I wish to say that I am not an engineer or a mechanic, but I was tremendously impressed, and requested several outstanding engineers to check and investigate as to the practicability of his device.

He informed me later that three or four of the engineers predicted to him that his principle some day would be adopted. I again asked the Department to give him an opportunity, but to no avail. I therefore came to the conclusion that our experts and engineers in this field feel that no one not actually connected with their Department has anything worth while. In taking that attitude I feel they are making a great mistake. I understand that millions are being expended for experimental purposes, and I cannot understand why an individual of such knowledge and inventive capacity should not have been allotted a small amount and welcomed to aid them in developing his helicopter. This gentleman stated to me that he knew as a fact that Germany had spent over \$3,000,000 to develop a helicopter and that our own country as well as private concerns had failed in their attempts to develop a satisfactory helicopter. He gave me the underlying reasons why they failed and how he could overcome the defects that were responsible for their failures. Therefore I hope—and I address the chairman of the Naval Affairs Committee—that you will look into this situation.

I turn over to you the recent letter I received from the gentleman, not wishing to burden you with many letters on the subject, in the hope that without undue delay he will be assigned to a plant to make possible the completion of the devices he has started to construct.

Mr. Chairman, as you and the membership have observed, I have not mentioned the name of this gentleman, as I do not want to have anyone assume that I want to publicize him, but I repeat, I have the utmost confidence in his ability, because since his boyhood he has spent nearly 30 years of his life studying and experimenting with aeronautics. I feel in honor bound to direct the attention of the House to the possibility of the utilization of this man's services in our defense plans, and at the same time I hope he will receive consideration by those in charge and whose duty it is to avail themselves, especially at this time, of any and all devices that will not only improve but tremendously reduce the cost of our aircraft program. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, I have asked for this very brief time to ask the chairman of the committee a question. I may say that I am following the very able leadership of the gentleman from Georgia with regard to naval preparedness, and I note that we are spending something like \$2,000,000,000 on a naval-expansion program. I want to ask the distinguished chairman if provision is to be made in this elaborate program of preparedness for the training of Negroes for the Navy and for aviation service in the Navy. The Negroes of America have demonstrated their loyalty, courage, and patriotism in every war in which our country has been engaged. I note that there is a naval station at Charlotte Amalie in the Virgin Islands, and it occurs to me this would be a very proper and appropriate place to inaugurate training for Negroes for the naval service. What can the gentleman tell me about that?

Mr. VINSON of Georgia. Mr. Chairman, I will say to the gentleman from Indiana that all laws apply to all citizens of the United States equally, and any citizen of the United States, regardless of his race or color, who can comply with these requirements is eligible for military training.

Mr. LUDLOW. I thank the gentleman from Georgia.

Mr. MAAS. Mr. Chairman, I yield the remainder of my time to myself.

The CHAIRMAN. The gentleman is recognized for 18 minutes.

Mr. MAAS. Mr. Chairman, this bill is not something brand new or hysterically arrived at. It is merely carrying out a program which was worked out by the Navy Department and our committee and recommended 2 years ago, long before the present European war broke out. I know everybody in the House is going to support this bill; they are all for national defense. The only thing that surprises me, in view of the almost unanimous present support for national defense and the fact that everybody in the House apparently has been advocating all of these things for years, is why this was not all passed long ago. At last Congress is going to pass bills that it now appears practically every Member has been ardently advocating for years. There are only one or two elements that are new at all in this bill, and they are part of the general plan. One is to provide for Federal acquisition of Naval Reserve aviation bases. There is no use in training thousands of pilots to be reserves in case of war and then not provide facilities to keep up their training, because if a pilot does not fly constantly he loses the touch and is not available for flying duty when needed. After being away from flying for a year or two, a man becomes not only rusty but even dangerous. It is better to take and train a brand new youngster who has never flown an airplane. Therefore, we must provide facilities to keep up the flying of those we are today training as pilots. We have provided for that in this bill. We have also provided that if additional naval air operating bases and auxiliary

bases become necessary either in outlying islands or anywhere else, the authority is there to immediately convert them to the defense of this Nation.

We have provided that the Navy shall build not less than 48 lighter-than-air ships. Those are expected to be nearly, if not entirely, all nonrigid blimps. The blimp has demonstrated tremendous value in offshore patrol work.

Another recognition in this bill is that the Navy has come to the conclusion in conjunction with the Army that the Navy will have to be prepared to provide for its own protection for its own shore base facilities. Heretofore the theory and plan has been that the Navy operated far out at sea, and the Army defended all land bases, whether Army or Navy, but in view of the fact that the Army may have to concentrate its entire force suddenly in a certain area and the Army air force in a sudden effort may be required in an entirely different theater of operation from fixed shore bases, it has become apparent that the Navy, in addition to the planes necessary for fighting and patrol with the fleet, has to have a complement to protect its own shore facilities. This bill in providing 10,000 planes recognizes that, and will provide the pilots and the planes necessary for the complete fleet operation, with expanded bases for the increase in patrol planes. The bill also provides training planes necessary, and the minimum requirements for air protection of the continental shore base naval activity as well as their outlying bases.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. CRAWFORD. Page 3, lines 2 and 3 read:

And in such vicinities as he may, in his discretion, deem advisable, \$10,000,000.

Could the Secretary of the Navy, under that language, expend money in the fortification of Guam?

Mr. MAAS. No. It says within the continental limits of the United States, as I read the bill. The first part, at the bottom of page 1, refers to continental limits of the United States.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. VINSON of Georgia. It is distinctly understood that of the \$10,000,000 referred to in the two places in the bill by the committee, not one dollar of that money will be expended at Guam. Guam is out of the picture so far as this Congress is concerned, but gentlemen, by that statement, should not understand that we agree that Guam should be out of the picture in the next Congress.

Mr. CRAWFORD. If the gentleman will yield further—in other words, the language in lines 2 and 3 at the top of page 3, while it permits a wide range outside continental United States, yet by agreement the money is not to be used for Guam. Is that correct?

Mr. MAAS. That is correct, but I will say that it was not done with my approval. If I had my way we would fortify Guam tomorrow morning. I think history will demonstrate that one of the worst votes ever cast in this House was the vote against fortifying Guam. When this Nation says to the world that we are not going to defend any part of our territory, it is a sad state of affairs.

Mr. Chairman, I yield to the chairman of the Committee on Naval Affairs.

Mr. VINSON of Georgia. I agree with the gentleman exactly about the fortification of Guam. But Congress has spoken, this Congress has rejected it, and every Member can understand definitely and positively that not one dollar of this money will be spent at Guam at this time.

Mr. MAAS. That is correct. The Navy Department takes it as a directive, in view of the fact that Congress turned down Guam, that they must not spend any of this money there. As I said, if I had anything to do with it, they certainly would spend a part of it over there, and right now.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield once again?

Mr. MAAS. Certainly.

Mr. CRAWFORD. As the gentleman said to me earlier in the afternoon, he did not want to argue with me on that point, and I will say to the gentleman at this time that he certainly cannot get into any argument on this with me now and this new program which we are now launching, insofar as the fortification of Guam is concerned. I am astonished that the committee has had an agreement with reference to this particular language.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. Those present will remember that earlier in this Congress a bill was before us to provide a minor air-defense program at Guam, and the Congress rejected it. The usual procedure is that when a bill has been defeated during a session of Congress it is not brought up again during that Congress. At the next session of Congress, however, the matter of Guam will be presented again for further consideration.

Mr. MAAS. And I predict that it will pass overwhelmingly.

Mr. CRAWFORD. So do I.

Mr. MAAS. If we had fortified Guam 2 years ago we would not now be worrying about what might happen to the Dutch East Indies, for we would not have to worry about it. [Applause.]

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. CHURCH. How long would it take to fortify Guam?

Mr. MAAS. It would depend on how far you wanted to go in providing defenses there. We could at least dredge out the coral heads at once.

Mr. CHURCH. Would it not take 5 years to fortify Guam?

Mr. MAAS. You could not make a Gibraltar out of Guam in less than 5 years. But let me tell the gentleman something. If you would dredge the coral heads out of the harbor so seaplanes could land and take off and put enough Marines over there with proper equipment, they would hold that island against Japan or anyone else for a long time.

Let me say to the gentleman from Illinois that I would rather defend America over there than over here. Let me tell you that the way to keep an enemy at home is to be in such a position that you can strike quickly at his homeland if he attempts acts against you. Guam could serve that purpose for us and would keep Japan at home, if properly developed.

Mr. CHURCH. How well you could fortify Guam and, in what length of time, would depend on the money at our disposal for that purpose.

Mr. MAAS. You could prepare Guam to withhold a considerable siege in a matter of 6 months to a year.

Mr. CHURCH. It would be my judgment that it would take from 3 to 5 years to do it.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. VORYS of Ohio. Changing the course of the discussion somewhat, I wish to ask the gentleman concerning the training program. I understand it is proposed to give an all-around training to all the pilots?

Mr. MAAS. That is not correct.

Mr. VORYS of Ohio. Let me finish the question and then I would be very happy if the gentleman would explain the training plans. As I understand it, flying a seaplane, flying a land-based bomber, and working from an aircraft carrier are so entirely different that when you are in a hurry and need a lot of pilots you can save time by training a pilot to do just one of those things and keeping him in practice. As I read the hearings, however, I understand that it is proposed, since they do not know what proportion of the planes authorized will go to the different categories, that they are going to give these new pilots an all-around training. I wonder if it would not be better to train these

men to be specialists in flying a particular type of ship, if by so doing we would not train them more rapidly and keep them in condition more economically.

Mr. MAAS. I may say to the gentleman from Ohio that that is exactly what the Navy is doing.

The gentleman understands, of course, that the basic training is the same for all naval pilots. After they receive their basic training they will receive a specialized course. The primary training is the same, that is fundamental. Then they are divided up for tactical training when some learn to fly the big boats, some the pontoon planes for duty on battleships and cruisers, and others go to landplanes, which is the type of plane used on the carriers. What the gentleman has in mind is exactly what the Navy is going to do, and in fact is now doing.

Mr. VORYS of Ohio. I am delighted to know that.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Miss SUMNER of Illinois. Does the gentleman know of any potential enemy except Japan that might be preparing to fight the United States within the next year and a half?

Mr. MAAS. I do not know. I am no seer. All I know is that America is the garden spot of the world, and it is hardly feasible to believe that the hungry wolves of the rest of the world will stay out of our garden unless we build a doggone good high picket fence; and that is what I want to see done now by passing this bill.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. VAN ZANDT. We are now very active in building up our national defenses, and are spending a tremendous amount of money on them. I wonder if the gentleman can give us any assurance that after this war is over, probably in the next few weeks we may then find ourselves playing our part in an armament-reduction program?

Mr. MAAS. I feel that I can say positively that not within the memory of any of the Members of this House shall we ever again see any of our American ships sunk by a treaty.

From now on we will build such a Navy as we need for our protection, independent of what anybody else does, and then we will maintain it forevermore. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the President of the United States is hereby authorized to acquire or construct naval airplanes and non-rigid airships and spare parts and equipment, as may be necessary to provide and maintain the number of useful naval airplanes at a total of not less than 10,000, including 850 airplanes for the Naval Reserve, and the number of useful nonrigid airships at a total of not less than 48. He is also authorized to provide such training facilities as may, in his judgment, be necessary for 16,000 naval aviators and enlisted pilots: *Provided*, That nothing herein shall be construed to limit or affect the responsibility of the Secretary of the Navy as defined in the act of July 12, 1921 (42 Stat. 141; U. S. C., title 34, sec. 732).

With the following committee amendments:

Page 1, line 4, strike out "nonrigid airships" and insert "lighter-than-air craft."

Page 1, line 9, strike out "nonrigid airships" and insert "lighter-than-air craft."

The committee amendments were agreed to.

Mr. NICHOLS. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma [Mr. NICHOLS]?

There was no objection.

Mr. NICHOLS. Mr. Chairman, of course, I shall support this bill and every other national-defense bill. I am becoming a little alarmed, though, about the hysteria that has developed in this Congress toward adjournment. I just wonder what the hurry is. We have been a long time realizing

that this Nation is not adequately prepared; and we cannot hope to, within a few short days after this realization has dawned on us, complete legislation which will completely meet the demands of national defense as we see it today.

We have only touched the surface when we pass a bill authorizing an expansion of the Army, Navy, and Air Corps. If we do that, then smugly go home and tell our folks that we have done a great job, we will have missed the point a long way. There is no hurry to get home.

Hitler has bragged publicly that he was able to do the speedy and devastating job he has done in Europe largely by reason of the operation of what he chooses to call the "fifth column" in the countries of Europe. Anyone who thinks that there are no subversive activities going on in the United States today is one who refuses to face the facts. At the moment the Federal Bureau of Investigation has only a force of 150 men to stamp out Communist, Fascist, Nazi, and other subversive activities in the United States among 130,000,000 people. On last Friday in the office of the F. B. I. in New York alone 147 complaints, supported by information, were filed.

I propose to introduce legislation to correct this. This legislation is now being drafted. I will propose that the Federal Bureau of Investigation be authorized to employ a sufficient number of men to protect the people of the United States against "fifth column" activities in the United States. I will also introduce legislation for the appropriation of sufficient amount of funds to carry on their activities.

Mr. Chairman, we are going to be derelict in our duty if we do not, before this Congress adjourns, provide an authorization and funds to be placed in the hands of one of the greatest men in his specialized line that this Nation has ever seen—J. Edgar Hoover—to combat the "fifth column" movement in the United States. [Applause.]

Mr. CRAWFORD. Will the gentleman yield?

Mr. NICHOLS. I would very much like to yield if I can get more time.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes beyond the time allotted me.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma [Mr. NICHOLS]?

Mr. CHURCH. Mr. Chairman, we want to finish. I object.

Mr. VINSON of Georgia. Mr. Chairman, I trust the gentleman from Illinois will not object. We will make more progress if the gentleman from Oklahoma is permitted to proceed for 5 additional minutes.

Mr. CHURCH. In the interest of saving time, may I say that I shall object to anyone speaking out of order for the rest of the consideration of this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma [Mr. NICHOLS]?

There was no objection.

Mr. NICHOLS. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I wish to ask the gentleman if, in his opinion, the F. B. I. or the Attorney General is authorized to use the emergency fund which we provided about a year and a half ago in an amount of something like \$150,000 to \$200,000?

Mr. NICHOLS. I do not know. The only information I have is that the Attorney General's Office advised me by telephone that we have but 150 men available for this purpose, and that they will have an additional 100 after July 1.

Mr. MAY. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Kentucky.

Mr. MAY. May I say to the gentleman from Oklahoma that I have letters from veterans' organizations in New York stating that during the last week over 6,000 people have assembled in Times Square displaying anti-America banners.

Mr. NICHOLS. I thank the gentleman for his statement. I would like to point out a couple of other jobs I think we ought to do before we hurry home. We are paid to stay here, and we can well afford to stay here until the job is completed. We would also be derelict in our duty if we did not make provision by either the levying of taxes or by

an increase in the debt limit to defray the cost of at least this increased defense program. [Applause.] We ought to stay here until that job is done, and fear you not the politics of the thing. Where is the man or woman, whether he be Democrat or Republican, who would object to paying taxes in view of the protection afforded him by this program?

Let me tell you something else that we ought to do. Our system of procurement in the Army and the Navy is as antiquated as the "horse and buggy" and I will prove this to you. If there is anything that caused greater scandal than the cost-plus contracts of the last war, I do not know what it is. You have in your procurement law today only two modes of procurement. One is by contract and if for any reason the Army or the Navy does not want to let the bid on contract, and there are many good reasons why in certain instances they should not, then they only have one other mode and that is by cost-plus, and cost-plus is a disgrace. Cost-plus is the plan that urges a manufacturer to increase the cost of an article because in so doing he increases his profit. We should stay here until we correct the procurement law.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON of Georgia. There is nothing in this bill or in any of the bills that have been considered today with reference to cost-plus contracts. There is cost, plus a fixed fee, which is an entirely different proposition. I agree thoroughly that it is the duty of the Congress at this session to provide the necessary means by which to finance these programs.

Mr. NICHOLS. Do I understand the chairman to say that there is a fixed-fee provision in this bill?

Mr. VINSON of Georgia. The fixed fee is in this bill.

Mr. NICHOLS. That is fine. I doubt, though, that if you used all of the space in your present bill, as short as it is, that you could write a foolproof fixed-fee plan. I am not complaining if you have provided for a fixed fee above cost; that is fine. But in other parts of your procurement law—and I recommend to the membership of this House that you read the present procurement law—you will find many, many antiquated provisions that should be corrected before this Congress leaves.

Mr. O'TOOLE. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from New York.

Mr. O'TOOLE. Does not the last section of this bill contain a cost-plus provision?

Mr. VINSON of Georgia. Not at all. The bill provides for cost plus a fixed fee, and there is a broad distinction between that and a cost-plus contract. When a contractor gets the contract, the fee is fixed then and there, regardless of the matter of cost.

Mr. NICHOLS. I have pointed out only three or four things. I believe every one of you will surely agree with me that they are important.

Let me speak of one other thing. The jealousy, the petty favoritism rife in our Army and Navy will unduly delay perfection and carrying out of our defense program if something is not done to stamp out forever the practice of inflicting punishment upon men very many times simply because they have advanced ideas which go beyond the moss-back ideas of some old generals or admirals who for years and years have been unwilling or unable to get their minds out of a narrow groove and thus keep abreast with modern development. [Applause.]

I call your attention to the case of the late General Mitchell. You can well go back now and read the record of that trial. What a sad commentary was the case of Mitchell, and the same thing is going on in the Army and in the Navy today. I am not too critical of them, and if they are big men they will not mind my talking like this. I think that now is the time the Army and the Navy should show a little patriotism themselves and quit being selfish in their search for advancement, quit being selfish in their search for things which will be the best for them individually. Let us call on the Army and the Navy now to

be as patriotic as we want all the people of the United States to be. The soldiers, both enlisted men and officers, will be heroic and patriotic on the battlefield if the worst should come. This is an emotional patriotism linked with the long-enjoyed American tradition of bravery, and no one doubts that this sort of patriotism will again be in evidence as it has always in the past. The kind of patriotism that I am talking about, however, is that which would cause the individuals directing the training of men and the development of the modern science of war to throw aside their petty personal differences and their petty personal ambitions and cooperate in peace as they would in war. These and many other things this Congress can well devote its attention to before adjournment. [Applause.]

[Here the gavel fell.]

Mr. COLE of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: On page 1, line 10, strike out "less" and insert in lieu thereof "more."

Mr. VINSON of Georgia. We have no objection to this amendment, Mr. Chairman. It definitely fixes the number of lighter-than-air craft.

The CHAIRMAN. Does the gentleman desire to be heard on his amendment?

Mr. COLE of New York. Not unless there is to be some opposition to it.

Mr. VINSON of Georgia. We accept the amendment, Mr. Chairman.

Mr. COLE of New York. I do want to make just a brief statement on it.

Mr. CHURCH. If the gentleman will yield, I believe that the gentleman has in mind that the gentleman from Minnesota [Mr. MAAS] is in opposition to the amendment.

Mr. COLE of New York. The effect of the amendment is perfectly clear. It places a ceiling on the number of blimps or rigid lighter-than-air ships the Navy may build, rather than a floor under it. In the case of airplanes, this bill directs the Navy Department to acquire as rapidly and as speedily as possible 10,000 planes. I do not believe it is the intention of the Congress to direct the Navy Department to acquire not less than 48 blimps. At the present time we have 4, 5, or 6 blimps. The military usefulness of this type of airship has not been established. It may still be useful and we feel that it is proper for the Navy Department to have some of them to keep the art alive, but to go to the extent of directing them to get not less than 48 of them is to proceed further, I believe, than any of us intend to go. That is the purpose of the amendment. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. COLE].

The amendment was agreed to.

Mr. CARTWRIGHT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, earlier this afternoon my colleague the gentleman from Oklahoma [Mr. JOHNSON] in addressing this body urged that Congress remain on the job here during the present international crisis as long as necessary to carry out the President's defense program. He further suggested that this Congress raise the necessary taxes to pay for defense. My colleague the gentleman from Oklahoma [Mr. NICHOLS] has voiced the same sentiment. Today the Oklahoma delegation in Congress adopted a resolution along the line suggested by both of my colleagues from Oklahoma and have delegated me to announce same to this House and the country. This resolution is as follows:

We, the Oklahoma delegation in the House of Representatives, being in agreement with the President's program as outlined in his message to the Congress on May 15, 1940, for the expansion of our Army, Navy, and Air Corps, urge that Congress remain in session until Congress shall have enacted a preparedness program that will insure the United States against attack by any nation or combination of nations from without, or from subversive activities from within. We recommend and support, in addition to the President's program, the following emergency defense measures:

(1) Raising the debt limit immediately to provide adequate funds for the present emergency and the passage of an adequate emergency tax bill at this session of Congress.

(2) Passage and strict enforcement of legislation to curb "fifth column" activities.

(3) The military training of an adequate civilian military force to supplement existing authorized forces.

(4) Sufficient funds for the Commodity Credit Corporation to maintain adequate food supplies and reserves to meet any eventuality, and the immediate purchase of adequate strategic raw materials necessary for defense.

Wesley E. Disney, First District; Jack Nichols, Second District; Wilburn Cartwright, Third District; Lyle H. Boren, Fourth District; Mike Monroney, Fifth District; Jed Johnson, Sixth District; Sam Massingale, Seventh District; Phil Ferguson, Eighth District; Will Rogers, at large.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. CARTWRIGHT. I yield to the gentleman from Texas.

Mr. RAYBURN. After that program is enacted, then does the Oklahoma delegation want to stay here?

Mr. CARTWRIGHT. I might say to my good friend and neighbor, our distinguished floor leader, that our delegation wants to stay here until it is really done. Of course, our resolution speaks for itself. May I call your attention to the fact that it says:

We urge that Congress remain in session until Congress shall have enacted a preparedness program that will insure the United States against attack by any nation or combination of nations without or from subversive activities from within.

That, I will say to the gentleman from Texas, is thoroughly in keeping with the suggestions and recommendations of the President of the United States.

Mr. RAYBURN. I thank the gentleman. I somehow got the impression from the statement of the gentleman from Oklahoma [Mr. JOHNSON] that the Oklahoma delegation had passed a resolution not to adjourn the session of Congress as long as this emergency lasts.

Mr. CARTWRIGHT. Let me say, Mr. Chairman, that the Oklahoma delegation in Congress is enthusiastically supporting the President, and we want to stay here until his defense program is completed.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CARTWRIGHT. I yield.

Mr. JOHNSON of Oklahoma. I will say that although I did not mention the resolution passed unanimously by our delegation today, I am, of course, for the program announced, as announced, and feel very definitely that we should stick to our posts of duty here until every item in the President's preparedness program is enacted into law.

Mr. CARTWRIGHT. Yes.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CARTWRIGHT. Sorry I cannot yield further, as I see my time is up.

[Here the gavel fell.]

Mr. BOREN. Mr. Chairman, in connection with the statement released by the Oklahoma delegation I am 100 percent behind the President in the development of a national defense program, adequate beyond any question of doubt for the security of America.

I feel very strongly that the Congress should stay in session until such a program is enacted into law. I am personally willing to see the Congress remain in session continuously from now on if that appears best for the Nation's need. We can let that depend on when we get the job done.

I am for paying the cost of defense as we go, but I feel that raising the debt limit and voting preparedness bonds is essential to meet the emergency. It will take weeks or months to work out a tax bill, and it will take many months more to collect the taxes. We must have the money now. Taxation is necessary, but it is too slow a method in itself.

Mr. SUMNERS of Texas. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, these are times which try the souls of people. These are challenging times. This session is being held in the midst of one of the world's greatest tragedies. This is a

solemn hour for America and for the world. Tremendous responsibility rests upon my colleagues in this Chamber. The eyes of the Nation today are turned toward this Chamber. The Nation should be enheartened today as it looks upon this scene, Democrats and Republicans in the hour of the Nation's necessity, possibly in the hour of its danger, no longer conscious that they are Democrats or Republicans. I believe that every Member of this House, man and woman, today feels a thrill of patriotic love for this country which they have not had in a long time. I do—you do.

This emergency is going to do a great thing for America. We have gotten mighty soft in America. People to a large degree had ceased to love their country. We have taken our liberties and blessings as a matter of course, without gratitude and without responsibility. We had come to look upon America and upon this Government as the place from which we get something that we have not already had. We cannot preserve ourselves as a free people, bottle-fed and rocked to sleep in the arms of a government. [Applause.]

This is a day for preparation in America—not only preparation to defend ourselves against attack but preparation to live—a high peak in the history of the ages today; one of those solemn, serious times in the history of the ages when nations and civilizations, as I have had occasion to say before, this is one of those times when they stand at the bar of judgment and must answer for their right to live. There is no doubt about it. Such times come, and fascinatingly interesting they are. This is the time and you are in responsibility in such a time. We have gotten soft in America. We have got rough going ahead of us. Before we get through, our muscles are going to be harder and we are going to be fitter to live than we were when we started. This great problem—this challenge today to a soft, ease-loving, pleasure-loving, shallow-thinking people—has come in the goodness of God Almighty to make this generation fit to live. This is a day of preparedness, but this preparation—the great preparation, the preparation which will make us secure—cannot be done under the dome of this Capitol. The preparation has got to be far-flung, reaching into every community of the Nation and into the heart and soul of every American citizen. That is the sort of preparation we have got to have if we win through. I believe we are going to win through. I doubted it until comparatively recently. I have been taking some samples of public attitudes in the country, and I believe America is receiving a baptism of patriotism and of fitness to live.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. SUMNERS of Texas. This is a solemn hour in my Nation's life. It would be a great thing for those people who are fabricating the machinery necessary to defend this country, not to make any profit out of their fabrication—a great thing for their souls. Nobody has any right to live beneath the Stars and the Stripes and have it in his purpose to make a profit out of the necessities of his Nation in the hour of its peril. [Applause.] Talk about the "fifth column." We have got to do something with the "fifth column," but we have got to do something with our hearts today, purpose and courage, patriotism and determination, solemn dedication and sacrifice.

We have heard some talk about labor. I want to say for my laboring men, my working men in my country are just as patriotic as anybody on the face of this earth, and it is an unjustifiable insult to indicate that they will not do their work unless they get a better cut out of the situation than somebody else. It is not the truth.

We are going to do this job in America. God bless you Republicans and you Democrats. It would be an inspiring thing if the Nation could look at you today as you stand shoulder to shoulder in defense of the greatest Government

that ever existed on the earth. [Applause.] A day of preparation, a day of dedication, this is the hour of dedication in America of the people in this country if we are to remain free.

It is not written in the book of destiny that we on this shore are to be protected against the necessity of demonstrating our fitness to be free. All about us the crash of democracies is heard. We are not preparing to fight anybody. Let that get across the country, too. We are preparing to defend the shores of America in the interest of this people.

We are preparing to preserve on the earth, under God, one spot in these dark hours where free government shall obtain. Men and women in this House today, that is a great commission. You and I have a great commission, the American people have a great commission, because we hold in our hand the hope of the ages—nothing less than that. It is a tremendous challenge to you and to myself and to the American Nation today because if America fails, free government on the earth for centuries and centuries may fail. It is a great thing for you and me and the American people to have a chance to stand at the threshold of free government and beat back its foes. [Applause.]

Mr. SCHAFER of Wisconsin. Mr. Chairman, I offer the following amendment, which I send to the desk:

The Clerk read as follows:

Amendment offered by Mr. SCHAFER of Wisconsin: Page 1, line 9, strike out the word "useful."

Mr. SCHAFER of Wisconsin. Mr. Chairman, this is a pro forma amendment, which is useful in order to talk within the rules of the House, after the gentleman from Illinois [Mr. CHURCH] said that he would oppose debate on pro forma amendments. I agree with preceding speakers who said that this Congress should remain in session and should pass tax legislation in order to raise the money to pay for our national defense expansion program.

I intend to vote for this bill, although I regret to vote for a bill which will give such vast powers to the present New Deal President of the United States, in view of the record which he has made. Since the President's last fireside chat, and the testimony of responsible officials in charge of our Navy and Army, revealing the failure of the New Deal to provide for an adequate national defense, and the gross inadequacy of our present national defense after 7 long years of New Deal maladministration, I am going to vote for this bill, even though our national debt has almost reached the \$45,000,000,000 limit. The President recently said that the Congress and the President should work as a team in the matter of national defense. We all know that when the Army and the Navy play their annual football game at Philadelphia, neither the Army nor the Navy send their quarterback to play for them and leave the rest of the team at home. I believe that the entire team should stay in Washington, and I am one of those who will vote against the adjournment of Congress because of the unsettled world conditions and the distressing and perplexing domestic problems which the New Deal has failed to solve after 7 long years of maladministration.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER of Wisconsin. Wait until I get through, and when I get more time I shall be glad to yield.

Mr. DINGELL. Oh, you will not get any more time.

Mr. SCHAFER of Wisconsin. That is just what I understand. That is the reason why I don't intend to yield to the gentleman at this time. The gentleman will observe that two can play at that game as well as one.

With reference to national defense, our real danger lies within and not without. I sincerely hope that our New Deal brethren will soon realize that Santa Claus does not furnish the funds which are voted so promiscuously by the New Deal controlled Congress. If the New Deal spending spree of borrowed public moneys is not curbed the Federal Government will be plunged into bankruptcy and inflation, which might lead to the destruction of our American conception of constitutional representative government.

Mr. Chairman, our New Deal President would serve our country better if he would remove from the Federal Government pay rolls all of the New Deal Communists and Communist "fellow travelers" who were pointed out by the Dies committee. Mr. President, let us have more action to curb these New Deal Communist "fifth column" fellows and less fireside chatter. I sincerely hope that before we adjourn we will enact a bill which the Committee on Immigration unanimously reported—the bill to deport Harry Bridges, the big alien Trojan horse leader of the Communist "fifth column" who has been permitted to run wild in the United States by President Franklin D. Roosevelt and Madam Perkins; Harry Bridges, the alien British subject who has been permitted to carry on a guerrilla warfare in order to get control of our American merchant marine, which is as essential to an adequate national defense as any cruiser, battleship, or airship provided for in this bill.

In his last fireside chatter our New Deal President compared his national-defense record of 7 years with 7 Republican years. He did not, however, relate that in 1932 he traveled around the country denouncing the Republican expenditures for the Army and the Navy, which totaled less than \$650,000,000, and promised to reduce them by 25 percent. The President's fireside chatter did not mention that the Democrats, who had control of the House of Representatives in 1932, in the name of economy made a drive to reduce the Army officer personnel 2,000 and the Navy officer personnel 2,000, although we did not have sufficient officers for an adequate national defense.

The President also failed to tell the American people that in 1932 the Democrats who controlled the House of Representatives also tried to reduce the appropriations for the National Guard and Reserves and to sell our limited number of Army transports to private interests.

I sincerely hope that in the interest of national defense, since the President recently said he did not have time to talk politics, that he will take the 30 seconds necessary to say that he does not choose to run for a third term. Then he can spend all of his time on the many problems which he said he had to solve when Mr. Landon recently visited him. The President should end his third-term blitzkrieg in the interest of our national security, welfare, and defense. [Applause.]

[Here the gavel fell.]

Mr. SCHAFER of Wisconsin. Mr. Chairman, I ask unanimous consent to withdraw my pro forma, but so useful, amendment.

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

There was no objection.

The Clerk read as follows:

SEC. 2. The Secretary of the Navy is hereby authorized to establish, develop, or increase naval aviation facilities, with which shall be included the authority to purchase, accept by gift, or otherwise acquire land and to construct buildings and accessories, with approximate costs as indicated, at or in the vicinity of Norfolk, Va., \$13,246,000; San Juan, P. R., \$2,330,000; Coco Solo, C. Z., \$12,690,000; Seattle, Wash., \$4,670,000; Kodiak, Alaska, \$2,012,000; Pearl Harbor, T. H., \$5,807,000; Kaneohe Bay, T. H., \$578,000; Midway Island, \$1,870,000; Wake Island, \$5,582,000; Johnston Island, \$460,000; Quonset Point, R. I., \$24,204,000; Quantico, Va., \$2,326,000; Guantanamo, Cuba, \$2,886,000; Charlotte Amalie, V. I., \$1,510,000; San Diego, Calif., \$5,637,000; Alameda, Calif., \$6,861,000; Unalaska, Alaska, \$2,963,000; Canton Island, \$1,500,000; Tongue Point, Oreg., \$2,000,000; Corpus Christi, Tex., \$25,000,000: *Provided*, That the approximate cost indicated for each project enumerated above may, in the discretion of the Secretary of the Navy, be varied upward or downward by an amount not to exceed 25 percent of the approximate cost indicated, but the total cost shall not exceed \$124,132,000: *Provided further*, That this shall be in addition to all authorizations heretofore made for projects in these vicinities.

Committee amendment: Page 2, line 14, strike out "Pearl Harbor" and insert in lieu thereof "Island of Oahu."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 14, strike out "\$5,807,000" and insert in lieu thereof "\$6,485,000."

Mr. VINSON of Georgia. Mr. Chairman, there is a typographical error in the amount. I offer an amendment to correct it.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia to the committee amendment: Strike out the figures "\$6,485,000" and insert in lieu thereof "\$6,385,000."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 15, strike out the following: "Kaneohe Bay, Hawaii, \$578,000."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, after the figures "\$25,000,000", in line 23, insert the following: "at such localities within the continental limits of the United States as may, in his judgment, be necessary for the Naval Reserve, which authority shall also include the acquisition of existing facilities, \$10,000,000; and in such vicinities as he may, in his discretion, deem advisable, \$10,000,000: *Provided*."

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia to the committee amendment: Page 3, line 3, after the word "advisable", insert the following: "for auxiliary aviation bases."

The amendment to the committee amendment was agreed to.

Mr. CASE of South Dakota. Mr. Chairman, I have at the desk an amendment to the committee amendment which I have submitted to the chairman of the committee and to which he said he had no objection.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota to the committee amendment: On page 3, line 2, strike out the words "in his discretion" and insert "in consultation with the Secretary of the Navy and the Secretary of State."

Mr. VINSON of Georgia. I have no objection to the amendment, Mr. Chairman.

The CHAIRMAN. The question is on the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

Mr. HOFFMAN. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN. The Chair will say to the gentleman from Michigan that committee amendments are being disposed of at the present time.

The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 8, strike out "\$124,132,000" and insert in lieu thereof "\$144,132,000."

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask the chairman of the Committee on Naval Affairs about these increases. I realize it is necessary to have these funds, but is the chairman of this committee aware of any committee of the House that is now making any preparation to secure these funds from the people in order that this defense program may be paid for?

Mr. VINSON of Georgia. Speaking personally for myself, I hope some committee will bring in the necessary legislation to take care of the preparedness program called for.

Mr. RICH. I hope the gentleman from Georgia will use his great influence with the Appropriations Committee to that end.

By unanimous consent the pro forma amendment was withdrawn.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 10, after the word "vicinities", insert the following: "*And provided further*, That the Secretary of the Navy shall report to the Congress, at the beginning of each regular session, the extent to which he has exercised the authority herein contained with respect to Naval Reserve aviation and the location of those facilities left to his discretion."

The committee amendment was agreed to.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 3, after line 15, add a new section, to be known as section 2 (a), as follows:

"Sec. 2. (a) Notwithstanding the provisions of any other law the regular hours of labor for employees of the United States Government, and of contractors and subcontractors, when such employees are engaged in work in connection with naval vessels or aircraft or parts thereof or other work incidental thereto, shall, during the period of any national emergency declared by the President to exist, be a 5-day week of 8 hours per day and 40 hours per week: *Provided*, That these hours may be exceeded and that such employees shall receive compensation for their employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which they are employed: *Provided further*, That such compensation for overtime shall apply only to per diem, hourly, professional and subprofessional employees, and to blueprinters, photostat and rotaprint operators, inspectors, supervisory planners and estimators, and progress men, and assistants to shop and plant superintendents, by the classification rules of the United States Civil Service Commission in the case of Government employees; and to similar classes of employees of contractors and subcontractors: *Provided further*, That in determining the overtime compensation of per annum Government employees the pay for 1 day shall be considered one three-hundred-and-sixtieth of their respective per annum salaries: *Provided further*, That the hours of labor in any one week shall not exceed 48 unless the President shall declare it necessary in the interest of the national defense: *Provided further*, That the President of the United States is authorized to suspend during the period of any national emergency declared by him to exist, the provisions of the act of March 3, 1931 (46 Stat. 1482), if in his judgment such course is necessary in the interest of the national defense: *And provided further*, That the President is authorized to modify existing contracts accordingly."

Mr. HOFFMAN. Mr. Chairman, may I ask the chairman of the Committee on Naval Affairs why that provision was not included in this bill? I refer to section 5 of the preceding bill.

Mr. VINSON of Georgia. In reference to what?

Mr. HOFFMAN. Where all the argument rose about the Walsh-Healey Act.

Mr. VINSON of Georgia. There is no need or necessity for that because the Government will not be doing this work. This will be done by contract.

Mr. HOFFMAN. The other applied to contracts too.

Mr. VINSON of Georgia. The other applied to contracts and work done in the navy yards. The gentleman's amendment would not be in harmony with what we are trying to do. I agree in general with what runs through the gentleman's mind in regard to a great many things, but do not involve this bill with that matter right now.

Mr. HOFFMAN. I do not suppose the gentleman would accept it if it were good.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I have another amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 3, after line 15, add a new section to be known as section 2 (b) as follows:

"Sec. 2. (b). Notwithstanding the provisions of this act and notwithstanding the provisions of any other law, the provisions of the National Labor Relations Act shall not be applicable to any activity carried on under the provisions of this act."

The amendment was rejected.

Mr. BULWINKLE. Mr. Chairman, I move to strike out the last word in order to ask the chairman of the Committee on Military Affairs a question. The amendments that have been introduced in the last few minutes on page 3, lines 1, 2, and 3, according to my recollection, run something like

this: Also include the acquisition of existing facilities in consultation with the Secretary of War and someone else, \$10,000,000, and in such vicinities as he may, after consultation with the Secretary of the Navy, and so forth.

Mr. VINSON of Georgia. May I suggest to the gentleman from North Carolina [Mr. BULWINKLE] that the amendment of the gentleman from South Dakota merely permits consultation and collaboration between the Secretary of War and the Secretary of State in reference to the acquisition of naval reserves, both in this country and outside of the country.

It is all right to consult the Secretary of War with reference to Naval Reserve bases in this country that may be acquired, because we do not want duplication between the reserve bases for the Army and the Navy. It is all right to consult the Secretary of State with reference to auxiliary bases outside the United States. That is all the amendment does and there is no harm to it whatsoever.

Mr. MAAS. As I understand the amendment, it merely requires consultation, but still leaves the decision with the Secretary of the Navy?

Mr. VINSON of Georgia. Certainly.

Mr. BULWINKLE. I did not gather that.

Mr. VINSON of Georgia. It is highly important for the Secretary of the Navy to consult the Secretary of State with reference to auxiliary bases outside continental United States. It is also highly important for the Secretary of the Navy to consult the Secretary of War with reference to Naval Reserve bases, which is entirely separate and distinct from the auxiliary bases which are in the United States, and it will keep down duplication.

Mr. BULWINKLE. It could have been drafted better than it is.

The Clerk read as follows:

Sec. 3. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act.

Mr. DINGELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to ask the chairman of the Committee on Naval Affairs with regard to the provision in line 9, page 1, having to do with lighter-than-air craft. Am I to understand that under this bill metal-clads will be permitted?

Mr. VINSON of Georgia. Lighter-than-air craft has reference to metal types or fabric types, either one.

Mr. DINGELL. Is that merely permissible, or does it mean that perhaps at this late date the Navy might condescend to build a metal-clad ship or two?

Mr. VINSON of Georgia. That is a matter entirely up to the Navy Department. By using the language "lighter-than-air craft" we have reference to either one.

Mr. DINGELL. I may say at this time I think the Navy and some of the mossbacks in the Navy have had about 10 or 12 years' tie to put into effect something that has proven its value in the lighter-than-air field. It seems to me there ought to be some mandatory provision that out of 48 lighter-than-air ships at least 1 or 2 all-metal ships should be included. It ought to be mandatory. We have given the Navy altogether too much discretion.

Mr. VINSON of Georgia. I trust the Navy Department in its judgment will construct some metal-clad ships as well as fabric ships.

Mr. DINGELL. I cannot agree that the Navy has any judgment; that is, those who are passing upon this particular phase.

Mr. VINSON of Georgia. If I was of the same opinion that the gentleman is that the Navy officials have no judgment, I certainly would not stand on the floor of the House and vote \$1,130,000,000 for them to spend. [Applause.]

Mr. DINGELL. I may say to the gentleman that not all of this money goes for airships of the type under discussion. I am in harmony with 99 percent of the bill and I am of the same opinion that the gentleman has previously expressed

about lighter-than-air metal-clad ships. That is, that the Navy ought to have them, but each time we give them permission to use discretion, that is the end, the Navy never builds them.

I have sufficient confidence to believe that 99 percent or more of the provisions of the bill will be carried out as directed by the Congress, but, in the absence of specific instructions to build metal-clad airships, I have no confidence that the Navy will use discretion to build any but the old rubber or fabric type nonrigid or the fabric rigid ships. Somebody once said that it was more difficult for the Navy to give up an old idea than to accept a new idea. What I am interested in is that the Navy shall at this late date build at least one or two metal-clad airships. The record of this type of ship justifies further experimentation.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

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

Mr. MAAS. Of course, the gentleman knows that the Navy does have an all-metal-clad ship now?

Mr. DINGELL. Yes; only one and the original model and the most valuable and proven thing in the experimental field that the Navy has ever had. On the basis of the experience with the flying tin can the Navy ought to build at least one more to carry on further experiment. The gentleman from Minnesota, as an expert on aviation, has agreed with me on more than one occasion that that should be done.

Mr. MAAS. Yes; but does the gentleman have any apprehension that they will not build some of these all-metal-clad airships?

Mr. DINGELL. I am almost convinced that they will not unless Congress tells them that they must.

Mr. MAAS. I am convinced they will.

Mr. DINGELL. Then I will take the gentleman's word for it. [Applause.]

The Clerk read as follows:

Sec. 4. The provisions of section 4 of the act approved April 23, 1939 (53 Stat. 590, 592), shall be applicable to all facilities authorized by this act, including facilities located within the continental limits of the United States: *Provided*, That the fixed fee to be paid the contractor as a result of any contract entered into under the authority contained herein shall not exceed 6 percent of the estimated cost of the contract, exclusive of the fee, as determined by the Secretary of the Navy: *Provided further*, That all contractors who enter into contracts authorized by this section shall be held to be agents of the United States for the purposes of such contracts.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 3, line 21, after "April", strike out "23" and insert "25."

The committee amendment was agreed to.

The Clerk read as follows:

On page 4, beginning in line 3, after "Navy", change the colon to a period and strike out the remainder of the section.

The committee amendment was agreed to.

Mr. VINSON of Georgia. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'NEAL, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 9848) to authorize the construction or acquisition of naval aircraft, the construction of certain public works, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. VINSON of Georgia. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

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

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

The SPEAKER. The question is on the passage of the bill.

Mr. VINSON of Georgia. Mr. Speaker, on the passage of the bill I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 402, nays, 1, not voting 27, as follows:

[Roll No. 128]

YEAS—402

Allen, Ill.	Crowe	Harrington	McLaughlin
Allen, La.	Crowther	Hart	McLean
Allen, Pa.	Culkin	Harter, N. Y.	McMillan, Clara G.
Andersen, H. Carl	Cullen	Harter, Ohio	McMillan, John L.
Anderson, Calif.	Cummings	Hartley	Maas
Anderson, Mo.	Curtis	Havenner	Maciejewski
Andresen, A. H.	D'Alesandro	Hawks	Magnuson
Andrews	Darden, Va.	Healey	Mahon
Angell	Davis	Hendricks	Maloney
Arends	Delaney	Hennings	Marshall
Arnold	Dempsey	Hess	Martin, Ill.
Austin	DeRouen	Hill	Martin, Iowa
Ball	Dickstein	Hinshaw	Martin, Mass.
Barden, N. C.	Dies	Hobbs	Mason
Barnes	Dingell	Hoffman	Massingale
Barry	Dirksen	Holmes	Michener
Barton, N. Y.	Disney	Hook	Miller
Bates, Ky.	Ditter	Hope	Mills, Ark.
Bates, Mass.	Dondero	Horton	Mills, La.
Beam	Doughton	Houston	Monkiewicz
Beckworth	Douglas	Hull	Monroney
Bell	Doxey	Hunter	Moser
Bender	Drewry	Izac	Mott
Blackney	Duncan	Jacobsen	Mouton
Bland	Dunn	Jarrett	Mundt
Bloom	Dworshak	Jeffries	Murdock, Ariz.
Boehne	Eaton	Jenkins, Ohio	Murdock, Utah
Boland	Eberharter	Jenks, N. H.	Murray
Bolton	Edelstein	Jennings	Myers
Boren	Edmiston	Jensen	Nelson
Boykin	Elliott	Johns	Nichols
Bradley, Mich.	Ellis	Johnson, Ill.	Norrell
Bradley, Pa.	Elston	Johnson, Ind.	O'Brien
Brewster	Engel	Johnson, Luthera.	O'Connor
Brooks	Englebright	Johnson, Lyndon	O'Day
Brown, Ga.	Evans	Johnson, Okla.	O'Leary
Brown, Ohio	Fay	Johnson, W. Va.	Oliver
Bryson	Fenton	Jones, Ohio	O'Neal
Buck	Ferguson	Jones, Tex.	Osmer
Buckler, Minn.	Fernandez	Jonkman	O'Toole
Buckley, N. Y.	Fish	Kean	Pace
Bulwinkle	Fitzpatrick	Keefe	Parsons
Burch	Flaherty	Kefauver	Patman
Burdick	Flannagan	Keller	Patrick
Burgin	Flannery	Kelly	Patton
Byrne, N. Y.	Folger	Kennedy, Martin	Pearson
Byrns, Tenn.	Ford, Leland M.	Kennedy, Md.	Peterson, Fla.
Byron	Ford, Miss.	Kennedy, Michael	Peterson, Ga.
Camp	Ford, Thomas F.	Keogh	Pfeifer
Cannon, Fla.	Fries	Kerr	Pierce
Cannon, Mo.	Fulmer	Kilburn	Pittenger
Carlson	Gamble	Kilday	Plumley
Carter	Garrett	Kinzer	Poage
Cartwright	Gartner	Kirwan	Polk
Case, S. Dak.	Gathings	Kitchens	Powers
Casey, Mass.	Gavagan	Kleberg	Rabaut
Celler	Gearhart	Knutson	Ramspeck
Chapman	Gehrmann	Kocalkowski	Randolph
Chilperfield	Gerlach	Kramer	Rankin
Church	Geyer, Calif.	Kunkel	Rayburn
Clark	Gibbs	Lambertson	Reece, Tenn.
Clason	Gifford	Landis	Reed, Ill.
Claypool	Gilchrist	Lanham	Reed, N. Y.
Clevenger	Gillie	Larrabee	Rees, Kans.
Cochran	Goodwin	Lea	Rich
Coffee, Nebr.	Gore	Leavy	Richards
Coffee, Wash.	Gossett	LeCompte	Robertson
Cole, Md.	Graham	Lesinski	Robison, Ky.
Cole, N. Y.	Grant, Ala.	Lewis, Colo.	Rockefeller
Collins	Grant, Ind.	Lewis, Ohio	Rodgers, Pa.
Colmer	Gregory	Luce	Rogers, Mass.
Connelly	Griffith	Ludlow	Rogers, Okla.
Cooley	Gross	Lynch	Romjue
Cooper	Guyer, Kans.	McAndrews	Routzohn
Corbett	Gwynne	McArdie	Rutherford
Costello	Hall, Edwin A.	McCormack	Ryan
Courtney	Hall, Leonard W.	McDowell	Sabath
Cox	Halleck	McGehee	Sacks
Cravens	Hancock	McGranery	Sandager
Crawford	Hare	McGregor	Sasscer
Crosser	Harness	McKeough	Satterfield

Schaefer, Ill.
Schaefer, Wis.
Schiffner
Schuetz
Schulte
Schwert
Scrugham
Seccombe
Secrest
Seger
Shanley
Shannon
Sheppard
Sheridan
Short
Simpson
Smith, Conn.
Smith, Ill.
Smith, Ohio
Smith, Va.

Smith, Wash.
Smith, W. Va.
Snyder
Somers, N. Y.
South
Sparkman
Spence
Springer
Steagall
Stearns, N. H.
Stefan
Sullivan
Sumner, Ill.
Summers, Tex.
Sutphin
Sweeney
Sweet
Taber
Talle
Tarver

Taylor
Tenerowicz
Terry
Thill
Thomas, Tex.
Thomason
Tibbott
Tinkham
Tolan
Treadway
Van Zandt
Vincent, Ky.
Vinson, Ga.
Voorhis, Calif.
Vorys, Ohio
Vreeland
Wadsworth
Wallgren
Walter
Ward

Warren
Weaver
Welch
West
Wheat
Whittington
Wigglesworth
Williams, Del.
Williams, Mo.
Winter
Wolcott
Wolfenden, Pa.
Wolverton, N. J.
Wood
Woodruff, Mich.
Woodrum, Va.
Youngdahl
Zimmerman

NAYS—1

Marcantonio

NOT VOTING—27

Alexander
Bolles
Caldwell
Cluett
Creal
Darrow
Durham

Faddis
Green
Jarman
Kee
Lemke
McLeod
Mansfield

May
Merritt
Mitchell
Norton
Risk
Robinson, Utah
Shafer, Mich.

Starnes, Ala.
Thomas, N. J.
Thorkelson
Whichel
White, Idaho
White, Ohio

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Mansfield with Mr. Thomas of New Jersey.
Mr. Caldwell with Mr. Cluett.
Mr. Faddis with Mr. Alexander.
Mr. Starnes of Alabama with Mr. Shafer of Michigan.
Mr. Jarman with Mr. Risk.
Mr. Merritt with Mr. Darrow.
Mr. Kee with Mr. Thorkelson.
Mr. Green with Mr. Lemke.
Mr. Whichel with Mr. McLeod.
Mr. Creal with Mr. Bolles.
Mr. Robinson of Utah with Mr. White of Ohio.
Mr. White of Idaho with Mr. Mitchell.
Mrs. Norton with Mr. Durham.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT

Mr. VINCENT of Kentucky. Mr. Speaker, my colleague the gentleman from Kentucky, Mr. MAY, was called to the Senate for a conference. If present, he would have voted "yea."

Mr. SUTPHIN. Mr. Speaker, my colleague the gentleman from New Jersey, Mrs. NORTON, is absent on official business. I have been requested to announce that if here she would have voted "yea."

EXTENSION OF REMARKS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their own remarks in the RECORD on the two bills considered today.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker—and I shall not object—may I ask the majority leader if he can tell me what the program is to be for this week?

Mr. RAYBURN. On tomorrow we will go ahead with the remainder of the conference report on the Department of the Interior appropriation bill. Following that, on Thursday we will take up the conference report on the War Department civil functions appropriation bill. On Friday, in all probability—and I say in all probability, because it will be taken up unless something of an emergent nature comes in—we will take up either the rule on the Home Owners' Loan Corporation bill or the rule on the Smith amendments to the National Labor Relations Act. One of those will be up on Friday.

Mr. MARTIN of Massachusetts. Is it the intention to continue with that bill on Saturday or adjourn over from Friday to Monday?

Mr. RAYBURN. I rather think it would be a good idea to complete on Friday the general debate on whichever bill comes up on that day. I believe 4 hours of general debate

is provided on the Smith amendments, with an hour on the rule, and 2 hours of general debate is provided on the Home Owners' Loan Corporation bill.

Mr. MARTIN of Massachusetts. There will be no effort, then, to read either one of those bills on Saturday?

Mr. RAYBURN. I think not.

Mr. MARTIN of Massachusetts. Inquiry has been made as to whether there is any possibility of the Mexican claims bill being brought up this week.

Mr. RAYBURN. Not this week.

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

There was no objection.

TOLL BRIDGE ACROSS SARASOTA PASS, COUNTY OF MANATEE, FLA.

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7615) authorizing the Bradenton Co., its successors and assigns, to construct, maintain, and operate a toll bridge across Sarasota Pass, county of Manatee, State of Florida, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, line 7, after "Pass," insert "and across Longboat Pass, connecting up the south end of Anna Maria Key with the north end of Longboat Key."

Page 6, after line 21, insert:

"Sec. 11. The word 'bridge' where it appears in this act, may be construed either in the singular or plural so as to apply to either or both of such bridges."

Amend the title so as to read: "An act authorizing the Bradenton Co., its successors and assigns, to construct, maintain, and operate a toll bridge across Sarasota Pass, and across Longboat Pass, county of Manatee, State of Florida."

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

PROMOTION OF PROMOTION-LIST OFFICERS OF THE ARMY

Mr. HARTER of Ohio submitted a conference report and statement on the bill (H. R. 9243) to provide for the promotion of promotion-list officers of the Army after specified years of service in grade and for other purposes.

EXTENSION OF REMARKS

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD immediately following the statement made by the gentleman from Oklahoma [Mr. CARTWRIGHT] about the delegation's attitude about adjournment.

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

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short editorial from the Shreveport Times on the President's program.

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

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two subjects, one having to do with the testimony of Senator THOMAS of Utah before the House Judiciary Committee and the other having to do with the art project of Gardenia High School.

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

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address by the Foreign Minister of Finland.

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

There was no objection.

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a radio

address delivered by a distinguished constituent of mine, Rabbi Irving F. Reichert, of Congregation Emanu-El, of San Francisco.

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

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a newspaper article.

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

There was no objection.

STATEMENT

Mr. AUGUST H. ANDRESEN. Mr. Speaker, my colleague the gentleman from Minnesota, Mr. ALEXANDER, is unavoidably absent. If he had been present, on the last roll call he would have voted "yea."

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from the commander of the Disabled American Veterans, Mr. Murphy, one to me and one to General Hines, regarding veterans' legislation. Mr. Speaker, this will take one-half page more than the usual allowance, and I ask unanimous consent that that be waived and the letters extended in the RECORD.

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

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address delivered by the gentleman from Pennsylvania [Mr. DITTER] at Philadelphia, on May 25, 1940.

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

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short newspaper article.

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

There was no objection.

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a newspaper article appearing in the Martins Ferry Times.

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

There was no objection.

Mr. KILBURN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article by Arthur Krock appearing in this morning's New York Times.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that on Thursday, May 30, 1940, after the disposition of matters on the Speaker's table I may address the House for 45 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a bill which I introduced in the House today.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a short article by my predecessor, Mr. Pettengill.

The SPEAKER. Is there objection?

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to extend my remarks I made today and to include a quotation from a committee report.

The SPEAKER. Is there objection?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an address by former President Hoover.

The SPEAKER. Is there objection?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the business in order tomorrow, calendar Wednesday, be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under special order heretofore made the Chair recognizes the gentleman from New York [Mr. DICKSTEIN] for 20 minutes. The gentleman from Texas [Mr. JONES] was entitled to 30 minutes today, but stated to the Chair that he would not use it on this occasion.

SUBVERSIVE INFLUENCE

Mr. DICKSTEIN. Mr. Speaker, in these unusual times it is rather difficult for any Member to keep on calling attention to certain matters pertaining to the welfare of our Government, and sometimes he will be criticized because some may say that he is talking too often. I tried to avoid talking too much, but matters brought to my attention are of such a serious nature that I am forced to take the floor of the House again and again pointing out certain subversive activities carried on in this country without much interference from the distinguished committee known as the Dies committee. I see by the papers that the distinguished gentleman from Texas is going to ask for \$100,000 to carry him along until January 2, because we cannot extend the resolution beyond that. A new Congress will come back here then. But what strikes me as funny is that in the last number of weeks I have presented in the Record certain definite information which apparently the Dies committee has not taken notice of. It has not taken any notice of what is going on. As recently as a few days ago I exposed a definite plan of a group under an assumed name, actively engaged in sabotage and in propaganda, paid by a foreign nation, and I took the trouble to ascertain the names and addresses of persons actively engaged, persons who are subsidized with foreign money, but the distinguished Dies committee has not taken any action or served subpoenas to bring these culprits before that committee.

I spoke yesterday on this floor about what happened in the last few years, about the fact that I called attention to this "fifth column" way back in 1934, again in 1935, and 1936, and 1937, 1938, 1939, and 1940. But oh, no; some Members apparently did not care enough to cooperate in following through the information that was brought to them right on the floor of this House. To be more specific in my examples, I also tried hard, together with the membership of the committee of which I have the honor to be the chairman, to discover and stop certain subversive activities carried on along our Mexican border, but we could not get the great Rules Committee to give us a rule. They did not seem to think it necessary to check smuggling of aliens into this country. We went before the Rules Committee and asked for permission to investigate a group of smugglers and other saboteurs along the Mexican border between Mexico and Texas. Except the sympathy of a few gentlemen on that committee who seemed to realize the importance of the problem we presented to them, we could not get anything from the committee. The distinguished committee wanted to know how much it would cost, and when we said about \$10,000 or \$15,000 we were told that that was too much money. Yet they have given the Dies committee \$200,000 and possibly \$300,000, which has made not one single recommendation of a law by which we can eradicate this subversive propaganda which is worse today than it was a year ago. I had certain information on a number of people who can be held responsible for

this "fifth column" in our country and if I only had the power of subpoena and the power to grant immunity to certain squealers as they are commonly known, who were prepared to give us further information, we could have unearthed the whole plot. But the Rules Committee, which has too many leaders—everyone having his own information and his own remedy—refused to act.

We presented before the Rules Committee evidence of what I am telling you now, and the Committee on Immigration endorsed that resolution unanimously. But no, they would not let us have the rule.

About a year ago the Rules Committee unanimously reported the resolution. It came out on the floor. Then, if you remember, my colleague the gentleman from Virginia [Mr. SMITH] had a resolution of some kind which was defeated. My resolution was to be brought up next, but for some reason they could not get to it. The next day there was enough pressure brought to bear on the Rules Committee to have the Rules Committee rescind their action in voting out the resolution calling for an investigation of back-door smuggling, not only of aliens but of a lot of cheap labor they were bringing in through the back door of this country.

This is no time for quibbling and quarreling. I tell you that I do not mind sitting down with any committee to work out a program to find out how, and how soon, we can get rid of this "fifth column," the Communists, and the Fascists. Apparently, however, the committees of this Congress are closed corporations, just like stock companies. You have to be on the inside before you get the right time even to tell them what you think should be done. In the last 6 years I have worked on this question. I have worked hard to find out where the culprits, the Fascists, and the Nazis are and what their purpose is; but apparently some people who never saw a Nazi, a Fascist, or a Communist are the ones who are telling us what to do about them and how to approach them.

I am going to take another chance today, Mr. Speaker, to see if the Dies committee will bite at this one—and I have my doubts. A new Nazi camp—Camp Bergwald—was just opened last Sunday for the Hitler Youth of America. The idea and the plan of this outfit is to take American-born children of German parentage and to teach them the ideology and theory of the Nazis and the work that is being done by their Fuehrer Hitler. This camp is to accommodate about 1,000 American-born children of German parentage. These children may not want to join the camp but there are their Nazi-inspired parents who want their children to be brought up as Germans and who see to it that they study and know about the German fuehrer and his methods for saving the world. One hundred and eighty acres of land were purchased not by American money but by Nazi money. This German camp was opened on the 26th day of May, I think it was last Sunday, in Passaic County, N. J. I have a map here showing the exact location of the camp. With \$200,000 do you not think some of the investigators should find out just what is happening? The residents of that area have a right to demand that their Government stop such insidious activities, but apparently nothing is being done. One bewildered resident of Bloomfield, N. J., discussing the bund activities in New Foundland, N. J., writes:

I was wondering if you realize that their camp is only a stone's throw from the United States naval base or the Picatinny Arsenal. I have often wondered why the authorities allow them to conduct such un-American activities. I, for one, have actually seen some of these demonstrations and have been so angry and incensed over them that I have not been able to have peace of mind. Passaic, N. J., is a seething hotbed of Nazi activities.

It seems that my good friend, the gentleman from Michigan [Mr. HOFFMAN] stated on the floor yesterday that I ought to take my information to the Dies committee or some other Government agency.

I want him to know, and I want the country to know, that I have turned over plenty of material to the Department of Justice as well as to the Dies committee. The conviction of Nazi spies in this country was the result

of some of the work that I did in uncovering some of these secret movements in this country. The conviction of Fritz Kuhn was one of the things that came about as a result of my efforts. Naturally we have an able district attorney, the Honorable Thomas E. Dewey, who did a good job after he got the information. The Dies committee was not responsible for that conviction. The Dies committee is not responsible for the prosecution of the Christian Front now on trial in the Federal court in Brooklyn. The Dies committee is not responsible for the conviction of the six spies in New York.

What is the Dies committee responsible for? It is responsible for a lot of publicity, a lot of statements, but nothing very concrete in the way of a constructive program.

Perhaps the Dies committee will pay a little attention to the following statement: The K. K. K., with new headquarters in New Jersey for the last 6 months, has solicited memberships and money in the vicinity of Paterson, N. J., which seems to be a hotbed of all kinds of un-American activities, and on Memorial Day they hope to have ceremonies under the auspices and direction of the K. K. K. They are what is known as the "sixth column." They are going to devour the "fifth column." And they expect to have as their principal speaker no less a person than James J. Colscott, imperial wizard himself, of the Klan, from Atlanta, Ga. This meeting will take place at the Tri-County Club in Wayne Township, Passaic County, N. J.

Why not bring some of the K. K. K. leaders and some of the sponsors of this Nazi youth movement before the Dies committee? Why should anyone ask me, Why do you not give your material to the Department of Justice? There are certain things you cannot give to the Department of Justice, because they do not have the power of subpoena. I have made that statement dozens of times, yet Members continue to ask the same question, Why do you not give it to the Department of Justice?

Mr. Speaker, if there was proper coordination between Members of Congress and committees in charge of legislation, without this high-hatting business, and if the Members would sit around a table, confer, and discuss these questions, it would not be necessary for another Member to come on the floor of the House and discuss these things publicly. But there seems to be no cooperation nor is there intended to be given cooperation by certain groups in this House. God knows, I get no benefit from standing up here, from working night and day to find this material, preparing it, and bringing it to your attention. I do not need that kind of stuff to be reelected to Congress; but I feel it is my duty as an American, as I have felt right along, to call these facts to the attention of the country. If this Congress had paid more attention to my warnings a few years back there never would have been a strong "fifth column" in this country now, and you never would have had subversive activities because we would not have allowed them to develop.

Mr. SEGER. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from New Jersey.

Mr. SEGER. Passaic County has two Representatives. Will the gentleman tell us which part of Passaic County this element is in?

Mr. DICKSTEIN. I will give the gentleman a map, and I think he will be able to read the map much better than I can. I am sort of alien in some parts of New Jersey.

Mr. SEGER. One of the Dies committee members is a Representative from Passaic County.

Mr. DICKSTEIN. I have received a lot of mail from that section of the county. He has a couple of bad birds around there, too, but no attention is being paid to them, it seems.

I remember when my good friend from New York was chairman of the Committee on the Judiciary.

[Here the gavel fell.]

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

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The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, there was a constitutional convention in my State, of which the gentleman from New York [Mr. FISH] was chairman. I recall appearing before that convention and trying to find a constructive way of getting enacted laws that would eradicate nazi-ism, fascism, communism, and their camps, uniforms, and so forth.

Mr. FISH. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from New York.

Mr. FISH. I am glad the gentleman has brought that up. As long as we are discussing the question of the "fifth column," I think one of the best things this Congress could do would be to report out and enact a bill I have introduced which would prohibit the arming, drilling, and uniforming of all un-American groups. In that way we would put an end to these Communists and Nazis who are parading about in these different camps to which the gentleman refers.

Mr. DICKSTEIN. I agree with my colleague from New York. Following the gentleman's thought, may I say that I too have introduced a bill in this Congress modeled along the lines of a bill I drew for my own State legislature prohibiting the wearing of these uniforms. I introduced that bill in this Congress, but what do you think happened? The bill was introduced and after begging for a hearing, I got a letter from the chairman of the committee saying that the bill was tabled, without even giving me a chance to present evidence showing how the uniforms were smuggled in and how these suckers paid for them, on an average of about \$19.50 a uniform. Some of these people were forced to buy them and wear them at these so-called Nazi camps. The bill was tabled without even giving me a chance to appear before the committee to explain the situation. That shows how much cooperation one can get and how much cooperation one may expect.

Mr. Speaker, I do not want the remarks I made a moment ago to be construed as any criticism of the Dies committee, but I hope to God they will wake up and stop pussyfooting around.

EXTENSION OF REMARKS

Mr. MAY asked and was given permission to extend his own remarks in the RECORD.

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 15 minutes.

USE OF NATURAL GAS IN DETROIT

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to include a letter in the remarks I am about to make.

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

There was no objection.

Mr. DINGELL. Mr. Speaker, the well-being of the people of Detroit, and particularly those of my own Fifteenth District, prompted me to go beyond my ordinary legislative duties in order to aid in bringing to our citizens and industries such advantage as concededly exists in the available cheaper and twice more efficient natural gas. It is a long and an involved story which dates back to my first and second terms in Congress. I spent time, energy, and my own money in order to aid in a great and beneficial plan, a plan which would not only benefit the domestic user by cutting the rate in half while giving twice the amount of heat but a plan which might almost for a certainty make of Detroit the steel center of the United States and magnify our advantage in every other industry.

The plan was complex and highly involved. I conferred with representatives of the city of Detroit, with Members of Congress from Texas, with the Secretary of the Interior, and even with the Attorney General of the United States.

It is a matter of record that the city of Detroit wanted the cheaper, more efficient, and hotter natural gas and that only the Gas Trust stood in the way, barring Detroit and other cities from this product of nature. It is also a matter

of record that the Cities Alliance was interested in a suit which was pending in the courts of Wilmington, Del., because the action then pending was intended to break the stranglehold of the Columbia Gas & Electric Co. upon the Panhandle Eastern Pipeline Co. This action, it was hoped, would make natural gas available to the interested municipalities which were fighting the trust.

The suit instituted in the Federal court against the holding company, known as Columbia Gas & Electric Co., was intended to force divestment on the part of Columbia of its control and domination which prevented the service company, known as the Panhandle Eastern Pipeline Co., from supplying natural gas to Detroit and other cities. It was absolutely necessary to break this hold which was strangling Detroit and forcing our people to use the artificial and more expensive gas. Court action was necessary to free the people of the bondage in which they were held. All the holding company acts of Congress are meaningless and ineffective without the aid of the Federal court.

Mr. Speaker, without the vigorous action of the courts functioning in the public interest, even the Securities and Exchange law becomes a joke and is laughed at by the Hopsons and other unscrupulous gas barons. The courts must function to protect the vital public interest. Every housewife in the Detroit metropolitan area today pays a tribute to the parasites and grafters of Wall Street every time she turns on a gas jet. An unconscionable, oppressive, and one-sided contract was imposed upon the good people of Detroit by clever utility sharps and manipulators who took advantage of the negotiators for the city. As a result my people pay more per thousand cubic feet for a mixture of natural and artificial gas than they used to pay for the artificial product. The rate is calculated upon a B. t. u. basis in such a way as to rob the user of the advantage of natural gas. The entire community is victimized. The old artificial plant, though it is obsolete and useless, is still carried upon the books of the operating company as a capital asset valued at millions of dollars, and this figure is considered and reflected directly in the high gas rate.

This obsolete plant which is classed as a stand-by ought to be dismantled and wiped out. Its continuance is unwarranted. Generally, the stand-by or safety margin of natural gas is that portion of the volume used by the industrial consumer.

When negotiations were about to begin between the representatives of the gas company and the city of Detroit I warned the people to be on guard against trickery. I wrote an open letter to an official of the city which was published with much prominence. I referred to the danger of entering into any binding agreement which might be used as a screen or an excuse to forestall action in the pending suit to force the Columbia Gas & Electric Co. to divest itself of control in the Panhandle Eastern Pipeline Co. That is just what happened—the city got a fake contract which was the basis for a villainous consent decree agreed to by the various parties having an interest. I am not a lawyer, claim no knowledge of the various angles or the interests of the parties involved. I do know that Detroit gave away the valuable rights of its people and was robbed in return. Moreover, this contract was the chief reason or excuse which perpetuated the control by Columbia over Panhandle, and dominates the situation which perpetuates and legalizes the highway robbery of gas users in Detroit and a hundred other cities. I have always been suspicious of these conferences in the private chambers of the judges which culminate in what is generally known as consent decrees. They are not as a matter of fact genuinely legal in that there is no law under which such agreements are sanctioned. It is an innovation of the courts, and in some instances they are a vicious device of unscrupulous judges who betray the public interest to pay certain obligations.

In appearing recently before the Hatch committee of the United States in connection with the Nye resolution to investigate this whole question of natural gas, which has a vital and direct bearing on the Detroit problem, I stated, among

other things, that this problem of gas rates so vitally affecting Detroit is so terribly snarled and apparently corrupt that only a most thorough Senate investigation can get to the bottom of it all and is the only method which can correct the situation and give our people a measure of belated relief. I have heard, and it is a matter of record, that a responsible witness appearing before the Senate committee stated that the consent decree was entered into because the court at Wilmington was "a bad court in which to try the case" or that the court was "not the right kind of court" in which the case could be tried successfully.

I always did have a strong suspicion that this whole deal, including above everything else the consent decree, was a betrayal of the public interest, and I so stated before the committee. I added that the stench reached the high heavens. I condemned the cowardice which caused the acceptance of the consent agreement because it was the trick which I warned the negotiators about in my letter of September 3, 1935, which I reproduce herewith.

HOUSE OF REPRESENTATIVES,
Washington, D. C., September 3, 1935.

HON. JOHN W. SMITH,
Acting Mayor, Detroit, Mich.

DEAR MR. SMITH: In reply to your recent letters concerning the natural-gas question, I want to say that I am still positive in my convictions as to the desirability of piping this valuable fuel product to Detroit for the use of the commercial and industrial interests and for domestic purposes. I favor an expression from the people on the proposal so that we may know whether the citizens of Detroit want a municipal gas system and whether they want natural gas.

I shall be glad to definitely commit myself in favor of the plan which is scheduled to appear on the ballot as originally planned on October 8 and which seems to be properly sidetracked now until November 5. But the most important point which I want to clear up in my mind and the point which will decide my future attitude is naturally based upon the rate which will be charged the consumer, particularly the domestic consumer if and when the gas system is municipally owned. We cannot expect the people of Detroit to commit themselves in the assumption of the responsibility of carrying on a municipal gas business unless they know precisely the extent of the gas-rate reduction.

There is but one way of determining the natural-gas rate and that is by a contractual agreement with the specific cost per thousand cubic feet delivered at the connecting gate of the city's system. In view of the potential Detroit market for natural gas, the negotiators for the city of Detroit are in an ideal position to obtain a base rate lower than that enjoyed by any other city in the United States. I say this advisedly and I am sure you will agree with me, when I point out that the natural gas can be brought to Detroit by extending the line from the terminus of the Panhandle Eastern Pipe Line at Dana, Ind., a distance of approximately 300 miles; a plan which I advocated from the outset. The cost, including compressor stations and a parallel telephone line, should not exceed \$12,000,000. I observe that the Detroit News, in a recent article attributed to William G. Woolfolk, president of the Detroit City Gas Co., the statement that the cost of bringing the natural gas to Detroit will amount to \$20,000,000. I want to dispute this figure with all the emphasis I can muster. My best estimates from reliable expert sources indicate that \$12,000,000 is a liberal and ample sum for the construction of 300 miles of pipe line with all the necessary appurtenances. It is evident to me that the \$20,000,000 figure is inflated to include \$8,000,000 for the construction of the additional compressor stations which it will be necessary to build in connection with the existing line from the Panhandle of Texas to Detroit, in order to double the present capacity of that line from 75,000,000 cubic feet to a 150,000,000 cubic feet every 24 hours. This is a very important matter and a basic point upon which the rates will be determined. I contend that the necessary investment of \$8,000,000 to double the capacity of the existing line now terminating at Dana, Ind., is a definite improvement of the Panhandle Eastern Pipe Line Co. and logically an item chargeable to the capital structure of the Panhandle Eastern. The city of Detroit, through its negotiators, should insist upon a rate based upon the cost of the extension from Dana, Ind., to the gate at Detroit. It is only fair to assume that if and when the city of Detroit contracts for a large amount of gas that the stocks and the bonds of the Panhandle Eastern Pipe Line Co., which is now in the hands of receivers, will rise very materially; in fact this company will be put on its financial feet once again. Even the holding company, which controls the Panhandle Eastern Pipe Line Co., known as Columbia Gas & Electric Co., will be in a position to siphon off profits by way of a tribute levied upon the gas consumers in the great industrial terminus of the proposed line at Detroit.

I am not inclined toward undue haste because we may fall into serious error. I am not only critical, but very skeptical of the contract which the Detroit City Gas Co. entered into with the Panhandle Eastern. The negotiators for the city of Detroit should insist that any contract between the Detroit City Gas Co. and the

Panhandle Eastern Pipe Line Co. or with the Columbia Gas & Electric Co., or any other outside interests, should not be binding upon the city of Detroit. Such safeguards on the part of the city of Detroit before giving approval to any such contract would give the city of Detroit the right to negotiate its own basic rate. The city of Detroit is in an ideal position to force a deal which will be for the best interests of its citizens and consumers, because the Detroit City Gas Co. is without a franchise and therefore operates within the confines of the city of Detroit only by sufferance, the city of Detroit is a tempting bait for any natural-gas utility. Detroit can obtain a rate that is reasonable and fair to all parties. Should the Panhandle Eastern Pipe Line Co., guided by the controlling hand of the holding company, known as the Columbia Gas & Electric Co., refuse to negotiate with the city of Detroit, there are two possible ways of forcing the issue in the interests of the people of Detroit.

First: There is the suit instituted by the Government of the United States and which is pending at Wilmington, Del. The Government intends to force the Columbia Gas & Electric Co. to divest itself of its interest in the Panhandle Eastern Pipe Line Co. It is the interfering control of this holding company which to date has interfered with Detroit in its quest for cheaper gas. I am assured by the Department of Justice that this case, now being thoroughly investigated by the Government, will be tried early in the fall.

The second point of advantage, insofar as the city of Detroit is concerned, lies in the fact that an entirely new parallel line might be built from Texas to Detroit. The Panhandle Eastern line at the present time has a capacity of 75,000,000 cubic feet every 24 hours and only 48,000,000 feet of this capacity is being used. So it appears that the Panhandle Eastern Pipe Line Co. would certainly benefit in every way should its capacity be increased 75,000,000 cubic feet and the absorption of 27,000,000 cubic feet now available in the present line which is not being used.

Let us not overlook the fact that in the background of it all remains what might be called the "ace in the hole" for the city of Detroit. In that the Federal Government might come to the aid of our citizens by advancing the money for the construction of the 300 miles of pipe line from Dana, Ind., to Detroit. Having discussed this matter with Mr. Ickes, I know that the P. W. A. looks upon this project as an ideal undertaking for the Government. It would be an ideal proposition for the city of Detroit because a twelve-million-dollar investment in this line would include a substantial outright grant in cash and the balance would be a well-secured loan which, because of Detroit's heavy use of gas, would guarantee the interest of the Government loan and the repayment of the money loaned by the Government.

Of course you understand that in order to obtain money from the Government the city would have to create a natural-gas authority and it may be necessary for the legislature to act in this connection. This would, of necessity, take a little time but the advantages insofar as the consumers are concerned would be worth it. This is the largest undertaking and equally, if not more important, than the taking over of the Detroit United Railways.

The more I ponder over the contract between the Detroit City Gas Co. and the Panhandle Eastern Pipe Line Co., the more suspicious I become. I am inclined to the belief that this contract has for its purpose tying up the city of Detroit on a long-term contract at an excessive rate which will avail the consumer very little, if any, advantage at all. I scout the possibility that this belated and "generous action" on the part of the Panhandle Eastern Pipe Line Co. and of the holding company, known as the Columbia Gas & Electric Co., entering into an agreement with the Detroit City Gas Co. has another and more important legal aspect in view of the suit which is pending and sure to come up at Wilmington, Del. "By this generous action," the Columbia Gas & Electric Co. will seek to prove that it has not interfered with the Panhandle Eastern Pipe Line Co. and thus counsel for the holding company will be in a position to ask the Government to drop further action.

I can see great possibilities for the city of Detroit should natural gas be made available to the manufacturers and to the domestic consumer, provided the basic rate is fair and just. I can visualize a tremendous growth and an attendant increase in employment through the increase in manufacture in our city. I can prognosticate the increase in the production of steel and steel products in Michigan's metropolis to such an extent as will ultimately make of Detroit the steel center of the United States. The biggest advantage that the city of Pittsburgh has today, and the only reason why Pittsburgh produces so much steel, is because the Pennsylvania city has, for many years, enjoyed the use of cheap, natural gas. To prove the importance of this cheap and efficient fuel in the steel industry, I want to point out the fact that when the Interstate Pipe Line Co. was built from Amarillo, Tex., to Denver, the Colorado Fuel & Iron Co., a Rockefeller subsidiary which produces more coal in the State of Colorado than any other company, used approximately 7,000,000 out of 11,000,000 tons so produced from its own mines at the mills in Pueblo, Colo. Yet upon the completion of this interstate line the Colorado Fuel & Iron Co. contracted to use an amount of gas which, as I recall, amounted to something like thirty or forty million cubic feet every 24 hours. It is generally admitted that the steel company at Pueblo could save itself and continue operation through the use of natural gas. A lateral line or extension was built from the steel mills to the main line some 20 or 25 miles distant. I can foresee a distinct

advantage and a healthy, continued growth of Detroit, which will mean employment and prosperity beyond calculation. As time goes on Detroit's industries, together with the domestic consumer, will increase their demands. Should the demand absorb the maximum capacity of Southwestern Gas, it may be possible, and it is very probable, that our industrial Klondike may be able to draw upon and cause to be developed the natural-gas fields of our State. For the time being the Michigan gas field does not offer any assurance of being able to supply the needs of Detroit. This does not mean, necessarily, that our State lacks the necessary amount of gas if development of the gas field was without restraint. You know, as well as I do, that the restricted drilling for oil retards the production of gas. The real purpose of drilling is not for gas, but for oil. It may therefore be said that the development of gas in a given oil field is secondary, and the expansion of such gas production in a given area is dependent upon the loosening of the present restrictive regulation. I am very anxious that Detroit use as much of the Michigan natural gas as is possible, but the surest source for natural gas which will guarantee ample pressure and sufficiency of quantity for the consumer in our city is the Cliff Side structure and the extensive gas fields of Texas, where a billion five hundred million cubic feet of gas is blown into the air every 24 hours and wasted. This is equivalent, if reduced in terms of crude oil, to a hundred seventy-five thousand barrels every 24 hours. It is because of this sinful waste of a great natural resource, which could be used advantageously and at a cheap rate, that Mr. Ickes, Secretary of the Interior, and other conservationists, are very much interested in delivering to a great market like Detroit.

I must of necessity remain in Washington for a period of at least 10 more days. I will be very happy to confer with you and with the mayor and do everything that I can to aid the city in obtaining a favorable contract, and will agree to go along with you on the question of municipal ownership; but I feel that before making such outright and complete commitment I, like the people of Detroit, should know the basic rate per thousand cubic feet for natural gas delivered at the gate of Detroit. I would never forgive myself were I a party to any municipal undertaking which, because of haste or for lack of thoroughness, did not reduce the rate of this essential commodity. Moreover, the argument that because natural gas contains approximately double the amount of B. t. u.'s the rate cannot be lowered much below the present manufactured rate is, to my mind, specious and untenable.

Trusting that I have made my position clear and assuring you of my personal regards, I subscribe myself,

Cordially and sincerely yours,

JOHN D. DINGELL.

It would have been better to have lost everything than to have accepted a shameful, hollow compromise sanctioned by the court which turned out to be of no advantage to the Panhandle Co. and to the city of Detroit. I stated before the committee and I repeat now a warning and a threat, that I care not who the judge might be or where he may preside, one more reference of that kind before this or any other committee of the Congress involving the welfare of my people and I shall exercise my constitutional right of impeachment. I told the committee I would attempt to bring the judge before the Senate for trial and that I was certain that even if the Senate did not convict him or make a good judge out of a "bad" one, such action might make some improvement in his future judicial demeanor. In more than one instance, Mr. Speaker, a corrected and broader propubic viewpoint was aroused and was apparent in judges after Senate trial even if they were not convicted.

I am not casting any reflection upon any specific judge but I am surfeited with such references as were made by responsible officials before this committee. Altogether too frequently they are correct statements of fact and ought to be investigated. The practice of consent decrees, like many other unsound and shady extralegal if not illegal practices indulged in by the Federal courts, sooner or later will have to be outlawed by Congress. They are a menace to the public interest and should be discontinued.

Mr. Speaker, I propose to keep an eye on this problem and to give such assistance as I can to the Senate committee in connection with the proposed Nye resolution. It is the only hope for the people of Detroit. [Applause.]

JAY PIERREPONT MOFFAT

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and

include therein an article from the New York Times regarding the appointment of Mr. Jay Pierrepont Moffat to the important post of United States Minister to Canada.

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

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am delighted that President Roosevelt has appointed the Honorable Jay Pierrepont Moffat to the important post of United States Minister to Canada. Mr. Jay Pierrepont Moffat has received this promotion so well and so richly deserved. He has served in all branches of the Foreign Service and at the State Department. He is able and thoroughly trained, a tireless worker, and is always guarding the welfare of America. I congratulate the President of the United States on his wisdom in making the appointment, because in so doing he has demonstrated clearly that we have in the career Foreign Service men in whom we can place the greatest trust and be assured that the confidence is not misplaced.

We need not worry so long as we have men of the caliber of Jay Pierrepont Moffat in our foreign posts. In the past we have had experience with some of the playboys politically appointed to diplomatic posts. They do not stick to their assignments when the going is rough—when sound judgment and experienced heads are needed to uphold the policies of the United States Government. Pierrepont Moffat will never run away from his post. Of course, there have been some exceptions, but in the main the political appointees do not stay under fire. We have had numerous instances of career men staying even beyond the demands of duty. I need remind you only of the superb work of Minister and Mrs. Engert during the war at Addis Ababa, Ethiopia, in May 1936. That was an excellent case in point. The post to which Mr. Moffat has been appointed is a most important one. Canada and the United States are good friends at the present time and that friendship should be continued. The assignment will do much to cement further the good feeling between us and our neighbors to the north.

[From the New York Times]

J. P. MOFFAT NAMED ENVOY TO CANADA—SELECTION OF VETERAN CAREER DIPLOMAT INDICATES RISING IMPORTANCE OF POST—CHOICE PLEASES OTTAWA—SUCCESSOR TO CROMWELL AS MINISTER IS NATIVE OF NEW YORK AND HARVARD MAN

WASHINGTON, May 27.—Jay Pierrepont Moffat, Chief of the European Division of the State Department and veteran career diplomat, was appointed by President Roosevelt today Minister to Canada to fill the vacancy caused by the resignation of James H. R. Cromwell.

The selection of an experienced professional diplomat was regarded as proof of the importance Mr. Roosevelt attaches to the post at this time. The appointment will mean the presence in Canada of a technically trained official whose knowledge and tact may be drawn upon heavily, if the fortunes of war project relations between the two countries even more definitely into the forefront of American foreign policy.

The growing importance of close Canadian-American relations, furthermore, has been recognized in the last few months by the appointment, for the first time in the history of the two neighboring nations, of representatives of their respective armed forces to each other's capitals. Canada sent Commodore W. R. Kenny to be air attaché here and the United States sent Maj. John S. Gullet to serve in a similar capacity in Ottawa.

Loring Christie, a career Minister, currently represents Canada in its relations with us. He is at present in Johns Hopkins Hospital recovering from an operation.

FAMILIAR WITH WAR POLICY

Mr. Moffat is thoroughly familiar with all details of United States diplomatic policy toward the war. He has invariably been present at staff conferences held on the subject by Secretary Hull with his ranking officials and experts. He also has a close knowledge of the European scene from his daily duties in the Department and from the circumstances that he accompanied Sumner Welles, Under Secretary of State, on his European tour last winter.

Born in Rye, N. Y., 44 years ago, Mr. Moffat attended Harvard and entered diplomatic circles in 1917 as private secretary to the American Minister to The Hague. Two years later he was appointed to the Foreign Service as a diplomatic secretary and served over the years in Warsaw, Tokyo, Constantinople, and Berne. When the United States established diplomatic relations with Canada in 1927 with William Phillips, now Ambassador to Italy, as Minister, Mr. Moffat was selected by Mr. Phillips as first secretary of the legation. From 1935 to 1937 he was consul general at Sydney, New South Wales.

AN EXPERT ON ARMS LIMITATION

In the course of these years Mr. Moffat also served a number of times in the State Department and at international conferences.

At one time in the Coolidge administration he was in charge of protocol for the White House, and from 1932 to 1935 was Chief of the old Western European Division in the Department. He was placed in charge of the present European Division in 1937 in view of the gravity of the situation. At the time he was here on leave of absence from Sydney.

An expert on armament limitation in the years that subject was uppermost in international relations, Mr. Moffat attended in official capacities as technical assistant or adviser meetings of the Preparatory Commission for Disarmament at Geneva in 1927, 1929, and 1930, the Red Cross and Prisoners of War Conference at Geneva in 1929, the special commission for the preparation of a draft convention on the private manufacture of arms and ammunition and implements of war, also at Geneva in 1929. He also attended the conference for the abolition of import and export prohibitions and restrictions at Geneva in 1928.

Mr. Moffat is a son-in-law of Joseph C. Grew, Ambassador to Japan.

OTTAWA, May 27.—President Roosevelt's nomination of Jay Pierrepont Moffat as Minister to Canada was received with satisfaction in the capital tonight.

No official comment was forthcoming immediately, but sources close to the Government expressed satisfaction that the President's nominee was a career diplomat with wide experience.

The post has been vacant since May 22, when J. H. R. Cromwell resigned to accept the Democratic nomination for Senator from New Jersey.

In the past, gaps between appointments have been the rule rather than the exception, but at the present time the appointment takes on new importance in view of the significance thrown on Canadian-American relations by the international situation and President Roosevelt's national-defense program.

CIVILIAN CONSERVATION CORPS

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

[Mr. JOHNSON of Oklahoma addressed the House. His remarks appear in the Appendix.]

SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1970. An act to eliminate certain oppressive labor practices affecting interstate and foreign commerce, and for other purposes; to the Committee on Labor.

S. J. Res. 254. Joint resolution providing for the observance of National Dairy Day; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 7543. An act to authorize the Secretary of the Navy to accept real estate granted to the United States by the city of Miami, Fla., and for other purposes;

H. R. 7737. An act to amend the Judicial Code by adding a new section thereto, designated as section 266a, to provide for intervention by States in certain cases involving the validity of the exercise of any power by the United States, or any agency thereof, or any officer or employee thereof, and for other purposes; and

H. R. 9140. An act to authorize the Secretary of the Navy to acquire land at Key West, Fla.

ADJOURNMENT

Mr. BEAM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 34 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 29, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce on Wednesday, May 29, 1940, at 10 a. m.

Business to be considered: To continue hearings on S. 280 and H. R. 145, motion pictures. The opposition will continue.

COMMITTEE ON MINES AND MINING

The Subcommittee on Mines and Mining that was appointed to consider S. 2420 will continue hearings on Friday, May 31, 1940, at 10 a. m., in the committee rooms in the New House Office Building.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, May 29, 1940, at 10 a. m., for the consideration of H. R. 3402 and H. R. 6583, and hearings on H. R. 9301 at 11 a. m.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds Wednesday, May 29, 1940, at 10:30 a. m., for the consideration of H. R. 9063.

There will be a meeting of the Committee on Public Buildings and Grounds Thursday, May 30, 1940, at 10:30 a. m., for the consideration of House Joint Resolution 472.

COMMITTEE ON THE JUDICIARY

On Monday, June 3, 1940, the Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary will hold a hearing on the bill, H. R. 9864, amending the Bankruptcy Act with respect to the basis of property and excluding certain corporations from the provisions of chapter XI. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

1684. Under clause 2 of rule XXIV a letter from the Acting Postmaster General, transmitting a draft of a proposed bill to amend section 4021 of the Revised Statutes and to repeal section 4023 of the Revised Statutes relating to establishment of postal agencies, was taken from the Speaker's table and referred to the Committee on the Post Office and Post Roads.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TENEROWICZ: Committee on Interstate and Foreign Commerce. S. 1379. An act granting the consent of Congress to the Mackinac Straits Bridge Authority to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the Lower Peninsula of Michigan; with amendment (Rept. No. 2311). Referred to the House Calendar.

Mr. KELLY: Committee on Interstate and Foreign Commerce. H. R. 5382. A bill authorizing the city of Keokuk, Iowa, to purchase, construct, maintain, and operate a toll bridge across the Mississippi River at or near Keokuk, Iowa; with amendment (Rept. No. 2312). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 9039. A bill granting the consent of Congress to the Secretary of the Interior and Stevens County, State of Washington, to construct, maintain, and operate a highway bridge across the Kettle River, near Kettle Falls, Wash.; with amendment (Rept. No. 2313). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 9050. A bill granting the consent of Congress to the Secretary of the Interior and the State of Washington to construct, maintain, and operate a highway bridge across the Spokane River, Wash.; without amendment (Rept. No. 2314). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 9051. A bill granting the consent of Congress to the Secretary of the Interior and the Great Northern Railway Co. to construct, maintain, and operate two railroad bridges across the Kettle River, near Kettle Falls, Wash.; with amendment (Rept. No. 2315). Referred to the House Calendar.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 8919. A bill to authorize the setting aside of an area within the Canal Zone to preserve and conserve its natural features for scientific study, for providing and maintaining facilities for such study, and for other purposes; with amendment (Rept. No. 2316). Referred to the Committee of the Whole House on the state of the Union.

Mr. DIMOND: Committee on Indian Affairs. H. R. 953. A bill to liquidate the liability of the United States for the massacre of Sioux Indian men, women, and children at Wounded Knee on December 29, 1890; with amendment (Rept. No. 2317). Referred to the Committee of the Whole House on the state of the Union.

Mr. POAGE: Committee on Immigration and Naturalization. H. R. 9774. A bill to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens; without amendment (Rept. No. 2327). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE of Idaho: Committee on Irrigation and Reclamation. H. R. 9877. A bill authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes; without amendment (Rept. No. 2328). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee of conference on the disagreeing votes of the two Houses. H. R. 9243. A bill to provide for the promotion of promotion-list officers of the Army, after specified years of service in grade, and for other purposes (Rept. No. 2329). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Connecticut: Committee on Military Affairs. H. R. 9024. A bill relating to the status of retired officers of the Army, Navy, Marine Corps, and Coast Guard of the United States, and to amend section 113 of the Criminal Code; with amendment (Rept. No. 2330). 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. SOMERS of New York: Committee on Coinage, Weights, and Measures. S. 3813. An act to authorize the presentation of a Congressional Medal of Honor to William Sinnott; with amendment (Rept. No. 2318). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 2070. A bill for the relief of Edwin Forsman; with amendment (Rept. No. 2319). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 2489. A bill for the relief of Angie Ward; with amendment (Rept. No. 2320). Referred to the Committee of the Whole House.

Mr. SASSCER: Committee on Claims. H. R. 6145. A bill for the relief of Elizabeth L. Riley; with amendment (Rept. No. 2321). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 6703. A bill for the relief of Clara E. Freeman; with amendment (Rept. No. 2322). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 7493. A bill for the relief of Roy F. Lassly, former Acting Chief Disbursing Clerk, Department of the Interior; with amendment (Rept. No. 2323). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 7825. A bill for the relief of C. S. Hobson; with amendment (Rept. No. 2324). Referred to the Committee of the Whole House.

Mr. JONKMAN: Committee on Claims. H. R. 7880. A bill for the relief of Edna Emery; with amendment (Rept. No. 2325). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 8906. A bill to record the lawful admission to the United States for permanent residence of Nicholas G. Karas; without amendment (Rept. No. 2326). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANKIN:

H. R. 9916. A bill to provide for the national defense, to aid interstate commerce by navigation, and to promote the general welfare by constructing a waterway connecting the Tombigbee and Tennessee Rivers; to the Committee on Rivers and Harbors.

By Mr. SASSCER:

H. R. 9917. A bill to amend section 9 of an act entitled "An act to prevent pernicious political activity," approved August 2, 1939; to the Committee on the Judiciary.

By Mr. BLAND:

H. R. 9918. A bill relating to citizenship requirements for manning of vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BURCH:

H. R. 9919. A bill relating to the classification, hours of service, and promotion of substitute postal employees; to the Committee on the Post Office and Post Roads.

By Mr. JENKINS of Ohio:

H. R. 9920. A bill authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVY:

H. R. 9921. A bill to authorize the maintenance and operation of fish hatcheries in connection with the Grand Coulee Dam project; to the Committee on Merchant Marine and Fisheries.

By Mr. SMITH of Washington:

H. R. 9922. A bill authorizing an appropriation for the establishment and development of an Air Corps base at Vancouver, Wash.; to the Committee on Military Affairs.

By Mr. BURCH:

H. R. 9923. A bill to place postmasters at fourth-class post offices on an annual salary basis, and fix their rate of pay; and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof; to the Committee on the Post Office and Post Roads.

By Mr. FLANNERY:

H. R. 9924. A bill extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services; to the Committee on Interstate and Foreign Commerce.

By Mr. MANSFIELD:

H. R. 9925. A bill authorizing the improvement of certain rivers and harbors in the interest of the national defense, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. COOLEY:

H. R. 9926. A bill to increase the credit resources of Commodity Credit Corporation; to the Committee on Banking and Currency.

By Mr. LANHAM:

H. R. 9927. A bill declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans levee district, in the city of New Orleans, State of Louisiana, for levee and street purposes; to the Committee on Public Buildings and Grounds.

H. R. 9928. A bill to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes; to the Committee on Patents.

By Mr. BROOKS:

H. R. 9929. A bill to create a new group within the Air Corps, Regular Army, with the designations of junior flight officer, flight officer, and senior flight officer; to the Committee on Military Affairs.

By Mr. STEAGALL:

H. R. 9930. A bill to amend the Home Owners' Loan Act of 1933, as amended; to the Committee on Banking and Currency.

H. R. 9931. A bill to increase the credit resources of the Commodity Credit Corporation; to the Committee on Banking and Currency.

By Mr. SMITH of Ohio:

H. Con. Res. 72. Concurrent resolution providing for a study by the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate to determine ways and means to put our financial house in order and to meet adequate national defense costs; to the Committee on Rules.

By Mr. DEMPSEY:

H. Res. 502. Resolution to amend rule XXXV of the Rules of the House of Representatives; to the Committee on Rules.

By Mr. WHITE of Idaho:

H. Res. 503. Resolution providing for the consideration of H. R. 9877, a bill authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes; to the Committee on Rules.

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 California, memorializing the President and the Congress of the United States to consider their Assembly Joint Resolution No. 23, concerning the title of the State of California to its tide, submerged, and overflowed lands; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 9932. A bill for the relief of Anne Howard Lay; to the Committee on Foreign Affairs.

By Mr. CONNERY:

H. R. 9933. A bill for the relief of Louise Peters Lewis; to the Committee on Claims.

By Mr. GREGORY:

H. R. 9934. A bill to confer jurisdiction upon the United States District Court for the Western District of Kentucky to hear, determine, and render judgment upon the claim of Theodore R. Troendle for the Dawson Springs Construction Co.; to the Committee on Claims.

By Mr. JOHNSON of West Virginia:

H. R. 9935. A bill for the relief of Rudolph Farcher; to the Committee on Claims.

By Mr. LEWIS of Ohio:

H. R. 9936. A bill granting a pension to Sina Ethel Stookesberry; to the Committee on Invalid Pensions.

By Mr. McDOWELL:

H. R. 9937. A bill granting a pension to Julia M. Cramer; to the Committee on Pensions.

By Mr. MACIEJEWSKI:

H. R. 9938. A bill for the relief of Dr. Michel Konne and Pauline Lucia Konne; to the Committee on Immigration and Naturalization.

By Mr. RANDOLPH:

H. R. 9939. A bill for the relief of Elizabeth K. Peeples; to the Committee on Claims.

By Mr. THOMAS of Texas:

H. R. 9940. A bill for the relief of Charles F. Emery, Jr.; to the Committee on Pensions.

H. R. 9941. A bill to authorize the President of the United States to present the Congressional Medal of Honor to George L. Keene; to the Committee on Military Affairs.

By Mr. WHITTINGTON:

H. R. 9942. A bill authorizing the Secretary of the Interior to issue to Henry W. Shurlds and Kate Shurlds White a patent to certain lands in the State of Mississippi; to the Committee on the Public Lands.

H. R. 9943. A bill authorizing the Secretary of the Interior to issue to Ruth Gainey Branscome a patent to certain lands in the State of Mississippi; to the Committee on the Public Lands.

PETITIONS, ETC.

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

8479. By Mr. THOMAS F. FORD: Resolution of the Assembly and Senate of the State of California, protesting against the proposed attack upon the title of the State of California to its tide, submerged and overflowed lands; to the Committee on the Judiciary.

8480. By Mr. KEOGH: Petition of the Union of Marine Draftsmen and Technicians, Navy Yard, N. Y., Chapter 24, Brooklyn, N. Y., urging continuation of the civil-service system in the filling of vacancies and promotions in the Navy Department; to the Committee on the Civil Service.

8481. Also, petition of the Women's International League for Peace and Freedom, New York State Branch, New York City, concerning our national defense program and foreign policy; to the Committee on Foreign Affairs.

8482. By Mr. VOORHIS of California: Petition of Mrs. C. E. Otis, of Los Angeles, Calif., and 25 others, endorsing House Bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional money power; requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

8483. Also, petition of William W. Dunlap, of Carlsbad, Calif., and 22 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of its constitutional money power; requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

8484. Also, petition of H. M. Mosher, of Arcadia, Calif., and 20 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of the constitutional money power; requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

8485. Also, petition of C. H. Rice, of San Francisco, Calif., and eight others, urging the passage of the war referendum amendment; to the Committee on the Judiciary.

8486. Also, petition of the legislative committee of the Palo Alto Committee to Aid Agricultural Workers, signed by 47 individuals, urging that W. P. A. and F. S. A. receive emergency relief appropriations, and that no more cuts in these appropriations be made; to the Committee on Appropriations.

8487. Also, petition of John A. Kruse, of El Monte, Calif., and 50 others, endorsing House bill 4931, providing for Government ownership of the stock of the 12 Federal Reserve banks and for the exercise by Congress of the constitutional money power; requesting the Banking and Currency Committee to hold hearings on the said bill; to the Committee on Banking and Currency.

8488. Also, petition of Mrs. Louis H. Vincent, of Baldwin Park, Calif., and 52 others, urging that the President and Representatives in Congress take prompt, decisive action looking toward the early enactment of a national retirement pension law, on a pay-as-you-go basis, embodying the fundamental principles of House bill 5620, now before Congress, which would pay to all citizens of the United States, 60 years of age and over, an adequate monthly annuity, as proposed in said act; to the Committee on Ways and Means.

8489. By Mr. WELCH: Joint Resolution No. 23 of the California State Assembly, protesting against the proposed attack

upon the title of the State of California to its tide, submerged, and overflowed lands; to the Committee on the Judiciary.

8490. By the SPEAKER: Petition of U. C. W. O. C., Local No. 90, Long Beach, Calif., petitioning consideration of their resolution with reference to a bill to deport Harry Bridges; to the Committee on Immigration and Naturalization.

8491. Also, petition of the Dairy Workers Union, No. 49, of Hynes, Calif., petitioning consideration of their resolution with reference to a bill to deport Harry Bridges; to the Committee on Immigration and Naturalization.

8492. Also, petition of the United Construction Workers, Local Union No. 118, petitioning consideration of their resolution with reference to a bill to deport Harry Bridges; to the Committee on Immigration and Naturalization.

SENATE

WEDNESDAY, MAY 29, 1940

(Legislative day of Tuesday, May 28, 1940)

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:

Almighty God, whose loving hand hath given unto us all that we possess, grant that, as faithful stewards of Thy bounty, we may honor Thee with our substance by responding to the call to help our anguished brethren everywhere, especially those who suffer from the ravages of war, whose cup of agony and sorrow runneth over. May the blessings hitherto vouchsafed to us as a nation evoke a spirit of devout and humble thankfulness that we are privileged to share all that we are and all that we have, as we minister in Thy name the sacrament of understanding to the human needs of others. And, as we follow in the blessed footsteps of the Master, may it be ours one day to hear His loving voice, saying, "Inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto me." In His holy name we ask it. Amen.

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Tuesday, May 28, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Callo-way, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 7615) authorizing the Bradenton Co., its successors and assigns, to construct, maintain, and operate a toll bridge across Sarasota Pass, county of Manatee, State of Florida.

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

H. R. 9822. An act to expedite naval shipbuilding, and for other purposes; and

H. R. 9848. An act to authorize the construction or acquisition of naval aircraft, the construction of certain public works, and for other purposes.

CALL OF THE ROLL

Mr. BARKLEY. 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	Bilbo	Byrnes	Connally
Ashurst	Bone	Capper	Danaher
Austin	Bridges	Caraway	Davis
Bailey	Brown	Chandler	Donahay
Bankhead	Bulow	Chavez	Ellender
Barbour	Burke	Clark, Idaho	George
Barkley	Byrd	Clark, Mo.	Gerry