2077. A letter from the Director of Budget and Reports, Navy Department, transmitting a report showing the name, age, legal residence, rank, branch of service, with special qualifications therefor, of each person commissioned from civilian life into the United States Naval Reserve, the Marine Corps Reserve, and the Coast Guard Reserve, during the period October 1, 1944, to November 30, 1944, inclusive, who have not had prior commissioned military service; to the Committee on Naval Affairs.

2078. A letter from the Secretary of War, transmitting a report showing the name, age, legal residence, rank, branch of the service, with special qualifications therefor, of each person commissioned in the Army of the United States without prior commissioned military service, for the period October 1, 1944, to November 30, 1944; to the Committee on Military Affairs.

2079. A letter from the Acting Comptroller General of the United States, transmitting an estimate of the number of employees required for the proper and efficient exercise of the functions of the General Accounting Office during the quarter ending March 31, 1945; to the Committee on the Civil Service.

2080. A letter from the Postmaster General, transmitting the estimates of personnel requirements for the Post Office Department, for the quarter ending March 31, 1945; to the Committee on the Civil Service.

2081. A letter from the Attorney General, transmitting a request for withdrawal of the case of Wilhelmina Gawronski nee Casper formerly Rademacher from the 92 cases involving suspension of deportation, referred to in his letter of May 1, 1944; to the Committee on Immigration and Naturalization.

2082. A letter from the Secretary, United States Employees' Compensation Commission, transmitting a copy of the quarterly estimate of personnel requirements for the quarter ending March 31, 1945; to the Committee on the Civil Service.

2083. A letter from the Acting Secretary, Smithsonian Institution, transmitting a quarterly estimate of personnel requirements for the Smithsonian Institution for the quarter ending March 31, 1945; to the Committee on the Civil Service.

2084. A letter from the Acting Assistant Secretary, National Advisory Committee for Aeronautics, transmitting a copy of quarterly estimate of personnel requirements for the National Advisory Committee for Aeronautics for the third quarter of the fiscal year 1945, ending March 31, 1945, together with a copy of the letter of transmittal to the Director of the Bureau of the Budget; to the Committee on the Civil Service.

2085. A letter from the Chairman, President's Committee on Fair Employment Practice, Office for Emergency Management, transmitting its quarterly estimate of personnel requirements covering the quarter ending March 31, 1945; to the Committee on the Civil Service.

2086. A letter from the Administrator, National Gallery of Art, Smithsonian Institution, transmitting a copy of the report of the quarterly estimate of personel requirements called for by the Director of the Bureau of the Budget under Circular No. A-29, revised, dated May 10, 1944; to the Committee on the Civil Service.

2087. A letter from the Attorney General, transmitting a request for withdrawal of the case of James Francis Bartholomew from the 332 cases involving suspension of deportation, referred to in his letter of October 1, 1944; to the Committee on Immigration and Naturalization.

2088. A letter from the Secretary of State, transmitting certificates from the executives of Delaware, Louisiana, and Minnesota, certifying to the appointment of the electors for President and Vice President in these States on November 7, 1944; to the Committee on Election of President, Vice President, and Representatives in Congress.

2089. A letter from the Deputy Alien Property Custodian, transmitting a copy of the quarterly estimate of personnel requirements for the period ending March 31, 1945; to the Committee on the Civil Service.

2090. A letter from the Chairman, War Production Board, transmitting a copy of the personnel requirements of the War Production Board for the third quarter of the fiscal year 1945; to the Committee on the Civil Service.

2091. A letter from the Chairman, National Labor Relations Board, transmitting the quarterly estimate of personnel requirements of the National Labor Relations Board for the third quarter of the fiscal year 1945; to the Committee on the Civil Service.

2092. A letter from the Administrative Officer, the White House, transmitting a quarterly estimate of personnel requirements, representing the estimated personnel requirements for the White House Office for the quarter ending March 31, 1945; to the Committee on the Civil Service.

2093. A letter from the Chairman, Interstate Commerce Commission, transmitting its quarterly estimate of personnel requirements for the third quarter of the fiscal year beginning July 1, 1944; to the Committee on the Civil Service.

2094. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

2095. A letter from the Secretary of the Navy, transmitting estimates of requirements of personnel subject to Public Law No. 49 for the Navy, Marine Corps, and Coast Guard (departmental and field) for the third quarter, fiscal year 1945, together with a request that a new ceiling be established for the Navy Department in each classification for the third quarter, fiscal year 1945, and copies of the exhibits; to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLAND: Committee on the Merchant Marine and Fisheries. Interim report pursuant to House Resolution 52. Resolution on investigation of activities of the Rheem Manufacturing Co. (Rept. No. 2057). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. VOORHIS of California:

H. R. 5614. A bill to provide for making awards to the parents of deceased veterans; to the Committee on Military Affairs.

By Mr. CASE:

H. R. 5615. A bill to establish a National Service Corps; to the Committee on Military Affairs.

By Mrs. NORTON:

H. R. 5616. A bill to extend the existing contributory system of retirement benefits to elective officers of the United States and heads of executive departments; to the Committee on the Civil Service.

By Mr. VINSON of Georgia:

H. R. 5617. A bill relating to the compensation of certain officers of the United States; to the Committee on the Judiciary.

PETITIONS, ETC.

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

6242. By Mr. ANGELL: Petition of W. J. Jones, Portland, Oreg., containing 21 signatures protesting against prohibition legislation; to the Committee on the Judiciary.

6243. Also, petition of George F. Paulsen, Portland, Oreg., containing 3,069 signatures protesting against prohibition legislation, to the Committee on the Judiciary.

6244. Also, petition of Charles P. Ohling, Portland, Oreg., containing 3,262 names against prohibition legislation; to the Committee on the Judiciary.

SENATE

WEDNESDAY, DECEMBER 13, 1944

(Legislative day of Tuesday, November 21, 1944)

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

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, amid the darkness in which our sad and mad world lieth, where entrenched hatred and tyranny contend with good will and decency for the mastery, may we still believe in the purple splendor of the dawning and that the morning of a better day cometh. Tune our ears to discern even in the clashing discords of the hour jubilant voices above the warring world crying: "Arise, shine; for thy light is come, and the glory of the Lord is risen upon thee." Replenish with new hope all who are discouraged about the sorry state of the world because of today's harvest of evil. Lift up our thoughts above the immediate which sickens our souls. Stretch out wide horizons for our vision and illumine for us that fairer earth of the redemption unveiled by the angels' song of peace to men of good will.

For light enough to walk by through dark days, for inner strength to carry heavy burdens, for uncompromised courage to dare policies with no partisan advantage, for eyes to see the truth and fearlessly follow it, for grace to bear bravely separation and poignant personal loss, we pray to Thee, help of the helpless. Make us more than ourselves because we have Thee for an ally and reinforcement. Breathe upon us now Thy benediction that we may march on as valiant pilgrims sustained by the confident hope that the kingdoms of this world shall yet become the kingdom of Thy radiant love. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, December 12, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

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

passed the bill (S. 1782) to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes, with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had passed the joint resolution (S. J. Res. 155) establishing a commission to select a site and design for a National Memorial Stadium to be erected in the District of Columbia, with amendments in which it requested the concurrence of the Senate.

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

H. R. 4216. An act to provide more efficient dental care for the personnel of the United States Navy; and

H. R. 5513. An act to amend section 201 (g) of the Nationality Act of 1940 (54 Stat. 1138–1139; 8 U. S. C. 601).

ENROLLED BILLS SIGNED

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

S. 209. An act authorizing the conveyance of certain property to the State of North Dakota;

S. 1571. An act to provide that the transmountain tunnel constructed in connection with the Colorado-Big Thompson project shall be known as the Alva B. Adams tunnel;

S. 1580. An act to authorize the Secretary of the Interior to dispose of certain lands heretofore acquired for the nonreservation Indian boarding school known as Sherman Institute, California;

S. 1597. An act to amend section 1, act of June 29, 1940 (54 Stat. 703), for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes;

S. 1801. An act to authorize the Secretary of the Navy to convey to the Virginian Railway Co., a corporation, for railroad-yard-enlargement purposes, a parcel of land of the Camp Allen Reservation at Norfolk, Va.;

S. 1898. An act to amend section 99 of the Judicial Code, as amended, so as to change the term of the district court for the District of North Dakota at Minot, N. Dak.;

S. 1979. An act to regulate in the District of Columbia the transfer of shares of stock in corporations and to make uniform the law with reference thereto;

S. 2019. An act to establish the grade of Fleet Admiral of the United States Navy; to establish the grade of General of the Army, and for other purposes;

S. 2105. An act to amend and supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, to authorize appropriations for the post-war construction of highways and bridges, to eliminate hazards at railroad grade crossings, to provide for the immediate preparation of plans, and for other purposes;

H. R. 1033. An act to suspend the effectiveness during the existing national emergency of the tariff duty on coconuts;

H. R. 2644. An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes;

H. R. 4327. An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes;

H. R. 4867. An act to extend the health regulations of the District of Columbia to Government restaurants within the District of Columbia;

H. R. 5408. An act to amend the Mustering-Out Payment Act of 1944, to provide a method for accomplishing certain mustering-out payments on behalf of mentally disabled veterans, and for other purposes; and

H. R. 5543. An act extending the time for the release of appointment for the purposes of certain provisions of the Internal Revenue Code, and for other purposes.

CALL OF THE ROLL

Mr. HILL. 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:

Aiken	Gerry	Nye
Austin	Gillette	O'Daniel
Bailey	Green	O'Mahoney
Ball	Guffey	Pepper
Bankhead	Gurney	Radcliffe
Bilbo	Hall	Reed
Brewster	Hatch	Revercomb
Brooks	Hawkes	Reynolds
Buck	Hayden	Robertson
Burton	Hill	Russell
Bushfield	Holman	Shipstead
Butler	Jenner	Smith
Byrd	Johnson, Calif.	Taft
Capper	Johnson, Colo.	Thomas, Idaho
Caraway	Kilgore	Thomas, Okla.
Chandler	La Follette	Truman
Chavez	Langer	Tunnell
Clark, Mo.	Lucas	Vandenberg
Connally	McCarran	Walsh
Cordon	McClellan	Weeks
Danaher	McFarland	Wheeler
Davis	McKellar	White
Downey	Maloney	Wiley
Eastland	Maybank	Willis
Ellender	Mead	Wilson
Ferguson	Millikin	
George	Murray	

Mr. HILL. I announce that the Senator from Kentucky [Mr. BARKLEY] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Utah [Mr. MURDOCK] is detained on official business.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Louisiana [Mr. OVERTON], the Senator from Nevada [Mr. SCRUGHAM], the Senator from Tennessee [Mr. STEWART], the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], the Senator from New York [Mr. WAGNER], and the Senator from Washington [Mr. WALLGREN] are necessarily absent.

Mr. WHITE. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Oklahoma [Mr. MOORE], and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The Senator from Ohio [Mr. TAFT] is unavoidably detained.

The Senator from Nebraska [Mr. WHERRY] is absent on official business.

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

SENATOR FROM WASHINGTON—CREDENTIALS

The VICE PRESIDENT laid before the Senate the credentials of WARREN G. MAGNUSON, duly chosen a Senator from the State of Washington for the term commencing January 3, 1945, which were read and ordered to be filed, as follows:

STATE OF WASHINGTON,
EXECUTIVE DEPARTMENT, OLYMPIA.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1944, WARREN G. MAGNUSON was duly chosen by the qualified electors of the State of Washington a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1945.

In witness whereof I have hereunto set my hand and caused the seal of State of Washington to be affixed at Olympia this 7th day of December A. D. 1944.

ARTHUR B. LANGLIE,
Governor of Washington.

By the Governor:
[SEAL] BELLE REEVES,
Secretary of State.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATIONS OF ALIENS

A letter from the Attorney General referring to his letter of October 1, 1944, relating to the suspension of deportation of 332 aliens, and withdrawing the case of one alien therefrom; to the Committee on Immigration.

MULTIPLE TAXATION OF PERSONS ENGAGED IN AIR COMMERCE AND THEIR EMPLOYEES

A letter from the Acting Chairman of the Civil Aeronautics Board, submitting a request for action or the enactment of legislation to extend for 90 days the period within which the Civil Aeronautics Board may submit its required report and recommendations relating to the problems of multiple taxation of persons engaged in air commerce and their employees; to the Committee on Finance.

PERSONNEL REQUIREMENTS

Letters from the Administrative Officer, Executive Office of the President, Chairman of the President's Committee on Fair Employment Practice, Director of the Office of Economic Stabilization, the Secretary of War, Chairman of the Interstate Commerce Commission, Chairman of the War Manpower Commission, Acting Comptroller General of the United States, Deputy Director of the Office of Contract Settlement, Director of the Office of Defense Transportation, Acting Secretary of the Smithsonian Institution, and Acting Assistant Secretary of the National Advisory Committee for Aeronautics, transmitting, pursuant to law, estimates of personnel requirements for their respective offices for the quarter ending March 31, 1945 (with accompanying papers); to the Committee on Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of the Departments of State, the Treasury (2), War (2), Justice, Navy (3), and Agriculture; Office of Defense Transportation, and Office of Price Administration which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the Vice President and referred as indicated:

A petition, numerously signed, of sundry citizens, employees of Grand Central Annex post office, New York City, praying for the prompt enactment of the bill (S. 1882) to increase the compensation of employees in the Postal Service; ordered to lie on the table.

A cablegram from the Chairman of the Virgin Islands Legislative Assembly, express-

ing for that Assembly in the name of the people of the islands sincere appreciation and gratitude for the passage by the Senate of the so-called $10,000,000 Virgin Islands work bill; ordered to lie on the table.

Resolutions adopted by the fifteenth annual Public Works Congress at St. Paul, Minn., favoring the provision to retain a substantial part of post-war Federal-aid highway funds for use in cities, and also endorsing the plan and procedure set forth in the War Mobilization and Reconversion Act for the advancement of Federal loans, without interest, to State and local goverments for planning post-war projects; ordered to lie on the table.

SUPPLIES FOR WESTERN WAR FRONT—TELEGRAM FROM DR. THOMAS P. CRISPELL, PARSONS, KANS.

Mr. REED. Mr. President, I ask unanimous consent to have printed as a part of my remarks and appropriately referred a telegram just received from Dr. Thomas P. Crispell, a prominent Kansan. It is in the form of a petition for more supplies for our fighting men. Dr. Crispell, a neighbor of mine in Parsons, has a son in the service, and his telegram to me is very pertinent as we contemplate the anniversary of Pearl Harbor.

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

PARSONS, KANS., *December 7, 1944.*

Senator CLYDE M. REED,
Washington, D. C.:

Receiving apparently authentic reports that European forces are short of ammunition, trucks, and tires. We run our veterinary business in Kansas in wartime on a basis that if we cannot make all the calls in 10 hours we work 12, and if 12 won't do it we work 16. Let's make ammunition the same way. Upset a few bureaus. Cut some red tape or change a union rule or two if necessary, so that our boy and his buddies can have enough shells to at least protect themselves.

DR. THOMAS P. CRISPELL.

PEACETIME CONSCRIPTION—MEMORIAL FROM FRIENDS UNIVERSITY, WICHITA, KANS.

Mr. REED. Mr. President, I also ask unanimous consent to have printed in the RECORD and appropriately referred a letter I have received from the faculty members of Friends University in Wichita, Kans., protesting against the peacetime conscription of American youth.

There being no objection, the letter, in the nature of a memorial, was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

FRIENDS UNIVERSITY,
Wichita, Kans., November 28, 1944.

Senator CLYDE REED,
Senate Office Building,
Washington, D. C.

HONORABLE SIR: To any legislation providing for peacetime conscription of American youth, we, the faculty members of Friends University in Wichita, Kans., are unalterably opposed. We feel that the continuation of conscription after the war would be alien and hostile to the free institutions of our country.

The maintenance of a conscript army in time of peace, we believe, would create distrust and the tension of fear among other nations; these, in turn, would lead logically to another war. We urge that security be sought through international organization, not through unilateral military armament.

We consider, furthermore, that the enactment of peacetime conscription laws during the absence of a large segment of the electorate, now in the armed services, would be unwise and unfair.

With the thought that our national representatives can best perform their duties when fully informed of the opinions of their constituents, we send this expression of our views and add our several signatures.

Irvin T. Shultz, Mary R. Greenfield, Arnold R. Verduin, George Willard Cobb, Elsa M. Haury, Kenneth L. Andrew, H. Ernest Crow, Alice L. Beach, John D. Mills, Alfred P. Smith, Isabel Crabb, Margaret Joy, P. D. Schull, Lowell E. Roberts, Iva V. Pickering, Winifred N. Gahagan, Edward R. Miller, W. A. Young, Gerald H. Wood, Charles A. Reagan, William F. Little, Margaret J. Burch, Frances Starkey, Asa Dillon, Mildred Hollembeck.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Utah, from the Committee on Education and Labor:

S. J. Res. 148. Joint resolution authorizing the disposal of certain blood-plasma reserves; without amendment (Rept. No. 1378).

By Mr. BAILEY, from the Committee on Commerce:

H. R. 4626. A bill to declare a portion of the Illinois & Michigan Canal an unnavigable stream; without amendment (Rept. No. 1379); and

S. J. Res. 106. Joint resolution granting permission to Charles Rex Marchant, Lorne E. Sasseen, and Jack Veniss Bassett to accept certain medals tendered them by the Government of Canada in the name of His Britannic Majesty, King George VI; without amendment (Rept. No. 1380).

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H. R. 4216. An act to provide more efficient dental care for the personnel of the United States Navy; to the Committee on Naval Affairs.

H. R. 5513. An act to amend section 201 (g) of the Nationality Act of 1940 (54 Stat. 1138–1139; 8 U. S. C. 601); to the Committee on Immigration.

ADDITIONAL COPIES OF HEARINGS BEFORE SPECIAL COMMITTEE ON POST-WAR ECONOMIC POLICY AND PLANNING

Mr. GEORGE submitted the following resolution (S. Res. 353), which was referred to the Committee on Printing:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Special Committee on Post-war Economic Policy and Planning of the United States Senate be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 3 of the hearings held before said special committee during the second session of the Seventy-eighth Congress, pursuant to the resolution (S. Res. 102) creating a Special Committee on Post-war Economic Policy and Planning.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 198) to amend further section 2 of the Civil Service Retirement Act, approved May 29, 1930, as amended, which were, on page 1, line 11, after "reemployed", to insert "or continued in the service"; on page 2, line 1, after "reemployment", to insert "or continuation"; on page 2, line 3, after "reemployed", to insert "or continued"; and on page 2, line 4, after "reemployment", to insert "or continuation."

Mr. DOWNEY. Mr. President, as chairman of the Committee on Civil Service I move that the Senate concur in the amendments of the House. They are merely technical and perfecting amendments. They do not affect the substance of the bill, and I have conferred with other members of the committee before making my motion.

Mr. HILL. Do the amendments in any way affect the provision in the bill with reference to the Tennessee Valley Authority?

Mr. DOWNEY. They do not.

The VICE PRESIDENT. The question is on the motion of the Senator from California.

The motion was agreed to.

PLACING OF PORTION OF STATE OF IDAHO IN THIRD TIME ZONE

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 1997) to repeal section 3 of the Standard Time Act of March 19, 1918, as amended, relating to the placing of a certain portion of the State of Idaho in the third time zone, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WHEELER. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. STEWART, Mr. CLARK of Idaho, and Mr. GURNEY conferees on the part of the Senate.

EMPLOYMENT OF ENGINEERS AND ECONOMISTS ON RECLAMATION WORK

Mr. CHAVEZ (for Mr. BANKHEAD) submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3429) to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclation work," approved February 28, 1929 (45 Stat. 1406), as amended by the act of April 22, 1940 (54 Stat. 148), having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

J. H. BANKHEAD,
JOHN THOMAS,
CHAN GURNEY,
Managers on the part of the Senate.

COMPTON I. WHITE,
J. W. ROBINSON,
JOHN R. MURDOCK,
ROBT. F. ROCKWELL,
Managers on the part of the House.

The report was agreed to.

AUTHORITY FOR FOREIGN RELATIONS COMMITTEE TO FILE EXECUTIVE REPORTS

Mr. CONNALLY. Mr. President, as in executive session, I ask that the Committee on Foreign Relations may have permission to file, as of today, up to 12 o'clock tonight, reports on certain nominations.

The VICE PRESIDENT. Is there objection? The Chair hears none, and, as in executive session, it is so ordered.

ADDRESS BY ALBERT S. GOSS, MASTER OF THE NATIONAL GRANGE

[Mr. AIKEN asked and obtained leave to have printed in the RECORD excerpts from the address delivered by Albert S. Goss, master of the National Grange, before the seventy-eighth annual session of the National Grange, at Winston-Salem, N. C., November 15, 1944, which appears in the Appendix.]

BUILD A GREATER AMERICA—ARTICLE BY OSWALD F. SCHUETTE

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD an article entitled "Build a Greater America," by Oswald F. Schuette, which appears in the Appendix.]

POLITICAL AIMS OF RUSSIA AND ENGLAND

Mr. BROOKS. Mr. President, there is a growing concern in the minds of the American people about the progress of the war—not from a military and naval sense, for the American people have great faith in our military and naval leaders.

This concern comes from the apparent attitude and conduct of our major allies. We are sacrificing American blood and treasure to drive the Germans back on the western front; we engaged vast German forces on the beaches of France driving them away from the approaches to England and drawing the fierce German military pressure away from Russia.

While we are driving desperately toward Germany, both Russia and England are engaging in a race for future balance of power on the European Continent. We are witnessing what appears to be the disruption of harmony among the Big Three. We are throwing stones at each other. We live in an atmosphere of suspicion as to the motives of two big European powers. We are in the dark and there are two specific questions about which the American people should be enlightened. They are—

What are the political clauses contained in the Teheran agreement?

What are the terms contained in the political clauses embodied in the armistice with Italy?

The answers to these questions may explain the scramble and struggle for political supremacy by each of our two major allies in Europe. These answers are of vital importance to the American people who have sacrificed so much for each of them.

Never in history did any country send so many men and so much material so far from home as we have dispatched to the European Continent alone. Never before was a well-fortified coast of a powerful country, held and guarded by a first-class power, ever successfully invaded from the sea. The successes of the forces of the United States are not only unprecedented in the annals of military history, but they are the marvel of all recorded time.

While over 600,000 of the cream of American young manhood have been killed, wounded, are missing in action, or being held as prisoners of war; while millions of American men have been separated from their families for more than a year and are still facing a prolonged war in Europe and an extended war in the Pacific and Asia, it is hard to understand why troops and resources of our allies are being diverted from direct pressure on the German Army to the building of newly dictated forms of government in the liberated countries to create spheres of influence in the age-old European game of power politics.

The American people were told, and constantly reminded, that they were called upon to make their present sacrifices to develop the spirit and follow the pattern laid down in the Atlantic Charter.

Already it is clear that Russia intends to expand her empire and plant her philosophy throughout the Baltic and Balkan states, while Britain moves daily to expand her influence and establish puppet governments in Italy, Greece, Belgium, and France.

While this is going on, our American forces are facing the fierce fighting armies of Germany, led on under the promise that the peoples in liberated countries would be privileged to set up their own governments under the basic principles of the Atlantic Charter.

We have traveled far since that day on August 15, 1941, when President Roosevelt and Prime Minister Churchill wrote and published their Atlantic Charter in which they jointly proclaimed to the world that "They desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned * * * they respect the rights of all peoples to choose the form of government under which they will live."

This was written when Winston Churchill was trying desperately to get America into the war. It was written when both the President and Winston Churchill wanted to appeal to the people of every invaded country to resist their invaders and fight eventually on the side of the Allies.

Four months later we were blown into the war at Pearl Harbor on December 7, 1941. Two months later in a radio address on February 16, 1942, Winston Churchill stated:

> When I survey and compute the power of the United States and its vast resources, and feel that they are now in it with us, with the British Commonwealth of Nations all together, however long it lasts, till death or victory come, I cannot believe there is any other fact in the whole world which can compare with that.
>
> That is what I have dreamed of, aimed at, and worked for, and now it has come to pass.

Yes, Mr. President; we are finally in the wars in Europe and the Pacific and are facing terrible and terrific future sacrifices.

The small nations have suffered two invasions: First, by the ruthless German Army, and second, by the rescuing forces of the United Nations. They have been blown and torn twice, and now they are experiencing varying forms of civil war prompted by the conflicting forces of Russia and Britain in their struggle for supremacy. These small nations are steadily losing hope of ultimate justice at the hands of the United Nations. They pinned their faith on the Atlantic Charter and on the United States as a champion of right over might.

Russia has already utilized her forces to annex the Baltic states and has set up a federation in the Balkans under "red" Marshal Tito, without protest from Britain or the United States. In the meantime, Britain uses her troops to force governments in Italy and Greece. In the midst of this conflict came the reassuring statement of Secretary of State Stettinius declaring America's policy of nonintervention in those countries. New hope undoubtedly sprang up in the little nations. However, Winston Churchill promptly reaffirmed his position for Britain and received an overwhelming vote of confidence.

Mr. President, when Joseph Stalin moves to further the program of his country he is sustained by the Russian people. When Winston Churchill moves to enhance the position of Britain, he receives an overwhelming vote of confidence. But when anyone demands that we speak out to further the principles for which we have made so great a sacrifice, he is charged with causing disunity.

Certainly, all Americans are desirous of complete unity. We want unity among our allies—we want unity among our own people—and the best way to develop this is to have a definite understanding now among the Big Three. There should be another conference of Roosevelt, Stalin, and Churchill.

The President has just been reelected by the people of the United States who believed that he could best lead this country to an early victory and negotiate an enduring peace. His spokesmen who flooded the airways contended that President Roosevelt could best win the war and win the peace because he knew Stalin and Churchill. The President himself told the Nation that he had spent much time and energy in becoming acquainted with the leaders of these countries.

The whole world needs to have a clarification of these unfortunate conflicts among the United Nations themselves, and the time is now ripe to know just what our American position, program, and policy are to be as we drive on into the deadly struggle to forge our way to final victory.

The American people went to the polls to exercise the precious privilege of freemen to choose a leader. They chose Franklin D. Roosevelt. Although he was chosen by the smallest majority received by any candidate for President of the United States since 1916, his is now, the responsibility to lead 135,000,000 free people through the most deadly armed conflict in our history.

As one of the minority, I want to do everything I can to support our complete war effort; I want to help win complete victory; I want to help develop an enduring peace based upon justice and freedom; but I share the anxiety of count-

less people in this country who would like to have a declaration of American policy for the benefit of the American people as well as the millions of people throughout the world who hunger so desperately for freedom.

I believe that the American people will support wholeheartedly an American policy for future peace based on the basic principles of the Atlantic Charter, but they will resent being led by subterfuge into a position of barter between the ancient struggle for influence between one group of nations led by British intrigue and force and another group led by Russian intrigue and force.

The American people did not send their sons abroad to fight and die for the safety of Great Britain or to fight and die for the triumph and extension of Russian influence. The cream of America has been dispatched to fight and die for American security primarily, and for the safety and welfare of humanity.

I know there are those who will feel that we should say nothing for fear we might disturb unity among our allies. They would charge that this is a delicate matter, to be handled with gloves.

The answer is that the men who have been ordered from their homes, their loved ones, their country, to fight, suffer, and die in foreign lands are facing cruel, cold, brutal murder; and they expect their Nation's leaders to face the cold realities to preserve the ideals and hopes of humanity which they were told they were fighting and dying to defend.

The truth is that while the flesh, blood, and treasure of America are being hurled at the vicious forces of Germany, Europe is being carved up, and the division is being made with force, with tanks, planes, and supplies furnished largely by the American people.

Mr. Roosevelt is armed with all the power in the world today. The American forces have reached the zenith of their strength.

We have developed the greatest fighting force in the world. We have more than one-third of the air power of the world. We have more than one-third of all the ships in the world. We have the greatest production capacity in the world. We want to win the war and win the peace. We have the cream of the Nation's fighting men trained now and fighting now on the seas, in the fields, and in the skies all over the world. Now is the time to speak, and having spoken, to insist on a policy that will insure that our sons will not have died and our sacrifices will not have been in vain.

Our plan of battle is clear, but what is our plan for peace? The President is charged primarily with the responsibility of developing and declaring it. What is it? If we are to help lead the peace of the world in the future, our policy should be established now. The world is hungry for peace based upon justice, and we should not bleed our Nation of its human and material resources without establishing such a policy now.

Nearly everyone concedes that no world security organization can succeed without the United States participation. But the iron bands that will bind the liberty of future humanity are being forged now in the heat of battle. What is our program? What is our policy? What is the future plan for which we are asking our American men and women to sacrifice and die?

If we are to lead the world in peace, now is the time to demand and secure an understanding and establish a policy that will give us at least a chance to use our full weight and influence for victory and for an enduring peace.

Mr. CHAVEZ. Mr. President, before the Senator takes his seat, may I ask him a question?

Mr. BROOKS. Certainly.

Mr. CHAVEZ. Are not the Greek boys who are now being killed on one pretext or another the same ones who put up a valiant fight against the Axis Powers before the British forces entered that part of the world?

Mr. BROOKS. I believe the Senator is entirely correct.

Mr. CHAVEZ. Did not the Poles fight against the Axis Powers, especially Germany, at the start of the war?

Mr. BROOKS. I will say to the Senator from New Mexico that perhaps there has never been a demonstration in the annals of history that will compare with the courage of Poland, who bared her breast to the steel of the Axis Powers.

Mr. CHAVEZ. I think that was a great demonstration of courage. So far as Greece was concerned, she was caught between two of the Axis Powers, Germany and Italy, who crowded her from both sides. If the Greeks had had only Italy to contend with, and Germany had not interfered, I think I know what the result might have been. Is it fair now, if we actually believe in the purposes and ideals of the Atlantic Charter, to have one country as an overlord over Greece, either in the Dodecanese Islands or in Crete, because those places might become sources of power or influence in the future?

Mr. BROOKS. I thank the Senator.

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

Mr. BROOKS. I yield.

Mr. BUTLER. The distinguished junior Senator from Illinois referred a number of times in his remarks to the Atlantic Charter. I wonder whether he will be willing to request—or, if he does not so request, whether he will be willing that I request—that an official copy of the Atlantic Charter follow his remarks in the RECORD?

Mr. BROOKS. I shall be glad to have it inserted as a part of my remarks.

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

THE ATLANTIC CHARTER

(H. Doc. No. 358, 77th Cong., 1st sess.)

To the Congress of the United States:

Over a week ago I held several important conferences at sea with the British Prime Minister. Because of the factor of safety to British, Canadian, and American ships, and their personnel, no prior announcement of these meetings could properly be made.

At the close, a public statement by the Prime Minister and the President was made, I quote it for the information of the Congress and for the record:

"The President of the United States and the Prime Minister, Mr. Churchill, representing His Majesty's Government in the United Kingdom, have met at sea.

"They have been accompanied by officials of their two Governments, including high-ranking officers of their military, naval, and air services.

"The whole problem of the supply of munitions of war, as provided by the Lease-Lend Act, for the armed forces of the United States, and for those countries actively engaged in resisting aggression, has been further examined.

"Lord Beaverbrook, the Minister of Supply of the British Government, has joined in these conferences. He is going to proceed to Washington to discuss further details with appropriate officials of the United States Government. These conferences will also cover the supply problems of the Soviet Union.

"The President and the Prime Minister have had several conferences. They have considered the dangers to world civilization arising from the policies of military domination by conquest upon which the Hitlerite government of Germany and other governments associated therewith have embarked, and have made clear the steps which their countries are respectively taking for their safety in the face of these dangers.

"They have agreed upon the following joint declaration:

"Joint declaration of the President of the United States of America and the Prime Minister, Mr. Churchill, representing His Majesty's Government in the United Kingdom, being met together, deem it right to make known certain common principles in the national policies of their respective countries on which they base their hopes for a better future for the world.

"First, their countries seek no aggrandizement, territorial or other;

"Second, they desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned;

"Third, they respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them;

"Fourth, they will endeavor, with due respect for their existing obligations, to further the enjoyment by all states, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity;

"Fifth, they desire to bring about the fullest collaboration between all nations in the economic field with the object of securing for all improved labor standards, economic advancement, and social security;

"Sixth, after the final destruction of the Nazi tyranny, they hope to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want;

"Seventh, such a peace should enable all men to traverse the high seas and oceans without hindrance;

"Eighth, they believe that all of the nations of the world, for realistic as well as spiritual reasons, must come to the abandonment of the use of force. Since no future peace can be maintained if land, sea, or air armaments continue to be employed by nations which threaten, or may threaten, aggression outside of their frontiers, they believe, pending the establishment of a wider and permanent system of general security, that the disarmament of such nations is essential. They will likewise aid and encourage all other practicable measures which will lighten for peace-loving peoples the crushing burden of armaments.

"(Signed) FRANKLIN D. ROOSEVELT.
"(Signed) WINSTON S. CHURCHILL."

The Congress and the President having heretofore determined, through the Lend-Lease Act, on the national policy of American aid to the democracies, which east and west are waging war against dictatorships, the military and naval conversations at these meetings made clear gains in furthering the effectiveness of this aid.

Furthermore, the Prime Minister and I are arranging for conferences with the Soviet Union to aid it in its defense against the attack made by the principal aggressor of the modern world—Germany.

Finally, the declaration of principles at this time presents a goal which is worth while for our type of civilization to seek. It is so clear-cut that it is difficult to oppose in any major particular without automatically admitting a willingness to accept compromise with nazi-ism; or to agree to a world peace which would give to nazi-ism domination over large numbers of conquered nations. Inevitably such a peace would be a gift to nazi-ism to take breath—armed breath—for a second war to extend the control over Europe and Asia, to the American Hemisphere itself.

It is perhaps unnecessary for me to call attention once more to the utter lack of validity of the spoken or written word of the Nazi government.

It is also unnecessary for me to point out that the declaration of principles includes, of necessity, the world need for freedom of religion and freedom of information. No society of the world organized under the announced principles could survive without these freedoms which are a part of the whole freedom for which we strive.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 21, 1941.*

CROP INSURANCE

The Senate resumed the consideration of the bill (H. R. 4911) to amend the Federal Crop Insurance Act.

The VICE PRESIDENT. The clerk will state the first amendment of the committee.

The first amendment of the committee was, on page 1, line 9, after the words "loss in", to strike out "yield of such growing, unharvested, unthrashed, or unpicked crops" and to insert "yields."

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. THOMAS of Oklahoma. Mr. President, before we commence consideration of the amendments, I think perhaps a brief statement with respect to the provisions of the bill should be placed in the RECORD.

The pending bill is entitled "An act to amend the Federal Crop Insurance Act." The Crop Insurance Act was originally passed as title V of the Agricultural Adjustment Act of 1938, and was approved February 16, 1938. The purpose of title V of the original Crop Insurance Act is stated in sections 502, 503, and 504. I now read those three sections from the original act:

DECLARATION OF PURPOSE

SEC. 502. It is the purpose of this title to promote the national welfare by alleviating the economic distress caused by wheat-crop failures due to drought and other causes, by maintaining the purchasing power of farmers, and by providing for stable supplies of wheat for domestic consumption and the orderly flow thereof in interstate commerce.

SEC. 503. To carry out the purposes of this title, there is hereby created as an agency of and within the Department of Agriculture a body corporate with the name "Federal Crop Insurance Corporation" (herein called the Corporation). The principal office of the Corporation shall be located in the District of Columbia, but there may be established agencies or branch offices elsewhere in the United States under rules and regulations prescribed by the Board of Directors.

CAPITAL STOCK

SEC. 504. (a) The Corporation shall have a capital stock of $100,000,000 subscribed by the United States of America, payment for which shall, with the approval of the Secretary of Agriculture, be subject to call in whole or in part by the board of directors of the Corporation.

Mr. President, with respect to the success of the program carried on under the original act, I should like to have two tables printed at this point in the RECORD. One of them is entitled "Summary of administrative expenses by appropriations as at June 30, 1944." The second table is entitled "Federal crop insurance experience, United States summary by years, as of June 30, 1944." I ask unanimous consent that the two tables may be printed at this point in the RECORD, as a part of my remarks.

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

Summary of administrative expenses by appropriations as at June 30, 1944

Fiscal year	Net appropriations [1]	Expenditures							Savings
		Federal Crop Insurance Corporation			Cooperating agencies			Total expenditures	
		General	Storage	Total	Agricultural Adjustment Administration	Other	Total		
1938	$965,000	$234,546.07		$234,546.07				$234,546.07	$730,453.93
1939	5,000,000	1,648,390.41	$305,621.27	1,954,011.68	$2,245,743.31	$151,580.77	$2,397,324.08	4,351,335.76	648,664.24
1940	5,823,200	1,320,437.79	858,317.17	2,178,754.96	3,280,167.88	191,916.17	3,472,084.05	5,650,839.01	172,360.99
1941	5,523,200	1,148,169.32	865,588.89	2,013,758.21	2,814,439.96	200,737.64	3,015,177.60	5,028,935.81	494,264.19
1942	8,559,827	1,598,212.74	−178,856.96	1,419,355.78	5,123,260.67	232,994.08	5,356,254.75	6,775,610.53	1,784,216.47
1943	8,572,954	1,352,122.05	−57,720.33	1,294,401.72	4,884,579.00	269,641.07	5,154,220.07	6,448,621.79	2,124,332.21
12[11]3/5000-017	550	494.22		494.22				494.22	55.78
1944	3,150,000	905,708.10	44,109.43	949,817.53	770,000.00	17,272.00	787,272.00	1,737,089.53	1,412,910.47
Total	37,594,731	8,208,080.70	1,837,059.47	10,045,140.17	19,118,190.82	1,064,141.73	20,182,332.55	30,227,472.72	7,367,258.28

[1] Adjusted to reflect reappropriations: $500,000, 1939 to 1940; $100,000, 1940 to 1941; $350,000, 1944 to 1945.

Federal crop insurance experience, United States summary by years, as of June 30, 1944

Commodity and crop year	Farms insured [1]		Indemnities	Insured acreage	Insured production	Commodity basis			Monetary basis			
	Insurance written	Insurance in force				Premiums	Indemnities	Surplus or deficit (−)	Premiums	Indemnities	Gain or loss from commodity transactions	Surplus or deficit (−)
Wheat:	*Number*	*Number*	*Number*	*Acres*	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Dollars*	*Dollars*	*Dollars*	*Dollars*
1939		165,775	55,932	7,010,390	60,826,075	6,670,315	10,163,899	−3,493,584	3,410,940.10	5,601,561.79	−1,417.71	−2,192,039.40
1940	379,710	360,596	112,762	12,754,834	108,284,574	13,796,798	22,898,147	−9,101,349	9,155,062.21	13,694,263.62	−175,225.59	−4,714,427.00
1941	420,940	371,590	130,774	11,734,263	104,306,380	12,643,051	18,857,243	−6,214,192	7,096,366.64	18,925,433.85	4,182,654.71	−7,646,412.50
1942	504,047	400,043	108,368	[2] 9,630,265	88,063,150	8,769,715	10,574,927	−1,805,212	8,447,498.18	13,666,902.68	1,738,922.15	−3,480,482.35
1943	487,663	357,733	133,076	[2] 8,148,800	[2] 75,264,000	8,035,124	13,209,955	−5,174,831	10,625,480.33	19,705,072.29	912,775.32	−8,166,816.64
Total wheat		1,655,537	540,912	49,278,552	436,744,179	49,915,003	75,704,171	−25,789,168	38,735,347.46	71,593,234.23	6,657,708.88	−26,200,177.89
Cotton:					*Pounds*	*Pounds*	*Pounds*	*Pounds*				
1942		169,072	47,744	2,816,462	407,611,601	31,435,750	52,536,269	−21,100,519	6,302,938.89	11,254,151.87	207,840.90	−4,743,372.08
1943		164,998	40,632	[2] 2,690,279	[2] 386,690,312	30,744,370	56,800,979	−26,056,609	6,852,495.82	13,006,746.01	−125,795.40	−6,280,045.59
Total cotton		334,070	88,376	5,506,741	794,301,913	62,180,120	109,337,248	−47,157,128	13,155,434.71	24,260,897.88	82,045.50	−11,023,417.67
Other charges												−3,448.00
Total		1,989,607	629,288	54,785,293					51,890,782.17	95,854,132.11	6,739,754.38	−37,227,043.56

[1] Includes duplication where both landlord and tenant are insured.
[2] Estimated.

Mr. THOMAS of Oklahoma. Mr. President, the original program covered only wheat and cotton. The record shows that during the years 1939, 1940, 1941, 1942, and 1943 the program on wheat suffered a loss of approximately $26,200,177.89, and during the years 1942 and 1943 the program on cotton suffered a loss of approximately $11,023,417.67. Other charges against the crop-insurance program totaled approximately $3,448, so that the total loss sustained during the years mentioned, during which the program was operated, was approximately $37,227,043.56.

The original program was closed by congressional decree in the form of a provision included in the Agricultural Appropriation Act of 1944. That provision is incorporated in the committee report. Mr. President, I ask unanimous consent that the portion of the committee report entitled "General Statement," as found on page 1 and on part of page 2, be included at this point in the RECORD as a part of my remarks.

There being no objection, the portion of the report (No. 1298) was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

The Department of Agriculture Appropriation Act, 1944, in the item which appropriated funds for administrative and operating expenses under the Federal Crop Insurance Act, approved February 16, 1938, as amended, provided, in part, that "no part of this appropriation shall be used for or in connection with the insurance of wheat and cotton crops planted subsequent to July 31, 1943, or for any other purposes except in connection with the liquidation of insurance contracts on wheat and cotton crops planted prior to July 31, 1943."

The Department of Agriculture Appropriation Act, 1945, provided $350,000 for continuation of liquidation. No crops have been insured since those planted for harvest in 1943.

The need or the desirability of "all risk" crop insurance for American farmers is well recognized. Even when the Congress terminated the program the need for crop insurance was not questioned. Farming is one of the most hazardous of all undertakings. Even though the farmer does everything possible to produce a crop, weather or other factors beyond his control may bring failure. There is no private source from which broad insurance protection against crop losses can be obtained. Insurance can be obtained against hail on some crops, but the farmer needs more complete protection. If the farmers are to receive this protection it must be made available by the Government. Crop insurance will help farmers as a group to carry their own burdens resulting from agricultural catastrophes and thus reduce the need for public assistance when catastrophes occur. Thus, the Government's contributions to the establishment and operation of a crop-insurance system will be offset by the savings in contributions for relief of agricultural areas stricken by floods and other catastrophes.

Both political parties have recognized the need for crop insurance by farmers, have endorsed the principle, and have pledged themselves to the development of such a system.

This committee has held hearings on the bill (H. R. 4911) and has given careful consideration to the broad aspects of the problem as well. The modified bill recommended by the committee incorporates its views on the type of insurance program which, in the long run, will be most beneficial to farmers and to the country as a whole.

Mr. THOMAS of Oklahoma. Mr. President, the other body of Congress has passed the bill, H. R. 4911, in an effort to revive a program of crop insurance. That was done because the farmers of the country are demanding some form of crop insurance, and in obedience to the platform pledges of the two major political parties. The Republican Party included in its platform a pledge of a study of and, if possible, the development of an effective and sound program for crop insurance. The pledge was as follows:

Serious study of and search for a sound program of crop insurance, with emphasis upon establishing a self-supporting program.

The Democratic Party, at its convention, adopted a similar platform pledge in the following language:

Price guaranties and crop insurance to farmers with all practical steps—

So both political parties are on record in favor of trying to develop a sound, sane, and successful plan for crop insurance.

So, in the House of Representatives the bill was prepared as an amendment to the existing law. Of course, at the present time the existing law is not operative, because the Congress has heretofore refused to make appropriations with which its provisions could be carried out. So the pending bill is an attempt, in obedience to the Republican and Democratic programs, as set forth in their platforms, to develop a program which will be sound and successful.

The program will commence on a very small scale or basis. For example, in 1945 the program would cover only the crops of cotton, wheat, and flax. The bill provides that during 1945 the Corporation can make experiments with respect to the two additional crops of corn and tobacco. Thereafter, in 1946, 1947, and following years, if the Congress so wills, the Corporation can further experiment with three crops a year. That provision means that the program would begin on a small scale, and that if it can be made a success, the Congress can from time to time increase the appropriations or amend the law and go forward with the program. That is a general statement with respect to the program.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a statement relative to the changes made in the bill as it is reported by the Senate committee, as compared to the bill as it was passed by the House of Representatives.

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

MAJOR CHANGES IN THE CROP INSURANCE BILL (H. R. 4911)

The bill reported by the committee differs from the House bill in the following essential respects:

1. The proviso requiring the insurance coverage on wheat, cotton, and flax, which is based on not to exceed 75 percent of the average yield, to be limited to the investment in the crop has been stricken. This was stricken because it is believed that in many instances the limitation contained in the House bill would not have given adequate insurance protection to farmers. The farmer's income should be protected to some extent as well as his crop investment, and the bill, with the proviso stricken, permits this. In addition, under this bill, the insurance coverage may be adapted to the particular stage of production of a commodity at the time of loss.

2. The proviso limiting the payment of claims for losses on any commodity to the amount of premiums collected on such commodity, with the exception that such claims could not be reduced by more than 15 percent for the first 3 years, has been stricken. In effect, this provision requires farmers to make up a deficit in premium income by receiving less than the full amount of their approved claims for losses. This does not appear equitable and the uncertainty as to amount of protection would tend to limit participation.

3. The proviso limiting the administrative expenses of the Corporation to not more than a sum equivalent to a percentage of the premiums collected in the preceding year has been stricken. This is not a workable provision and no formula for limiting administrative expenses has been found which is suited to a program of this kind. Such supervision as may be needed over administrative expenses of the Corporation can be exercised by the Congress as annual appropriations are made.

4. A proviso has been added limiting the initiation of trial insurance to corn and tobacco in 1945 and to not more than three additional crops in each year thereafter. It is believed that trial insurance programs should be undertaken with caution. Since under the bill trial insurance is authorized with respect to a large number of commodities, such a limitation seems desirable.

5. A new section 6 has been added to provide funds immediately for administrative expenses for the Corporation so that it may undertake the authorized programs without delay. The funds made available by this section represent part of the unobligated balances of funds appropriated for administrative expenses for crop insurance in prior years.

6. A new section 5 has been added to authorize the appropriation of $20,000,000 to the War Food Administrator for the purpose of making payments to flax producers to encourage an increased production of flax in 1945. If minimum requirements for linseed oil are to be met, 5,000,000 acres of flax must be produced in 1945, which figure represents an increase of approximately 1,800,000 acres over 1944.

Mr. THOMAS of Oklahoma. Mr. President, with that statement, I think we are ready to consider the bill and the amendments. If during the consideration of the amendments there are any questions which Senators desire to ask, I am sure some member of the committee will be able to answer them in accordance with the committee's understanding of the measure.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The question is on agreeing to the committee amendment, on page 1, in line 9.

The amendment was agreed to.

Mr. WHITE. Mr. President, I do not have sufficient familiarity with the pending measure to justify any attempt on my part to analyze or discuss it. But I think the Senate may be interested to know that I have canvassed seven of the eight minority members of the Committee on Agriculture and Forestry, and those seven members indicated their approval of the bill.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The LEGISLATIVE CLERK. On page 2, in line 3, after the words "plant disease", it is proposed to insert "and such other unavoidable causes as may be determined by the Board."

The amendment was agreed to.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. BUSHFIELD. I do not know whether it is in order at this time to ask the question I have in mind, but I desire to inquire about the flax program. If that subject is not in order now, I will refer to it later.

Mr. THOMAS of Oklahoma. Mr. President, we will come to that subject a little later.

Mr. BUSHFIELD. Very well.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next committee amendment was, on page 2, in line 3, after the word "disease", to insert "and such other unavoidable causes as may be determined by the Board."

The amendment was agreed to.

The next amendment was, on the same page, in line 11, after the word "just", to strike out *"Provided, however,* That such insurance coverage shall not exceed the investment in the crop based on the cost, as determined by the Board, of preparing the land, of labor, seed, planting, cultivation, disease or insect control, harvesting, ginning, hauling to market, fertilizer, irrigation, use of the land, and other applicable costs as determined by the Board."

The amendment was agreed to.

The next amendment was, on page 3, in line 10, after the word "beets", to insert "sugarcane."

Mr. RUSSELL. Mr. President, I desire to move an amendment to the committee amendment, which relates only to the commodities with which the Board may experiment, by inserting after the word "sugarcane" the words "timber and forests."

Mr. THOMAS of Oklahoma. Mr. President, the bill sets forth a number of crops which may be covered by the measure. An opinion from the Solicitor of the Agricultural Department indicates that any commodity grown on the farm could be included in the bill if the Department so decides. So I have no objection to the amendment of the Senator from Georgia.

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

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs to agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 3, in line 16, after the word "causes", to strike out "specified" and insert "covered."

The amendment was agreed to.

The next amendment was, on the same page, in line 17, after the word "subsection", to insert *"Provided,* That such insurance shall be limited in 1945 to corn and tobacco and to not more than three additional crops for each year thereafter."

The amendment was agreed to.

Mr. REVERCOMB. Mr. President, I inquire with respect to the committee amendment which has just been agreed to, reading as follows:

Provided, That such insurance shall be limited in 1945 to corn and tobacco and to not more than three additional crops for each year thereafter.

Am I to understand that the Board may select from those enumerated in the second section the crops upon which insurance may be written?

Mr. THOMAS of Oklahoma. The bill provides that for the coming year 1945 and thereafter a program covering wheat, cotton, and flax may be inaugurated throughout the entire United States. The bill provides that for 1945 the Board may experiment with only corn and tobacco. Those crops will be experimental in 1945.

Mr. REVERCOMB. What does the Senator mean by "experimental"?

Mr. THOMAS of Oklahoma. Under the bill the Board would have the right to select 20 counties throughout the United States in which to make experiments. The Board could experiment and ascertain the results.

Mr. REVERCOMB. The experiment would be to ascertain whether or not insurance may be written on the crops which had been experimented with. Is that the idea?

Mr. THOMAS of Oklahoma. The experiments will be conducted in a small way. If the experiments prove to be a success in 1945, a full program may then be put into effect. But experiments must be conducted for 1 year in order to be sure that statistics are made available on which a decision may be based as to whether corn, tobacco, or both may be made the basis of the program.

Mr. RUSSELL. Mr. President, I may say that the provision in the bill does not confer upon the Board the right to insure corn and tobacco generally throughout the United States. It could not insure a corn crop unless Congress amended the law. The present amendment would apply only to 20 counties in which the Board may experiment and determine what are the fair rates to be charged so as to avoid losses. But in no event could any crop be included in the over-all program unless Congress, by subsequent specific legislation, authorized the Board to insure that crop.

Mr. REVERCOMB. Mr. President, I thank the Senator from Georgia, and I also thank the Senator from Oklahoma. I believe the Senator from Georgia has really answered the question which I propounded. The language states that the Board cannot experiment with any additional crop in 1945. That is, they are limited in 1945 to corn and tobacco, and to not more than three additional crops for each year thereafter. May the Board select the crops with which they experiment?

Mr. THOMAS of Oklahoma. The bill so provides.

Mr. REVERCOMB. But there could be no Nation-wide insurance of any of those crops without specific action by Congress having first been taken.

Mr. THOMAS of Oklahoma. The Senator is correct, except as to the first three crops, mentioned on page 1, namely, wheat, cotton, and flax.

Mr. LUCAS. In other words, 20 counties could be selected in which to make experiments, say in Illinois and Iowa, and if the Board made a favorable report as to the result of their experiments with respect to any of the crops to which reference has been made, it would be necessary for the Board to report to Congress and then Congress could take further action.

Mr. THOMAS of Oklahoma. That is correct.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 3, in line 21, after the word "paragraph", to strike out "shall be limited to producers in not to exceed 20 representative counties selected by the Board for a period of not more than 3 years, and shall be subject to the limitations and conditions provided in paragraph (1) of this subsection: *Provided, however,* That such insurance coverage may be the same as the insurance coverage provided in paragraph (1) of this subsection or may cover a percentage not in excess of 75 percent of the investment in the crop, determined in accordance with the provisions of paragraph (1) of this subsection," and insert "shall be subject to the limitations and conditions provided in paragraph (1) of this subsection, shall be for a period of not more than 3 years, and shall be limited to producers in not to exceed 20 counties selected by the Board as representative of the several areas where the agricultural commodity is normally produced: *Provided, however,* That such insurance may cover a percentage not in excess of 75 percent of the investment in the crop, as determined by the Board."

The amendment was agreed to.

The next amendment was, on page 4, in line 14, after the word "report", to insert "annually."

The amendment was agreed to.

The next amendment was, on the same page, in line 23, after the word "establish", to strike out "within a period of 3 years" and insert "as expeditiously as possible."

The amendment was agreed to.

The next amendment was, on page 5, in line 2, after the word "determine", to strike out *"Provided,* That, after the crop year of 1945, not more than a sum equivalent to 25 percent of the premiums collected in the preceding year (beginning calculation of premiums collected in the crop year of 1945) shall be used for administrative expenses in any current operating year."

The amendment was agreed to.

The next amendment was, on page 5, in line 12, after the word "Board", to strike out *"Provided, however,* That if the total amount of approved claims for losses on any agricultural commodity for any year exceeds the total amount of premiums collected plus the accumulated premium reserves of the Corporation with respect to such commodity, such claims shall be paid on a pro rata reduced basis, but for the first 3 crop years with respect to which insurance has been in effect on any crop after the enactment of this act the payment shall not be reduced by more than 15 percent of the amount of the approved claim."

The amendment was agreed to.

The next amendment was, on page 6, after line 10, to strike out:

SEC. 4. That subsection (e) of section 508 of the Federal Crop Insurance Act, as amended, is hereby repealed.

The amendment was agreed to.

The next amendment was, on the same page, in line 13, after "Sec.", to strike out the numeral "5" and insert "4."

The amendment was agreed to.

The next amendment was, on the same page, in line 17, after the word "beets", to insert "sugarcane."

Mr. RUSSELL. Mr. President, in order to make the language here conform to the language in subparagraph (2) on page 3, I offer an amendment to the committee amendment, after the word "sugarcane", to insert "timber and forests."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment of the committee was, on page 6, after line 22, to insert:

SEC. 5. Notwithstanding the provisions of the item entitled "Conservation and use of agricultural land resources", contained in the Department of Agricultural Appropriation Act, 1945, there is hereby authorized to be appropriated to the War Food Administrator an additional amount not exceeding $20,000,000 for making payments, subject to the applicable provisions of the Soil Conservation and Domestic Allotment Act, as amended, to producers to encourage an increased production of flax for the crop year 1945 and the Administrator is authorized to make commitments to the producers of such commodity accordingly in advance of the appropriation of the funds herein authorized.

The amendment was agreed to.

Mr. BUSHFIELD. Mr. President, I should like to ask the Senator in charge of the bill for a little further explanation concerning the flax program.

According to the provisions of the bill, it is the intent of the Congress, or was the intent at the time the law was first enacted, that the Board shall establish certain rates of premium which will eventually pay out. The only objection I ever had to this form of insurance was that we were facing a yearly loss because we had not established a premium sufficiently large to take care of the loss. I contended before the Committee on Agriculture and Forestry that the premiums should be large enough to make the program of insurance a self-sustaining one. Every Senator will agree that if a thing is self-sustaining it must be all right. I do not believe there would be an objector in the country to the program if it were self-sustaining. It is only when we run into a deficit of several million dollars over a period of a few years that everyone objects to the program, and I have no doubt that it was because of the loss sustained that the Appropriations Committee last year refused to appropriate further funds for the crop-insurance program.

I should like to have the Senator in charge of the bill explain the flax program. I was not present when the subject was finally passed upon. It is proposed to appropriate, or authorize $20,000,000 as incentive payments for the flax program, but the bill does not provide how the money shall be distributed or paid. Will the Senator kindly explain?

Mr. THOMAS of Oklahoma. Mr. President, the hearing disclosed the following facts, as I understood them: At the present time we are producing only a percentage of the flax necessary to serve the economic needs of the country. It was testified that when the war is over there will be a very heavy demand for paint. The people of the country, in the cities, and on the farms, have not used very much paint because, first, they could not get it; and, second, if they had it they could not use it because they did not have the labor with which to spread the paint. So, it is thought that when the war is over there will be a heavy demand for paint in the cities and the country to improve houses and buildings. In order to obtain paint it is necessary to have linseed oil; to obtain linseed oil it is necessary to have flaxseed, and to get the flaxseed the flax must be grown. The hearings disclosed that there is no satisfactory substitute for linseed oil, and, if that be true, as I believe it to be, we must have the linseed oil in order to make the paint which will be needed when the war is over. In order to obtain the necessary linseed oil we must encourage and promote the production of flax so that the seed may be available. I think the record shows that there will be needed approximately 60,000,000 bushels of flaxseed to make the linseed oil which will probably be required. In order to produce 60,000,000 bushels of flaxseed, about 6,000,000 acres of land will have to be planted to flax. The record shows that only about 3,000,000 acres of land are now contemplated to be planted to flax. That leaves 3,000,000 acres of land which will not be planted to flax, because it is more profitable in the flax-growing sections to raise corn, wheat, and other crops than it is to raise flax at present prices, although the present price is about $3 a bushel.

Mr. BUSHFIELD. Mr. President, as I understand the record of flax acreage at the present time indicates a reduction of about 50 percent from 1943 to 1944. Am I correct in that?

Mr. THOMAS of Oklahoma. That is what the record shows.

In order to get the necessary flaxseed the Department recommends that funds be provided to make incentive payments in some form which will cause the flax to be produced. Incentive payments may be placed on the land on an acreage basis or they might be placed on the production on a bushel basis. That is a matter left to the discretion of the Board, which means to the discretion of the Agriculture Department.

The bill authorizes an appropriation of $20,000,000, and, if the Appropriations Committee sees fit to appropriate that sum or any part of it, then the money will be made available to the Agriculture Department, to be used in the most effective manner to inspire the production of the additional flax which is deemed necessary.

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

Mr. THOMAS of Oklahoma. I yield to the Senator from Kansas.

Mr. REED. As a matter of fact, as the Senator from Oklahoma is well aware, this flax program is not really a part of the crop-insurance program which we are trying to reinstate. It is a separate thing, included in this bill because it was a convenient place to put it.

I come from the fifth flax-producing State of the country; North Dakota, Montana, South Dakota, Minnesota, and Kansas, I think, are in that order in the production of flax. In order to get flax it is necessary to have it planted. As the Senator from South Dakota suggested a moment ago the figures on acreage show a decrease of 50 percent. I am not a member of the committee, but, as I understand the program, this money is to be placed in the hands of the Department of Agriculture or the War Food Administration and is to be used in a program of inducing the planting of flax, which is the first step necessary to produce a crop.

Mr. THOMAS of Oklahoma. The Senator is correct. The War Food Administrator is very strongly supporting this program.

Mr. SHIPSTEAD. Mr. President——

Mr. THOMAS of Oklahoma. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. May I call the attention of the Senate to the fact that it is not only for paint that an unusual amount of linseed oil is needed but it is needed also in the war effort. I notice the bill contemplates 5,000,000 acres being planted to flax. The average crop of flax for the United States is about 8 bushels to an acre; 10 bushels is an unusual crop. If an average crop is produced, 5,000,000 acres would make 40,000,000 bushels. I am told by persons whose business it is to buy flax and turn it into linseed oil that the demand will amount to at least 60,000,000 bushels,

and they claim that at least 6,000,000 acres will have to be put into flax.

We must remember that flax is a very risky crop. It is subject to more diseases and more hazards than any other crop of which I know. At present prices there is no incentive for farmers to take the risk of planting a crop of flax. They must buy the seed at $4 a bushel, which is what the seed houses charge, and it takes three-quarters of a bushel of seed to an acre to put the crop into the ground.

I notice that $20,000,000 is proposed to be appropriated by the bill to plant 5,000,000 acres. In order to obtain 60,000,000 bushels, it will require at least 6,000,000 acres to be planted to flax. I suggest an amendment to increase the $20,000,000 to $30,000,000, and let it go to the Appropriations Committee. That committee can then make further investigation with the Department of Agriculture and call in representatives of the paint industry and of the crushers who make a business of estimating how much is needed. If that be done, out of the $30,000,000 proposed by my amendment whatever funds may be needed can be provided. Less can be expended if the full amount is not required, but certainly there should be a more careful investigation of the requirements and needs than, so far as I know, has been made by the Committee on Agriculture and Forestry.

I do not believe, on the basis of the information I have, that we can obtain the requisite production unless at least from four to four dollars and a half a bushel is offered for flax. I think an incentive price would do more than insurance or the payment of $5 an acre for the planting of flax. The cost of planting an acre of flax would be about covered by the $5, and then the farmer would take the risk of getting all the way from 5 bushels an acre to the highest possible, which is 10 bushels an acre. He can put in some other crops such as corn and soybeans and make much more money than he can by raising flax. Unless a special inducement is made, we will have to appeal to the farmers' patriotism and charity in order to get them to take the risk of increasing the normal supply of flax. I suggest that the amendment I have proposed be adopted and that the Senator in charge of the bill take it to the Appropriations Committee for the purpose of making a further examination into the needs.

The PRESIDING OFFICER. For the information of the Senator from Minnesota, the Chair will advise that the Senate has already adopted section 5, which is an amendment. Is there objection to a reconsideration of the vote by which section 5 was adopted?

Mr. THOMAS of Oklahoma. I have no objection.

The PRESIDING OFFICER. The Chair hears no objection, and the vote is reconsidered.

Will the Senator from Minnesota restate his amendment?

Mr. SHIPSTEAD. On page 7, line 4, I move to strike out "$20,000,000" and to insert "$30,000,000" in lieu thereof.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD] to the committee amendment.

Mr. WHEELER. I sincerely hope the amendment will be agreed to. As has already been said, Montana is the second largest flax producing State in the Union. What the Senator from Minnesota [Mr. SHIPSTEAD] has said about the production of flax is absolutely correct. Flax is produced in the northern part of Montana, to a large extent, when it is produced in the State at all, but because the farmers under present prices can make more money producing wheat than they can producing flax, they put their land into wheat and make the added revenue.

The farmers are not asking for an increase in the price of flax; the Government of the United States is asking that an increased amount of flax be grown, and the question is how we are to bring about increased flax production so as to meet the war needs of the Government. There is only one way, and in the Committee on Agriculture and Forestry, of which I am a member, I suggested that way would be to increase the price of flax to somewhere around $4 or $4.50 a bushel, as has been suggested today.

As the bill was reported to the Senate the figure was fixed at $20,000,000. On the morning when we went into the committee to consider the bill, I had just received some letters stating that $20,000,000 was not a sufficiently large appropriation to insure the production of an increased amount of flax, and I suggested that the figure be made $30,000,000. Since that time I have received numerous letters, from processors and others, including farm organizations, in which I am informed that there will not be a chance in the world for the Government to get an increase in flax production unless the amount of money the Government will pay can be increased.

It is merely a question of how much the Government needs the increased amount of linseed oil. As has been said by the chairman of the Committee on Agriculture and Forestry, there is no good substitute for linseed oil, and the Government needs the linseed oil for paint; and paint is absolutely necessary for use in the war effort, for ships, and in other ways. So, I hope the suggestion of the Senator from Minnesota, that the authorization be made $30,000,000 instead of $20,000,000, will be agreed to. Then, when the matter comes before the Committee on Appropriations, I think they should call in some of those interested besides the Government officials, and have a more thorough investigation, and if they find that $30,000,000 is too much, they can at that time reduce the amount. But certainly the authorization should go through for $30,000,000.

Mr. BUTLER. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BUTLER. I should like to ask the chairman of the Committee on Agriculture, in charge of the bill, whether in his remarks he is indicating that the Department of Agriculture may want to use the $30,000,000, which, I think, will be appropriated, as incentive payments to those who raise flax? Should we not rather advise the Department of Agriculture that they follow the same program they have now with reference to corn and wheat; in other words, as the Senator from Montana has just suggested, provide what amounts to a guaranteed price, by having a Government minimum or Government loan on flax instead of complicating the matter by going through the old method of paying an incentive price on the acres planted, and so forth?

I hope the chairman of the committee may make such a recommendation, in the interest of simplicity, leaving it to the farmers of the country whether they wish to plant flax, wheat, or corn. If we leave it in that way, and later provided for a minimum price which will approximate the income on corn and wheat, I am satisfied there will be obtained a greater production of flax than by going through the complicated process of incentive payments.

Mr. THOMAS of Oklahoma. Mr. President, the Department of Agriculture came before the committee, through its representatives, and urged strongly that a program be placed in effect to promote the production of flax. So this is a part of that program. The authorization is for an appropriation for only the year 1945. Whatever amount is authorized, the authorization will expire at the end of the year 1945.

Mr. SHIPSTEAD. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. I agree entirely with the views expressed by the Senator from Nebraska, and I so stated to the Committee on Agriculture and Forestry. If the Department of Agriculture, after careful investigation, should determine the needs and the number of acres which should be planted, and should then set the price of flax at $4.50 a bushel—which I am told by the crushers it should be; and I think it would take $4.50 a bushel to bring about the required production—I believe we would do away with all the red tape, and the farmers would know definitely at the moment the program was announced what they would get for a bushel of flax, without any complication about so much an acre.

Let the farmer make up his mind how much flax he wants to plant. If he is guaranteed a price, he will determine that. Of course, the Committee on Agriculture and Forestry did not take that view, and they may be correct. They acted on the recommendation of the Department of Agriculture. But I think the idea suggested by the Senator from Nebraska is worthy of further consideration by the Department of Agriculture.

Those in the industry whom I have consulted, those who make oil from flax, who know the business, who know the producers, who know the methods of production, and know where the areas of production are, tell me that they think a fixed price, if it is put at a reasonably high level, will do more to induce the farmer to produce flax than will any other program which can be arranged and at the same time will obviate a great deal of red tape.

Mr. BUTLER. Will the Senator from Oklahoma yield further?

Mr. THOMAS of Oklahoma. I yield.

Mr. BUTLER. What is the parity price on flax?

Mr. THOMAS of Oklahoma. I do not have the figure, but I can get it and put it into the RECORD.

Mr. SHIPSTEAD. Does the Senator from Nebraska mean the price now?

Mr. BUTLER. Yes.

Mr. SHIPSTEAD. I am told that the seed companies charge $4 a bushel for seed. What the price is in the market I do not know.

Mr. THOMAS of Oklahoma. The Bureau of Agricultural Economics of the Department of Agriculture, in a report made public of date November 29, 1944, stated the parity or comparable price of flaxseed to be $2.89 per bushel.

Mr. BUTLER. I am quite serious in wishing to avoid the complications which go along with incentive payments, and I think we will accomplish a much better result if we can arrive at a decision, while the pending bill is under consideration, that the Department of Agriculture should follow approximately the program they now follow with reference to all other crops, having a minimum price.

Mr. WHEELER. I made the suggestion in the Committee on Agriculture that I thought the production of flax would be increased if a guaranteed price were fixed, because if there is to be a lot of red tape involved, the farmers will not be interested in producing flax. As I have said, the farmers are not asking for a price. Some persons entertain the idea that the farmers are here asking for an increased price on flax. That is not true. It is the Government itself which wants flax, and the farmers will not produce it unless they can make as much money by producing flax as by producing corn or some other crop. If the Government desires to have the production of flax increased, it will have to guarantee a price to the farmers, instead of undertaking by subtle processes to reach a result which in my judgment cannot be nearly so successful as if we say to the farmers, "Here is what we are going to give you for flax." Then the farmer will know what he is to get, and he will not only try to put more acres into flax, but he will try to produce more on the acres he has under cultivation.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. BUSHFIELD. I wish to reiterate what the distinguished Senator from Montana has said. This is not a farmer's program at all. The Government wants linseed oil. The reason why the acreage of flax of the country dropped 50 percent over a 1-year period was that the producers of grain could make more money by raising other crops than flax. So, in order to obtain linseed oil, which is not only necessary to civilian but to war use, some method has to be followed whereby the producer can see in dollars and cents, as the Senator from Montana has said, how much it is going to mean to him if he changes his farming program for the coming year. I do not believe anyone objects to the suggestion that even in this bill, if the appropriate language can be selected, the exact price which will be given to the flax producers be fixed. The point, however, which the Senate must remember in passing upon this question is that it is the Government which wants the linseed oil, and it is the Government which wants the increased production.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. LANGER. I speak from the experience we have had in North Dakota. In 1943 more than 10,000,000 bushels of flax were raised in North Dakota, and in 1944, roughly, about half that amount, or 5,000,000 bushels. Now the average farmer would much rather produce wheat, corn, barley, or oats, because he does not run so great a risk in producing those crops as he does in producing flax.

In my State, and I think it is true of South Dakota, and I know it is true of Montana, the farmer who produces flax does so at much greater risk than he takes in producing almost any other kind of crop. In the first place, after he has put in the seed, a late frost may come and wipe out the entire crop. If the frost comes at a particular time the crop is entirely ruined, and a crop cannot be obtained, even though the field be reseeded, because it is too late. In addition to that, there are many kinds of flax which are not wilt-proof. Prof. H. L. Bolley, of the Agricultural College of North Dakota, developed a wilt-proof flax, which was used all over the country, but that strain has almost worn out. We have been receiving flax seed from Argentina and Canada, some even from Russia, which has been used, but every time we bring in such seed a new risk for the farmer arises. He cannot tell whether it will do well or not.

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

Mr. LANGER. I yield.

Mr. SHIPSTEAD. As a matter of fact, the United States has never raised enough flax for its own requirements. We have to import millions of bushels from Argentina. Transportation during the war has been and will continue to be very uncertain. Many people cannot understand why there should now be the urge for increased flax production. The need for increased production rises not only because of war demands but because of shortage due to lack of imports of flax.

Mr. LANGER. Then there is the further point, Mr. President, that after the flax is cut, after it is left to lie in windrows it is much more apt to spoil than would wheat which is put up in shocks. Flax molds, and if flax freezes a little bit it turns black, and then promptly the elevators, when they buy it, dock it very much, sometimes almost as much as half, because it is not of the right color, even though it produces approximately the same amount of oil. That is why the average farmer does not care to raise flax if he can possibly raise some other kind of crop.

Mr. THOMAS of Oklahoma. Mr. President, inasmuch as this section limits the authorization to the crop year of 1945, and further that a showing will have to be made to the Committee on Appropriations in connection with the bill which comes under the jurisdiction of the Senator from Georgia [Mr. RUSSELL] I have no objection to the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. LA FOLLETTE subsequently said: Mr. President, in connection with the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD] to increase the amount to $30,000,000, which I favor, I have sent to my office for three telegrams, which I now have before me, from constituents in Wisconsin, urging this action. I ask unanimous consent that the telegrams be printed in the RECORD following the action of the Senate in adopting the amendment.

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

MILWAUKEE, WIS., *December 11, 1944.*

Senator ROBERT M. LA FOLLETTE,
Senate Office Building,
Washington, D. C.:

Because the flax-seed crop in the United States dropped from 52,000,000 bushels in 1943 to 25,000,000 bushels in 1944 the paint industry, which consumes from 50 to 70 percent, faces a severe shortage. Little or no seed is available from Argentina as in the past, due to State Department restrictions on American shipping. Something must be done to induce the American farmer to plant more flax. We suggest raising the incentive to the farmer from $20,000,000 to $35,000,000 to encourage additional acreage. Paint is needed in war, lend-lease, and for the protection of $250,000,000,000 of the Nation's taxable wealth. Your cooperation in this matter will be greatly appreciated.

T. C. ESSER CO.,
A. W. ESSER.

MILWAUKEE, WIS., *December 11, 1944.*

ROBERT M. LA FOLLETTE,
United States Senator,
Washington, D. C.:

As paint manufacturers, we urgently solicit your efforts in behalf of supporting an adequate incentive to farmer flax growers, so that we may obtain our vitally needed linseed oil, and to consider stopping the further exportation of this oil for lend-lease. Flax is not a Wisconsin crop, yet linseed oil is vital to Wisconsin.

PATEK BROS., INC.

PITTSBURGH, PA., *December 11, 1944.*

The Honorable ROBERT M. LA FOLLETTE, Jr.,
United States Senate,
Washington, D. C.:

As paint manufacturers, we are much concerned about the future supplies of linseed oil. Farmers seem lacking in interest. Agricultural Department work is not very effective. We urge you support any reasonable measure that will encourage planting of at least 6,000,000 acres of flax.

PITTSBURGH PLATE GLASS CO.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 7, after line 10, to insert the following:

SEC. 6. For the administration of the Federal Crop Insurance Act, as amended, including amendments made by this act, there is hereby made immediately available for the remainder of the fiscal year ending June 30, 1945, as an additional amount, not in excess of $3,000,000 of the unobligated balances of the funds appropriated for carrying out the provisions of the Federal Crop Insurance Act for the fiscal years 1943 and 1944, and such amount thereof as may be required shall be available for deposit to the general fund of the Treasury for the cost of penalty mail incident to the crop-insurance program as required by section 2 of the act of June 28, 1944 (Public Law 364, 78th Cong.). The provisos in the items entitled "Federal Crop Insurance Act" contained in the Department of Agriculture Appropriation Act, 1944, and the Department of Agriculture Appropriation Act, 1945, are hereby repealed.

The amendment was agreed to.

The PRESIDING OFFICER. That concludes the committee amendments.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. McLeod, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2874) for the relief of Robert Will Starks.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1963) for the relief of G. H. Garner; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KEOGH, Mr. ABERNETHY, and Mr. JENNINGS were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MANSFIELD of Texas, Mr. PETERSON of Georgia, Mr. BELL, Mr. CARTER, and Mr. DONDERO were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

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

S. 1688. An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes; and

S. 2205. An act to authorize the dissolution of the Women's Christian Association of the District of Columbia and the transfer of its assets.

CROP INSURANCE

The Senate resumed the consideration of the bill (H. R. 4911) to amend the Federal Crop Insurance Act.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MAYBANK. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

SEC. —. The first sentence of the twelfth paragraph of section 19 of the Federal Reserve Act, as amended (relating to the payment of interest by member banks on demand deposits), is amended by inserting before the period at the end thereof a colon and the following: *"Provided further*, That this paragraph shall not be deemed to prohibit the absorption of exchange or collection charges by member banks."

Mr. MAYBANK. Mr. President, I rise to urge the adoption of my amendment, which is identical in language with House bill 3956, already passed by the House. As Senators all know, I have been enthusiastic in my support of the program to aid small business. Many of us have done all we could to help small business, and here is an opportunity for us to render assistance to the small banks of the United States. The adoption of my amendment will mean a great deal to all our small banks, and particularly those in the rural areas.

For years these small banks have been charging a modest fee for remitting funds to distant centers. The general public was more or less unaware of these charges as they were typically absorbed by correspondent banks. This time-honored practice was upset last year by one of the most bureaucratic rulings which has ever come to my attention. The Board of Governors of the Federal Reserve System has attempted to outlaw absorption of exchange under the guise of an interest rate regulation.

On August 23, 1943, the Board issued an opinion that in a particular case the absorption of exchange charges by a designated bank was a payment of interest on demand deposits and was therefore a "violation of section 19 of the Federal Reserve Act and of the Board's regulation Q." Although this opinion was published in the September issue of the Federal Reserve Bulletin as an opinion in a particular case, the Federal Reserve banks began a vigorous campaign of enforcement which as a practical matter made this a general ruling in spite of the fact that the Board continued to maintain that this was a ruling in a particular case.

This interpretation is serious since the effect of the ruling is to require that exchange charges be passed back to the customers of a bank which puts the bank in an extremely difficult position. The banks do not wish to incur the ill will of their customers, but they need the income badly. The small banks of the country, that is those having less than $1,000,000 of deposits, have not shared in the general increase in bank earnings, and if exchange is lost to them, they must search for other sources of income or go out of business. In many cases there will be a tendency to impose heavier service charges on demand deposits if the regulation remains unchanged.

The small banks of the country immediately sensed that the new interpretation of regulation Q was an attempt to force universal par clearance in direct violation of the expressed will of Congress. Representative PAUL BROWN, of Georgia, and I introduced identical bills in the House and Senate respectively in January 1944.

These bills merely provide that the law as it stands would not be deemed to prohibit the absorption of exchange or collection charges by member banks. Extensive hearings were held on the subject of the absorption of exchange charges before the Committee on Banking and Currency of the House of Representatives on 19 different days between December 10, 1943, and February 9, 1944. On March 2, 1944, the Brown bill was passed by the House, and on March 3 came before the Senate and was referred to the Committee on Banking and Currency.

The opinion that absorption of exchange charges is a payment of interest is not only unreasonable but is a complete distortion of the law. It is unreasonable because if the absorption of exchange charges is a payment of interest, then every absorption of expense in connection with a demand deposit is likewise an interest payment. Yet one of the major characteristics of the banking system today is the absorption of expense in connection with demand-deposit accounts. Every such account causes expense to the bank concerned, but the banks do not charge that expense to the depositor if the account is sufficiently large. The banks are willing to absorb the expense as a reward for the account. If a bank refused to absorb expense in connection with an account which was worth the expense to the bank, some other bank would be willing to do so and the account would be transferred to the second bank. Thus the first bank must compete for the account by absorbing the expense. This competition is a good thing. It would be an injustice to the public for the banks not to absorb such expense to the extent that the accounts are valuable to them. Any other practice would produce a monopoly profit to the banks.

So far as I know no one is proposing generally to prohibit the banks from absorbing expenses connected with demand-deposit accounts. So far as I know no one is proposing to rule that unless a bank makes a service charge to cover any and all expenses incident to a demand-deposit account, no matter how large that account may be, it will be considered to be paying interest on a demand deposit. Thus the Board of Governors of the Federal Reserve System has chosen to rule that the absorption of one particular kind of expense is a payment of interest, but absorption of other expense is not a payment of interest. The law under which this ruling is made does not warrant this construction. Either no expense may be absorbed or any expense may be absorbed without violation of the law. This discriminatory ruling will therefore have the effect of improving the income of the large banks at the expense of the small country banks. An arbitrary and inconsistent ruling such as this should not be permitted to strike at the small banks, one of the most vital parts of the small-scale democratic element of our economic system.

A ruling discriminatory between various kinds of expense absorbed in connection with demand deposits involves gross inequities. Under such a situation the banks may compete for the deposits

of the great corporations of the country. They may absorb expense without limit as a reward for the deposits of great corporations. The bank which gives the best service, that is, absorbs the most expense, will get the deposit and the great depositors will profit. But the ruling of the Board of Governors provides that one type of expense, namely, the absorption of exchange, is illegal. The singling out of this one charge, and passing it back through the many channels through which the check has passed makes it such a nuisance that it effectively prevents the banks from imposing such a charge. This in effect forces par clearance.

If the Congress feels that par clearance should be forced upon the banks of the country—for a hundred years it has repeatedly refused to take such a step—then it should do so explicitly. I am confident that in passing the Banking Acts of 1933 and 1935 it had no such intention. The will of Congress should not be thwarted by an administrative ruling which without rhyme or reason judges absorption of one bit of expense to be payment of interest while judging absorption of other expenses not to be payment of interest.

In conclusion, I urge that this amendment be adopted, and that this arbitrary, unfair, and unanticipated opinion of the Board of Governors of the Federal Reserve System, which hit the small banks like a bombshell, be nullified. The nonpar banks and the small banks came before Congress as soon as possible, but the pressure of the great problems before Congress has delayed action for more than a year. If this Congress goes out of existence without having corrected the injustices which have been perpetrated, it may be too late ever to correct this great mistake. If this amendment dies, we may expect another wave of arbitrary bureaucratic harassment of the small banks, and thereby of other small businesses, from which they may never recover.

Mr. THOMAS of Oklahoma and Mr. BUTLER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Carolina yield, and, if so, to whom?

Mr. MAYBANK. I yield first to the Senator in charge of the bill for a question.

Mr. THOMAS of Oklahoma. Mr. President, I should like to be recognized to make a statement.

The PRESIDING OFFICER. Does the Senator yield to the Senator from Oklahoma for that purpose?

Mr. MAYBANK. Provided I do not lose the floor.

Mr. THOMAS of Oklahoma. Mr. President, I thank the Senator from South Carolina. This amendment embodies the text of a bill which is now pending before a committee of the Senate. The Committee on Agriculture and Forestry has no jurisdiction over the subject matter. The bill mentioned is now under consideration by the Committee on Banking and Currency, and I am advised that that committee has been holding hearings and is now holding hearings on the bill. Inasmuch as the amendment was not presented to the Committee on Agriculture and Forestry, and inasmuch as my committee has no jurisdiction over the subject matter, and because the amendment is very controversial, of course, as the Senator in charge of the bill, I have no authority to accept the amendment.

In addition to the fact that I am unable to accept the amendment, let me say that the bankers of my State are, as a rule against the proposal. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a number of telegrams from bankers in Oklahoma who have expressed themselves in opposition to the amendment.

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

OKLAHOMA CITY, OKLA., *December 12, 1944.*
Senator ELMER THOMAS,
Senate Office Building:
We oppose amending provisions of Maybank bill to Federal crop-insurance bill.
D. W. HOGAN, Jr.,
Vice President, City National Bank & Trust Co.

HENRYETTA, OKLA., *December 12, 1944.*
Senator ELMER THOMAS,
Senate Office Building:
Oklahoma bankers definitely opposed to Maybank bill and want hearing on bill. Your votes to defeat bill will be appreciated.
R. B. PATTON,
Vice President, American Exchange Bank, Henryetta, Okla.

CLEO SPRINGS, OKLA., *December 12, 1944.*
Hon. ELMER THOMAS,
United States Senate Chamber, Washington, D. C.:
We oppose Maybank bill as amendment to any bill. Hearing should be held on Maybank bill.
CLEO STATE BANK,
R. W. WEAVER, *Cashier.*

OKLAHOMA CITY, OKLA.,
December 11, 1944.
Senator ELMER THOMAS,
Senate Office Building,
Washington, D. C.:
We oppose any effort to ride the Maybank bill through as an amendment to H. R. 4911. Please ask for hearings on Maybank bill so dangers involved can be pointed out.
FRANK A. SEWELL,
President, Liberty National Bank.

TULSA, OKLA., *December 9, 1944.*
Senator ELMER THOMAS,
Senate Office Building:
Retailers opposed to Maybank bill (S. 1642) which would encourage increased charge for clearing checks. Please vote against it.
J. C. RAYSON,
Secretary, Tulsa Retail Merchants' Association.

Mr. VANDENBERG. Mr. President, with great respect for the able Senator from South Carolina [Mr. MAYBANK] and the earnestness with which he presents this amendment, I am bound to say, as plainly as I know how, that in my opinion it would authorize and condone by law a resumption of bad banking practice, which had a great deal to do with the banking disaster of a decade ago. I believe that Senators who are charged with the responsibility of this decision should inquire very carefully into the consequences of the adoption of this amendment before they give it the slightest hospitality whatever.

Mr. BUCK. Mr. President, will the Senator from Michigan yield to me for a brief statement?

Mr. VANDENBERG. I yield.

Mr. BUCK. Mr. President, I sincerely hope that the amendment offered by the distinguished senior Senator from South Carolina [Mr. MAYBANK] will not be concurred in. It covers an extremely controversial subject, and so far as I know it has no bearing on the bill to which it has been offered as an amendment.

As a member of the Committee on Banking and Currency, I should like to say that at this time hearings are being held on the bill which is the subject of the amendment of the Senator from South Carolina. The next hearing is scheduled to be held at 2 o'clock this afternoon. It seems to me that the amendment should be laid on the table until the Committee on Banking and Currency has had an opportunity to act upon the bill. I hope that may be done.

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

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from Michigan yield to the Senator from Minnesota?

Mr. VANDENBERG. I yield.

Mr. SHIPSTEAD. I feel that it is my duty to join in the opinion which has been expressed by the Senator from Michigan, the Senator from Oklahoma, the Senator from Delaware, and other Senators, namely, that for the present the amendment of the Senator from South Carolina should not be agreed to. Suggestion was made that we await the report of the Committee on Banking and Currency, which is examining the bill which is the subject of the amendment, in order that we may have the benefit of the hearings and the committee's views of this problem.

The subject of the measure is, of course, of widespread interest. I wish to say that I believe the amendment should not be agreed to at this time. I make that statement with all due respect for the senior Senator from South Carolina [Mr. MAYBANK], for whom I have a very high regard.

Mr. VANDENBERG. Mr. President—

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

Mr. VANDENBERG. I should like to present my view on this matter, Mr. President. But the able senior Senator from South Carolina, who is the author of the measure, certainly is entitled to reply to what has been said, I suppose.

Mr. MAYBANK. Mr. President, I merely wish to say a word with respect to the statement that hearings are now being held. Of course, that statement is correct. But I wish to call attention to the fact that in January 1944, I rose on the floor of the Senate and said that I wished to have action taken on the bill, but that I was told that hearings would be held on it. My distinguished friend the Senator from Delaware [Mr. BUCK] will agree that on many occasions I brought up the bill in committee. The purpose of the bill is to determine whether 2,500 small banks in the United

States shall be able to continue in operation. I wish to call the attention of the Senate to the fact that on January 12, 1944, the bill which is the subject of the amendment was introduced in the Senate by me.

Mr. VANDENBERG. Mr. President, I can understand the feeling of the able senior Senator from South Carolina about the delay with which he is confronted in connection with his measure, and I entirely sympathize with him. I agree that hearings on the measure should have been held long ago and that long since the matter should have come to issue. But the fact that one mistake may have been made is no reason why we should multiply the mistake by 10,000, which would be the net result of the measure, in my judgment, in its impact upon sound banking up and down America, if the amendment were to be attached to the pending bill.

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

Mr. VANDENBERG. I yield.

Mr. HAWKES. I thank the Senator.

Mr. President, I agree with what the Senator from Michigan has said regarding the amendment and the question of considering and acting upon it at this time. I happen to be a member of the Committee on Banking and Currency. The committee is now holding hearings on the measure. If I had to vote at once, without awaiting completion of the hearings, I should have to vote against the amendment.

I wish to record here that the Bankers' Association of New Jersey without exception opposes the bill which is the subject of the amendment, and believes that it would be a backward step in the banking practices of the Nation.

I have a very deep feeling for my friend the senior Senator from South Carolina. I realize that he would like to have action taken on his measure. But I call his attention to the fact that his bill is not the only one which has been held up. There is one bill which has been before the House of Representatives and the Senate for 6 years. It has been passed twice by each body, and yet it is still awaiting action by the Senate. The people of the United States are interested in having it acted upon.

So, while I have deep sympathy with the Senator, I must say that, in justice to the Committee on Banking and Currency and in keeping with what I consider to be good practice in the enactment of legislation, I do not believe the amendment should be attached at this time to the pending crop-insurance bill.

Mr. VANDENBERG. Mr. President, I wish to state as concretely as possible the objection to this measure. If I may proceed at least briefly without interruption, perhaps my statements will be more consecutive, if nothing more.

In the first place, I wish to present an exhibit from the distinguished senior Senator from Virginia [Mr. GLASS]. He has not been present with us in person for some time; but so far as judgments respecting sound banking are concerned, his spirit will live with us as long as any of us are on earth.

The Senator from Virginia wrote to the Senator from New York [Mr. WAGNER] under date of February 1, 1944, as follows regarding the pending measure:

My attention has been called to S. 1642, introduced by Mr. MAYBANK, and a companion bill in the House, H. R. 3956. This proposed legislation, in my judgment, would entirely emasculate the statute prohibiting the payment of interest by banks on demand deposits, which, you will remember, I fought for and obtained in the Banking Act of 1933. Senator MAYBANK's bill would authorize member banks to pay interest by absorbing exchange charges made by a comparatively small group of banks which do not pay their checks at par. Member banks of the Federal Reserve System cannot even make these charges nor do the nonmember banks who participate in the par clearance system.

Then the Senator from Virginia said:

The bill is rankly discriminatory and lacking in frankness. Its enactment could have vicious and far-reaching effects upon the Federal Reserve System, both in the number of member banks and in the perpetuation of a par clearance system which has saved the Nation's industry, commerce, and agriculture millions upon millions of dollars. I am unalterably opposed to the bill.

Sincerely yours,

CARTER GLASS.

Mr. President, in my own humble opinion the statement made by the Senator from Virginia is not exaggerated. Following the banking tragedy of more than a decade ago, a serious effort was made on the responsibility of the Congress to correct some of the banking evils which were contributing factors to the debacle which overtook not only the banking system but the economic system of the country as a result of what happened in the early 1930's. One of the principal things done to correct the evils which had contributed to unsound banking was to amend the Federal Reserve Act by adopting section 19, which reads as follows:

No member bank shall, directly or indirectly, by any device whatsoever, pay any interest on any deposit which is payable on demand.

Mr. President, I repeat that in that single sentence a rule was established which met one of the major evils which had caused banking instability, that major evil being a competition between banks for business on the basis of an auction sale. I think there was no disagreement anywhere in America, in financial circles or in any other circles, with the view that Congress had taken a far step forward when it wrote this single mandatory sentence into the banking laws of the country, namely:

No member bank shall directly or indirectly, by any device whatsoever, pay any interest on any deposit which is payable on demand.

Mr. President, I wish to submit that the pending amendment, no matter how worthy its incidental purpose may be, is an effort by indirection, as the senior Senator from Virginia has said, to emasculate this protection of the banking system of the country. When I speak of the banking system I am not speaking of the banks; I am speaking of the millions of depositors whose interest is the final stake.

Mr. President, I believe I can most briefly present the matter by largely confining myself to a very able, illuminating, and significant memorandum on the subject which was prepared by the banking and finance committee of the Detroit Board of Commerce. Referring to the amendment to the Federal Reserve Act, which I have twice quoted, the memorandum says:

This sound action was taken because it corrected one of the outstanding evils of the banking business.

Mr. President, I know something about the banking business. I have had intimate relationships with it myself. I know that one of the outstanding evils was the precise thing which was corrected, and the protection against it is now being sought to be destroyed.

I continue reading from the memorandum:

Payment of interest on demand deposits has created an unhealthy competition for deposits, and was one of the most important factors leading to the bank holiday.

Mr. President, we cannot blink that fact. There it stands.

The proposed legislation would make the amendment void by legalizing absorption of exchange. As an example, Mr. Zilch, of Fredonia, Ala., buys goods from John Smith & Co., of Chicago, to the extent of $1,000, giving John Smith & Co. his check for $1,000, drawn on the bank in his home town. John Smith & Co. deposits this check in its bank account in Chicago, which forwards it for collection to the bank in Fredonia, Ala., on which it was drawn. This local bank charges $2 for collecting a check drawn on it and remits $998 to the Chicago bank. The Chicago bank, however, gives John Smith & Co. credit for the full $1,000. The Chicago bank does this because John Smith & Co. carries a large balance with it, and the bank wants to keep this profitable connection.

This one sample transaction is, of course, multiplied by thousands because of the numbers of checks which John Smith & Co., and other concerns, receive from nonpar banks, and the Chicago bank absorbs many thousands of dollars per year in order to help it retain their business. In other words, out of its own pocket the bank would pay out money for its customers for the purpose of holding and using the customers' balances. Clearly this is a device to pay interest indirectly.

Mr. President, whatever we think should ultimately be done in respect to this situation, at least the naked fact cannot be disguised. This is a device to defeat the amendment written into the Federal reserve law to protect American depositors, as the result of an experience which led in part to the bank holiday.

I read further from the memorandum:

The progress in constructive banking legislation has been slow because of the pressure which has been exerted by minority groups.

That is the situation today. With great respect I repeat that this amendment is offered in behalf of a minority group, and I shall presently indicate to what an amazing extent it is a minority group.

Almost every gain made in the past 20 years has been the result of difficult and persistent efforts and it would indeed be a serious setback to these slowly won gains in conservative bank procedure should this bill become law.

I read further from the memorandum:

3. This legislation is fostered by a small group representing about 2 percent of the total deposit liability of the country.

Mr. President, let us stop there for a moment. Even though this new device may be of some localized importance in respect to 2 percent of the deposit liability of this country, I respectfully suggest that no matter now persuasively the cause of 2 percent of the banking in this country may be urged, it would be fantastic for us to sacrifice any share of the stability and solidarity of 98 percent of the banking on that account.

Again I revert to the memorandum:

The banks—

Referring to the 2 percent—

are located mostly in a few Southern States and they claim they cannot exist without having the absorption of exchange thus legalized. There are 6,700 member banks in the Federal Reserve System, which must clear at par.

That means they could not take advantage of any such device.

There are 6,700 member banks in the Federal Reserve System which must clear at par, and in addition there are 4,800 nonmember banks which do remit at par. It does not seem reasonable that some 2,500 small nonpar banks should be permitted to change a conservative, sound banking principle believed in by 11,500 banks controlling 98 percent of the deposits of the Nation.

Competition between the banks for business should be on a basis of soundness of the institutions, caliber of their managements, and quality of their services rendered, rather than on a basis of premiums offered, such as absorption of exchange.

Mr. President, I digress here to emphasize that point and to dwell very briefly upon it. Competition between banks should not be based upon the offering of premiums for business which, in net effect, is bidding for business which it in turn produces. As I said in the beginning of my remarks, it is an auction sale in respect to the stability of the American banking system. I revert to the memorandum:

4. Absorption of exchange, if legalized, could become so general that par banks, knowing they could charge exchange without fear of their customers' reaction, would be tempted to go off the par list. There would be a strong tendency for State member banks to withdraw from the Federal Reserve System—

I apprehend that that, among others, is one of the reasons why the Federal Reserve System is so deeply hostile to the pending proposal.

I continue reading from the memorandum:

There would be a strong tendency for State member banks to withdraw from the Federal Reserve System and for national banks to surrender their national charters and become State banks to obtain what has been described as "the easiest and most profitable nonrisk revenue which a bank can receive."

To what limits no-par banking would extend cannot be foreseen; however, it is certain that it would not remain static. The present system of par collection of checks was an outgrowth of a crying need for an efficient system as against an old organized, cumbersome catch-as-catch-can system with roundabout routing, delayed presentation, kiting, and pyramiding of balances.

I interrupt the reading again to say that every one of those vices was inherent in the old system and is inherent in the resurrection of any paraphrase of the old system such as we are here invited to make.

The use of normal par clearing channels has been adopted by 98 percent of the deposits of the whole country. There should be a continued development of the free flow of checks as a medium of exchange between banks without discount penalty or other impediments.

5. If there is any business in the land which should be above reproach, it is the business of banking with the high ethical relations which it must exemplify not by mere lip service or pretense but by actual practice. When a deviation from honest, straightforward procedure is made and is given the blessing of law by the Congress of the United States—

I interrupt to say that, in my judgment, that is the precise invitation which we now confront—

it immediately encourages the exploration of adjacent twilight zones.

If groups can point to the legalization of the absorption of exchange for the use of deposits as an indication that Congress intends to let down the bars.

Mr. President, let that sink in. This will be interpreted as a purpose of Congress to let down the bars against bad banking which we put up in our days of travail and trouble.

If groups can point to a legalization of the absorption of exchange for the use of deposits as an indication that Congress intends to let down the bars, it will soon be inferred that the bars are down in other directions. If the opportunity for this to happen is afforded, then in banking we are retrogressing.

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

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

Mr. VANDENBERG. I yield.

Mr. McKELLAR. I merely wish to ask for some information. Has not this custom prevailed for the last 10 or 15 years?

Mr. VANDENBERG. The custom prevailed very generally prior to the banking collapse and was one of the contributing factors to it.

Mr. McKELLAR. I am not so sure about that, but, as we know, it has prevailed since that time.

Mr. VANDENBERG. Let me complete my answer. The Federal Reserve Act was amended directly and specifically and categorically to prevent "by any device whatsoever the payment of any interest on any deposit which is payable on demand."

Mr. McKELLAR. I understand that.

Mr. VANDENBERG. Very well. What the Senator is saying is that a practice has grown up in 2 percent of the banking of this country, as a maximum—it cannot be more than that—which has found a way to circumvent in net result that provision of the law. So, if the Senator's question is, Is that prohibition being indirectly evaded? the answer is, Yes; in a very small and limited way. The present effort is to legalize that evasion in a small sector and license it in the complete sector.

Mr. McKELLAR. When was that act passed?

Mr. VANDENBERG. I think it was passed in 1933 or 1934.

Mr. McKELLAR. And ever since that time the practice of the large banks absorbing exchange has been in vogue. Have not those 10 or 12 years been the best years in the banking history of this country?

Mr. VANDENBERG. The Senator's question would indicate that he has not listened to one word I said to him when I answered his other question.

Mr. McKELLAR. I did not think that was an answer. I do not think the provision is a prohibition. But the Federal Reserve System has gone on for more than 10 years without any protest whatever against the custom that grew up and now at this late date when the banking business is on the best foundation it has ever been in the history of the country, so far as I know, the Board makes this ruling which will do away with the custom which it has permitted for more than 10 years.

Mr. REVERCOMB. Mr. President——

Mr. VANDENBERG. Just a moment. I desire to answer the Senator from Tennessee categorically. The Senator from Tennessee asks, have we not a fine banking prosperity today as a result of what has happened in the last 10 years and therefore why we should not maintain the factors which have contributed to the fine situation. My answer to the Senator is that the fine banking conditions which have been created in the past 10 years were created by eliminating the evils which cursed banking prior to the Federal Reserve Act of 1933; and only 2 percent of the total deposit liability of the country during these 10 years has had anything whatsoever to do with the practice referred to in this amendment. The great mass banking prosperity—or stability is the better word because banks are far from prosperous in these days in relative terms—the great banking stability which has been created has been created by the practices which have been required of 98 percent of the deposit liability banks of the country. The Senator is asking me to say that the rule of conduct which is responsible for 98 percent of the stability to which he so happily refers shall be stricken down for the benefit of 2 percent of the bank deposit liability.

Mr. McKELLAR. I will change my question.

Mr. VANDENBERG. I think the Senator had better do so.

Mr. McKELLAR. I will ask the Senator this question: Has not the Federal Reserve Board acquiesced in this matter for more than 10 years and up until a short time ago? If it was a violation of law, if it was an implied violation of the law, if it was any other kind of violation of law in the view of the Federal Reserve Board, why have they not made themselves vocal before this?

Mr. VANDENBERG. The Senator will have to address that question to the Federal Reserve Board. I presume that the practice began in a very mild fashion and grew from year to year, as one after another institution discovered that some other fellow had succeeded in bidding away the banking account of a good customer and, as a result, he had to compete by engaging in the same evil practice. So finally the practice reached such

a point, even though it still only involves 2 percent of the bank-deposit liability of the country, that the Federal Reserve Board said, "This has got to stop," and now Congress is asked to say it shall not stop but it shall be legalized in spite of the oppostion of the major banking intelligence of the country and in spite of the inevitable welfare of 98 percent of the bank-deposit liability of the Nation.

Mr. GEORGE. Mr. President, will the Senator from Michigan yield to me?

Mr. VANDENBERG. I yield.

Mr. GEORGE. I remind the Senator that this fight has been going on for about half a century, that it is nothing new. It is the old par clearance fight. No one has jumped up overnight and taken any advantage of the reserve system. It is true that a small percentage of the deposits represent another view, contrary to the view now being expressed by the Senator. That is because many of the large banks are against the little fellow. It is difficult for the small bank to survive under existing conditions. The small banker does not live around the corner from a Federal Reserve bank, to which he can go and get his money and pay no express on it. He is operating a little bank in some remote county town, or little town far removed from a large commercial center, and he has been following this practice a long time.

Mr. VANDENBERG. I quite agree with the Senator.

Mr. GEORGE. Another thing——

Mr. VANDENBERG. Let me comment at that point, if I may. I quite agree that this is an old fight. I quite agree that this practice was more or less universal prior to the last banking collapse which we confronted, and I quite agree that since the Federal Reserve Act was amended to remove this threat and menace to the soundness of total banking in this country, there still is a group of banks which need revenue which it is difficult for them to obtain, and I deeply sympathize with their necessity. But I know of no reason why a small bank in a small town in South Carolina should, by special privilege of this nature, be able to bid against the banks of the United States for business which ultimately produces for them a deposit total utterly out of line with anything which would be normal.

Mr. GEORGE. I doubt if the Senator could sustain the thesis that this practice was one of the main causes of the bank debacle.

Mr. VANDENBERG. I did not say that. I said it was one of the major evils which had to be corrected.

Mr. GEORGE. I doubt if even that could be sustained. I remind the Senator that Mr. Crowley, who is at the head of the Bank Insurance Department of the Government, is in favor of the bill.

Mr. VANDENBERG. I understand that.

Mr. GEORGE. He has some sense of responsibility.

Mr. VANDENBERG. I understand that.

Mr. GEORGE. But he is not representing the big banks, that is all, and he is willing for the little fellow to live.

Mr. VANDENBERG. I agree that Mr. Crowley has a right to his opinion, and that his opinion is entitled to great respect, and I have great respect for it. I have equal respect for the opinion of the Senator from Georgia. But that does not alter the fact that I think Mr. Crowley and the Senator from Georgia are amazingly wrong in this instance. I cannot help it, but that happens to be my opinion.

Mr. GEORGE. The Senator is entitled to his opinion, and I know that is the opinion—though I do not connect the Senator with the group—of many great banks in this country. There is no doubt about that. If they are right about it, and if they are patriotic enough to allow the little banks to pursue a practice which they have always pursued, the system will not be destroyed. I think 2 percent did not exactly destroy the system; that would be a small fraction of the tail wagging the dog, and I never did believe they did destroy the whole system.

I know how the big banks stand. I had some little connection with banking at one time myself, and I have heard the big fellows say, "These little country banks are eating us up." So they raised the old par clearance question, and went through the courts for years. This is an ancient question, and those of us interested in the little banks of the country, as well as the big ones, merely want to restore a permissive practice which I do not think will destroy the Federal Reserve banking system.

Mr. VANDENBERG. Mr. President, I am very sorry that the issue is diverted to the atmosphere of a quarrel between big banks and little banks, and the inference, at least, is unintentionally invited that the statements I make are on behalf of the big banks of this country.

I need no added credentials as a spokesman for the little banks of the country, because in the course of all the banking legislation since I have been a Member of the Senate, for 16 years, I have fought against chain banking, which has been the highest heart aim of the big banks. So, in view of my unyielding record against chain banking and in favor of the little banks, I doubt very much whether an argument can be sustained which invites any conclusion that my statements at the moment are inspired by any interest in the big banks. On the contrary, I repeat, I am speaking for 11,500 banks which under the law cannot do the thing contemplated, and which they do not want others now to be licensed to do.

Mr. WEEKS and Mr. REVERCOMB addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and if so, to whom?

Mr. VANDENBERG. I yield first to the Senator from Massachusetts, and then I shall yield to the Senator from West Virginia.

Mr. WEEKS. Mr. President, it is a long cry, it seems to me, to depict this as a contest between big and little banks. I draw the attention of Senators to the fact that in 20 States of the Union there are no banks which do not cash checks on a par clearance basis. In 7 more States there is only 1 bank, in each of those particular States, which does not clear checks at par.

In the 20 States, and the 7 others where only 1 does not clear at par, there are many small banks, just as many small banks, I doubt not, as there are in those States where the majority of small banks do charge exchange. I think it is an unwarranted reflection upon the management of the small banks to which the distinguished Senator from South Carolina has drawn attention, to imply that their earnings would be in jeopardy if they did not have the exchange charges to rely upon.

Mr. MAYBANK. Mr. President——

Mr. WEEKS. Just a moment. There are many other sources on which they can rely to make earnings, and they do so in at least 28 States of the Union without having to rely upon exchange charges.

Mr. MAYBANK. Mr. President, will the Senator from Michigan yield that I may answer that statement?

Mr. VANDENBERG. Just a moment, if I may. I should like to yield the floor to someone else to be the heart and center of this continuing controversy, because I have to be in a committee meeting in 12 minutes. I did promise to yield to the Senator from West Virginia, and I do so.

Mr. REVERCOMB. Mr. President, I have listened with interest to the injection into the argument of a fight between big banks and little banks. To my mind, that is not tenable, in view of the figures which have already been cited by the Senator from Michigan and the Senator from Massachusetts.

That the view that this is a quarrel between big and little banks is wrong, and can be dispelled, is shown by the fact that there are approximately 14,000 banks in this country, and that all but about 2,500 of them pay their checks at par. For instance, in my own State there are sixty-odd banks, and only 6 of them do not pay checks at par. I wish to assure the Senate that all those 60 banks that pay their checks at par cannot be classed as big banks. So the argument of big or little has no place here. This is a question of whether or not we are going to keep the banking laws sound by the payment of checks at par, or whether we are going to surrender the banking laws of this country to a preferred few who have heretofore taken a premium or made a charge for paying checks.

Mr. REVERCOMB subsequently said: Mr. President, supplementing the remarks which I made earlier on the question now before the Senate, I wish to invite attention to an editorial published in the Washington Post of Monday, December 11, 1944, entitled "Exchange Charges." I ask unanimous consent that this editorial be printed in the RECORD as a part of my remarks made earlier in the day, and immediately following my remarks.

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

EXCHANGE CHARGES

During the twenties active competition among banks to attract deposits from other banks in outlying centers led to the building up of large balances payable on demand,

thereby encouraging the making of unsound loans and putting many of the deposit-holding banks in a very vulnerable position. Following the banking panic of 1933, therefore, the Federal Reserve Act was amended to forbid member banks to pay interest on demand deposits, directly or indirectly, by any device whatsoever. Notwithstanding this sweeping prohibition member banks continued to absorb exchange charges made by some nonmember correspondent banks when checks were forwarded for collection.

Because the practice had lately been growing and was being increasingly employed by member banks to attract deposits of other banks, the Federal Reserve Board issued a ruling banning the absorption of exchange charges as a form of interest payment for use of deposits. The result was that spokesmen for more than 2,000 nonmember banks deriving income from exchange charges brought strong pressure to bear upon Congress to overturn the Reserve Board ruling. Last spring, accordingly, the House passed a bill legalizing the absorption of exchange charges by member banks, while a companion measure was introduced in the Senate.

The Senate Banking and Currency Committee has been bombarded with appeals from various interested groups to be heard in opposition to this measure. But so far without avail. The American Bankers Association, more than 30 State banking associations, the Association of Reserve City Bankers, and the National Retail Credit Association have sought an opportunity to make known their objections. They fear, with good reason, that if the absorption of exchange charges were to be legalized, member banks would be encouraged to compete actively for the deposits of small banks, thereby bringing about a maldistribution of deposits that might have disastrous consequences. Certainly passage of the proposed legislation would cause some nonmember banks now remitting at par to revert to the practice of exacting exchange charges—a decidedly backward step.

There is danger that this controversial bill may get through the Senate as it did the House largely because Senators do not understand the importance of the issues at stake. The legislation is highly technical. Moreover, sharp differences of opinion exist as to the validity of the Federal Reserve Board ruling. The Federal Deposit Insurance Corporation, for instance, challenges the Board's interpretation of the existing law. Thus there is great need for further airing of the issues at stake, to clarify legal obscurities, and particularly to gain a better insight into the probable effects of the proposed legislation. According to rumor, proponents of the pending bill are maneuvering to shut off discussion and may try to attach it as a rider to the crop-insurance bill. Such tactics strongly suggest that they are counting upon ignorance or indifference to gain votes for a measure that would not stand up under full scrutiny.

Mr. VANDENBERG. Mr. President, I thank the Senator from West Virginia for his statement, and cordially agree with him.

I desire to conclude with one further brief reference to the letter from the Senator from Virginia [Mr. GLASS]. The distinguished Senator from Tennessee and the distinguished Senator from Georgia seem to feel that there is no menace of any nature to the Federal Reserve System in the pending proposal to revert to the vices of 10 or 12 years ago. I simply reiterate, because I think neither Senator was present when I opened my brief argument, that the Senator from Virginia when first presented with this precise pending amendment wrote a letter to the chairman of the Senate Banking and Currency Committee, in which he said:

> The bill is rankly discriminatory and lacking in frankness. Its enactment could have vicious and far-reaching effects upon the Federal Reserve System.

Mr. President, I respectfully submit that in the name of sound banking, contemplating the national problem as a whole, the amendment should be defeated.

AMENDMENT OF RECLAMATION PROJECT ACT OF 1939

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1782) to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes.

Mr. BANKHEAD. I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCCARRAN, Mr. CHAVEZ, Mr. MCFARLAND, Mr. GURNEY, and Mr. THOMAS of Idaho conferees on the part of the Senate.

G. H. GARNER

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 1963) for the relief of G. H. Garner, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. TUNNELL, and Mr. ROBERTSON conferees on the part of the Senate.

CROP INSURANCE

The Senate resumed the consideration of the bill (H. R. 4911) to amend the Federal Crop Insurance Act.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. MAYBANK].

Mr. LANGER. Mr. President, first I wish very highly to compliment the distinguished Senator from South Carolina [Mr. MAYBANK] for his persistence in seeing to it that the Senate shall have a chance to vote on the amendment. As he said a short time ago, he introduced in January of this year a bill which is identical in language with the pending amendment. His bill has been pending now for almost a year. During this time scores of little banks have closed and have gone out of business because of the fact that the Senate Banking and Currency Committee did not take the time to act on the bill.

I have in my hand a list of some of the banks that have been closing. This is for the period of 1942 and 1943—21 months. I call attention, Mr. President, to the fact that practically all these banks that closed were in small towns. So whether the distinguished senior Senator from Michigan thinks so or not, the fact remains that this is an issue between the big, fat boys, the big bankers of Wall Street, and the little banks in South Dakota, North Dakota, and in the Southern States.

Take the State of Arkansas. In Arkansas, during these 21 months the Hamburg Bank, of Hamburg, Ark., closed. The Bank of Ola closed. The Citizens Bank of Fayetteville closed. Also the First State Bank of Prescott, the Bank of Mount Holly, the Bank of Stephens, the Bank of Searcy, and the Bank of Havana.

In my neighboring State of Minnesota, Mr. President, during the same time the following banks closed: The State Bank of Mahtowa, the State Bank of Beroun, the Alberta State Bank, the First State Bank of Tower, the Union State Bank of Hokah, the Cambria State Bank, the Hallock State Bank, the State Bank of Spring Cove, and the First National Bank of Waterville.

Mr. President, I ask unanimous consent to have inserted at this point in the RECORD, the list of scores and scores of small banks that have closed up during these 21 months.

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

"LOST BANKS" OF NINE STATES IN 1942–43

(List prepared by E. E. Placek, president of the country banks division of the Independent Bankers Association)

State of Arkansas: Hamburg Bank, Hamburg; Bank of Ola, Ola; Citizens Bank, Fayetteville; the First State Bank, Prescott; Bank of Mount Holly, Mount Holly; the Bank of Stephens, Stephens; Bank of Searcy, Searcy; Bank of Havana, Havana.

State of Illinois: Banco di Napoli Trust Co. of Chicago, Chicago; Fox Lake State Bank, Fox Lake; State Bank of Cordova, Cardova; First State Bank of Parkersburg, Parkersburg; El Dara State Bank, El Dara; Farmers State Bank of Milton, Milton; Lindner & Boyden Bank, Buda; Southern Illinois Trust Co., East St. Louis; Farmers Bank of Baylis, Baylis; Farmers State Bank of Kenney, Kenney; First State Bank of Mound City, Ill., Mound City; Citizens State Bank of Janesville, Janesville; First National Bank of Humbolt, Humbolt; First National Bank of Hume, Hume.

State of Kansas: State Bank of Bluff City, Bluff City; Danville State Bank, Danville; the Denmark State Bank, Denmark; the Leavenworth Trust State Bank, Leavenworth; Mahaska State Bank, Mahaska; State Bank of Commerce, Marion; Morrowville State Bank, Morrowville; Nashville State Bank, Nashville; Olmitz State Bank, Olmitz; the State Bank of Rantoul, Rantoul; the Waldron State Bank, Waldron; Zenda State Bank, Zenda; Attica State Bank, Attica; State Bank of Home City, Home City; First State Bank, Lake City; Manter State Bank, Manter; Olsburg State Bank, Olsburg; Sawyer State Bank, Sawyer; Farmers State Bank, Scottsville; Riley State Bank, Riley; First National Bank of Axtell, Axtell; Citizens National Bank of Frankfort, Frankfort; Cullison State Bank, Cullison; Huron State Bank, Huron; State Bank of Lecompton, Lecompton; State Bank of Turon; Turon; Westfall State Bank, Westfall.

State of Minnesota: State Bank of Mahtowa, Mahtowa; State Bank of Beroun, Beroun; Alberta State Bank, Alberta; First

State Bank of Tower, Tower; Union State Bank of Hokah, Hokah; Cambria State Bank, Cambria; Hallock State Bank, Hallock; State Bank of Spring Cove, Spring Cove; First National Bank of Waterville, Waterville.

State of Missouri: The Bank of Armstrong, Armstrong; Jayne Banking Co., Gorin; Bank of Richwoods, Richwoods; Bank of Marionville, Marionville; the Trust Co. of St. Louis County, Clayton; Bank of Caledonia, Caledonia; Bank of Portland, Portland; Telegraphers National Bank of St. Louis, St. Louis; Foristell Bank of Foristell, Foristell; State Bank of Forest City, Forest City; the Farmers and Traders Bank of St. Joseph, St Joseph; the Bank of Aldrich, Aldrich; the Duenweg State Bank, Duenweg; the Clinton County Trust Co., Plattsburg; the Boone County Trust Co., Columbia; Bank of Tina, Tina; the Citizens Bank of Laredo, Laredo; Bank of Milo, Milo; Citizens State Bank of Pleasant Hill, Pleasant Hill.

State of Nebraska: Bank of Brock, Brock; Farmers State Bank, Campbell; Farmers State Bank, Emerson; the Goehner State Bank, Goehner; Home State Bank, Homer; the Bank of Lushton, Lushton; Farmers State Bank, Pickrell; Thayer Bank, Thayer; Eddyville State Bank, Eddyville; Farmers State Bank, Hardy; Farmers & Merchants Bank, McCool Junction; Bank of Nemaha, Nemaha; the Home Bank, Ohiowa; Citizens National Bank of Tobias, Tobias; First National Bank of Benedict, Benedict; First National Bank of Hampton, Hampton; Farmers & Merchants Bank, Alvo; Union State Bank, Broadwater; First State Bank, Whitman; Farmers State Bank, Madrid.

State of Pennsylvania: Freehold Bank, Pittsburgh; the Hastings Bank, Hastings; the Keystone Bank, Spangler; Peoples Bank of Blairsville, Blairsville; First National Bank & Trust Co. of Dallastown, Dallastown; Peoples National Bank of Duncannon, Duncannon; Emaus National Bank, Emaus; First National Bank of Etna, Pittsburgh; First National Bank of Fawn Grove, Fawn Grove; First National Bank of Homestead, Homestead; First National Bank of Kana, Kana; First National Bank of Lehighton, Lehighton; Citizens National Bank & Trust Co. of Lehighton, Lehighton; Peoples National Bank of East Brady, East Brady; First National Bank of Oakdale, Oakdale; Farmers National Bank of Selinsgrove, Selinsgrove; Grange National Bank of Tioga, Tioga; First National Bank of Weatherly, Weatherly; Central National Bank & Trust Co. of N. Y.

State of Texas: Fulbright State Bank, Fulbright; First State Bank, Talpa; First State Bank, Ropesville; Keller State Bank, Keller; First State Bank, Rocksprings; First State Bank, Jayton; Citizens State Bank, Waelder; Heidenheimer State Bank, Heidenheimer; Lone Oak State Bank, Lone Oak; First National Bank of Annona, Annona; First National Bank of Dodd City, Dodd City; First National Bank of Eddy, Eddy; State National Bank of Marshall, Marshall; First National Bank in Rockwell, Rockwell; First National Bank of Rogers, Rogers; Citizens National Bank in Saint Jo, Saint Jo.

State of Indiana: Bank of DeMotte, DeMotte; State Bank of A. P. Andrews, Jr. & Son, LaPorte; Battle Ground State Bank, Battle Ground; Davis Trust Co. Brazil; Fairbanks State Bank, Fairbanks; Bank of Bloomingdale, Bloomingdale; Bruceville State Bank, Bruceville.

Mr. LANGER. Mr. President, now addressing myself directly first of all to the argument of the distinguished senior Senator from Michigan [Mr. VANDENBERG]. The Senator says that this proposal represents bad banking; that 10 years ago various laws were passed to protect the banks, and that if the amendment is adopted we shall have bad banking again.

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

Mr. LANGER. I yield.

Mr. FERGUSON. Does the Senator from North Dakota have any evidence to indicate the reason for the closing of the banks in his State?

Mr. LANGER. Yes. I will come to that, if the Senator will wait a little while.

Mr. FERGUSON. Does it cover this particular issue?

Mr. LANGER. It covers this particular issue.

I want to say, Mr. President, that backing the amendment is the F. D. I. C., the agency that examines every bank, whether it be a tiny bank in the smallest hamlet in the country or the largest bank in the largest city of the Nation. They are for this amendment. But I have better evidence than that, Mr. President. When the bill which is identical with the pending amendment was introduced, realizing that debate would ensue on the floor of the Senate—and I now answer the question raised by the distinguished junior Senator from Michigan [Mr. FERGUSON]—I wrote a letter to every single bank in the State of North Dakota. I asked the banks for their opinion of the measure, and I received replies from more than 90 percent of those to whom I wrote. Every single bank belonging to a chain—a chain which has its roots in Minneapolis or Chicago or New York—was against the measure introduced by the distinguished Senator from South Carolina. I have here, Mr. President, and I shall read, letters from some small bankers of my State. In some cases the bankers have asked that I do not use their names, because they say that big banks may wreck them, but there are some who have no objection to their names being used.

I have here a letter from Mr. Verne Wells, of the Security State Bank of Robinson, N. Dak., dated July 25, 1944. He writes in part:

DEAR SENATOR LANGER: Shortly after wiring you last spring that the Independent Bankers Association is apparently in favor of the Brown-Maybank bills, I attended a meeting of the executive council of that association at St. Louis.

Mr. DuBois has kept you informed as to our association's attitude on that bill, and I was surprised to learn that a goodly number of independent bankers in North Dakota are opposed.

Mr. President, I ask unanimous consent to place the remainder of the letter in the RECORD at this point as a part of my remarks.

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

At the St. Louis meeting, all but 2 of the 26 members present voted to support the Maybank bill. I talked with several of the men who, like myself, voted their personal convictions rather than the sentiment of the majority of the members in their respective States. Colorado and Michigan were particularly vocal in that opinion.

To me it seems that many bankers have formed their opinions on this measure by listening to the propaganda put out by the Federal Reserve men and the representatives of the large banking chains. Leo T. Crowley, of the F. D. I. C., has gone to bat for the smaller independent banks many times during the past few years. I am glad that he "stuck his neck out" in our behalf again on this Maybank bill. After all, the question of regulation Q and its enforcement as far as it applies to absorption of exchange is a problem of the Reserve city banks and we have no business fooling with it. It appears that these fellows have called in the Federal Reserve to settle this dispute that they should have been able to iron out between themselves.

The attitude of the Independent Bankers' Association is that we are opposed to legislation by directives or regulation by edict. That is what the Federal Reserve Board has been doing more or less for most of its history. That is one reason why so many independent banks have refused to join the Federal Reserve System. We all know that Chairman Eccles feels that small unit banks have no place in our economy, and he is outspoken in this matter. He may be honest and sincere in his conviction but that is no reason why we have to like it any better. As far as the details of regulation Q are concerned, you will find many divided opinions, but we are opposed to the principle of the thing. When a single board can make the laws for the 15,000 banks of the Nation, we will have lost that precious heritage for which our sons are fighting and dying today.

Thanks very much for your interest in this problem, which is very important to all so-called small business and, therefore, important to each individual.

Mr. LANGER. I have here a letter from Beach, N. Dak., in the uttermost western part of the State. It is dated April 21, and is as follows:

I am taking the liberty of writing you, both for ourselves and the First State Bank of Golva, Golva, N. Dak., with whom I have collaborated, requesting that you vote for passage of S. 1642, commonly known as the Maybank bill, believing, as we do, that the passage of this bill will permit the eventual forcing of par clearance on nonpar banks by the Federal Reserve System, who tried some twenty-odd years ago to force universal par clearance by mailing checks on nonpar banks to the local express agent for collection, who demanded cash in payment, necessitating the carrying of abnormal amounts of currency by these small banks, with which to meet these demands.

Let me digress for a moment to say, as the distinguished senior Senator from Georgia [Mr. GEORGE] has said, that this is an old question. This banker says that 20 years ago in the State of North Dakota the Federal Reserve System tried to force universal par clearance.

He continues:

The scheme would have worked nicely had not the Supreme Court intervened and stopped the practice, thereby practically saving the dual banking system we now enjoy.

We are afraid that the Reserve System's ruling on its regulation Q, with regard to the absorption of exchange by banks is just another way of entering an opening wedge into the question of par clearance of checks by all banks, be they members or nonmembers of the Federal Reserve System; consequently we would very much appreciate it if you could see the matter in our light and vote for passage of the Maybank bill.

Here is another letter, Mr. President. This bank prefers not to have its name used, because it is close to the big banks which could almost put it out of business. This letter is written to Mr. J. N. Peyton, president of the Federal Reserve Bank, Minneapolis, Minn. I ask unanimous

consent to have the letter printed in the RECORD, with permission to omit the name of the banker who signed it.

There being no objection, the letter, without the signature, was ordered to be printed in the RECORD as follows:

DEAR MR. PEYTON: I have taken too scant notice of your's and other communications regarding regulation Q to be any authority on the subject. Up here in North Dakota we have a situation out of line with most of the Nation. Under the stress of war, what with bond drives, Red Cross, income-tax service, etc., I'm damned if I know how any country banker can give much consideration to anything except that which is under his nose and glasses. We, in North Dakota, have a crying need for extended and more comprehensive banking service, especially in the western part of the State. When I come down to the bank in the morning and pick up the Federal Reserve obituary notice for a State bank in our northwest group, I am somewhat depressed. Regarding the matter of interest on deposits, who can truly say that the par clearance of checks does not constitute payment of interest to the depositor? Now, personally, I do not like the idea of State bank exchange any better than you do. But if we are to continue to serve our rural communities it will remain a necessary evil.

With the present hodge-podge in the banking situation, I hope that our Nation is not going to go as crazy as North Dakota did during the last war. What with R. F. C., Federal Reserve, bank for so-called cooperatives, R. A. A. C., production credit (the latter openly making loans in violation of regulation W), etc., how can we know anything about what legislation is needed? Add F. D. I. C. 10–1 ratio, just as if, and providing, capital has anything but an unfavorable influence on the risks involved in making rural loans.

I believe you know the country banker. Your war finance meeting started our Northwest off on the right foot and we have not been doing so bad since. Why need for any legislation until such time as conditions are back to normal and we know a little about how to legislate? How about a little postwar planning in the banking field? Duplicate your first meeting when Banker Hicks has a little time to give it proper attention. Apparently we are not entirely agreed on the issues involved, but as this is no time for truly deliberated bank legislation, I am forwarding to BILL LANGER a copy of this not too well constructed epistle.

Mr. LANGER. Here is a letter from Mr. D. W. Kelly, of Devils Lake, N. Dak., who has no objection to having his name used. It is dated March 21, 1944. It is now December, and we are now asked not to take action on this matter, which involves the very life of scores of little banks all over the country. I hold in my hand a list of approximately 125 small banks which have already closed. The letter reads as follows:

Coming before you in a very short time, we understand, is the above-entitled bill—

The Brown-Maybank bill—

which seeks to legalize the practice of absorbing exchange charges on the part of banks.

Familiar as you are with conditions here in North Dakota, you, without doubt, readily appreciate that no longer is it the farmer who is in financial distress through lack of income, but, rather, the small bank whose loan portfolio is shrunken and who must now depend for most part for its existence on the exchange charges that can be collected on incoming checks.

To our way of thinking, passage of the Brown-Maybank bill means the beginning of absorption of exchange, not by correspondent banks alone but by all banks, and eventually the elimination of all exchange charges and finally the financial demise of the country bank, when deprived of its last source of income.

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

Mr. LANGER. I yield.

Mr. EASTLAND. What could be the reason against the absorption of exchange, when not sufficient money is involved to hurt the financial structure of any bank, and when the big bank desires to absorb the exchange? What could be the objection?

Mr. LANGER. The distinguished Senator has stated the question as clearly as it could possibly be stated. He has made the best argument possible in favor of the Maybank-Brown bill. No one objects except some of the larger banks.

Mr. EASTLAND. There is not enough money involved to endanger the financial structure of any bank. What is the Federal Reserve System up to?

Mr. LANGER. Of course, it is out to wreck the small banks, for one thing. Another thing is that it desires to force every bank into the Federal Reserve System, whether the bank wishes to go into it or not. It is hoped that by this method banks will be compelled to become members.

Mr. EASTLAND. It is a brazen attempt to usurp the legislative power of Congress.

Mr. LANGER. Of course.

Mr. EASTLAND. We hear much said about government by boards, bureaus, and commissions. At election time a great many men run for office, saying that they will curb Government boards and bureaus, and that they will see that the Congress of the United States protects its legislative powers. I submit to the distinguished Senator from North Dakota that now is the time for the Congress of the United States to protect its legislative powers and to prevent the Federal Reserve Board from legislating and usurping the powers of the Congress.

Mr. LANGER. Let me ask the Senator a question. Is it not true that in the Senator's State of Mississippi the banks which have closed have been small banks in outlying sections of the State?

Mr. EASTLAND. That is true.

Mr. LANGER. In my State there is one county which formerly had three banks. Today it has none. When the bank holiday came in my State, 561 banks closed, involving a loss to the people of, roughly, $60,000,000. In the largest county in the State, the county of McKenzie, there is only one bank, and farmers must travel 50, 60, or 70 miles to do business with that bank unless they do business by mail. Under the system which it is proposed to establish, it is doubtful whether many of the banks in the counties in North Dakota could exist. Therefore, I appreciate very much what the distinguished Senator has said, because he has hit the nail squarely on the head.

Mr. EASTLAND. If this amendment is not adopted, many small banks in the State of Mississippi will be forced to close. I was talking with a banker the other day. I saw his figures. Most of the bank's operating income is derived through exchange. This is a very important matter.

Mr. FERGUSON. Mr. President, will the Senator from North Dakota yield for a question?

Mr. EASTLAND. Will the Senator please let me finish what I was saying?

Mr. FERGUSON. I wish to ask the Senator from Mississippi a question.

Mr. EASTLAND. Will the Senator please allow me to finish?

The argument is made that we should permit the Senate Committee on Banking and Currency to conclude its hearings, and then the Senate should discuss the whole question. I submit, Mr. President, that this amendment should be adopted, and then legislation to authorize the objectives which the Federal Reserve System seeks should be submitted to the Congress for determination by the Congress, instead of having the question determined by an assumption of legislative authority by the Federal Reserve System.

Mr. FERGUSON. Mr. President, will the Senator from North Dakota yield so that I may ask the Senator from Mississippi a question?

Mr. LANGER. I yield.

Mr. FERGUSON. For how long a period have banks in Mississippi been collecting this exchange?

Mr. EASTLAND. For 50 years.

Mr. FERGUSON. If that be true, the cause of the closing of banks in the Senator's State could not have been the action of the Federal Reserve Board, could it?

Mr. EASTLAND. I think so, on the basis of the figures from our banking department which I have seen. The interpretation placed on regulation Q by the Federal Reserve Board will cause many small banks in my State to close.

Mr. FERGUSON. I was not asking what it will cause. I wish to know whether it did cause the closing of banks.

Mr. EASTLAND. No; it has not yet done so.

Mr. LANGER. Mr. President, will the Senator permit me to answer that question? I think I can answer it to the satisfaction of the distinguished junior Senator from Michigan.

Mr. FERGUSON. The Senator from Mississippi has answered it for his State.

Mr. LANGER. The reason why so many of the banks closed was the action taken by the Federal Reserve Board in 1920, when it suddenly called in millions of dollars' worth of loans. Many of our farmers had obtained loans on cattle or other livestock or machinery. When the loans were called in, a farmer who had a horse worth $100 found that it could only be sold for $50; a farmer who had a cow which used to be worth $75 found that it could only be sold for $20. The banks called in millions of dollars' worth of loans, and so created the panic. If it had not been for the revenue derived from exchange, some of the banks would have had to close long before they did.

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

The PRESIDING OFFICER (Mr. HALL in the chair). Does the Senator from North Dakota yield to the Senator from Michigan?

Mr. LANGER. I yield.

Mr. FERGUSON. The Senator referred to the closing of banks in his State in 1920. I do not understand that this matter affected them.

Mr. LANGER. They were in addition to the banks which closed in the 1930's.

Mr. FERGUSON. I am trying to get on record the cause of the closing of the banks in the 1930's.

Mr. LANGER. The cause is very simple to state. The situation with the banks was that, even with the exchange, business was so slack, and they got so little of it that they could not pay their expenses and keep open.

Mr. FERGUSON. Suppose the amendment is agreed to. Would it increase the revenue of the banks?

Mr. LANGER. It would not increase the revenue, but revenue would continue to come in. The amendment, if adopted, would permit the banks to continue to exist, because its adoption would permit some revenue to continue to come to the banks, instead of having millions of dollars of revenue taken away.

Mr. FERGUSON. But does the Senator insist that the cause of the failure of the banks listed in the exhibit was their inability to make the exchange?

Mr. BUSHFIELD. Mr. President, I should like to answer that question, if the Senator will yield to me.

Mr. LANGER. I yield.

Mr. BUSHFIELD. I wish to say that the ruling or interpretation of regulation Q, which is the subject of the discussion, was made only last September. The law has been in force for 7 years, but the Federal Reserve Board did not see fit to make that interpretation or ruling until September 1944.

Mr. FERGUSON. But neither the ruling nor the law caused the closing of the banks.

Mr. BUSHFIELD. I am not so contending.

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

Mr. LANGER. I yield.

Mr. EASTLAND. Let me inquire what it was that Congress sought to prevent in 1933?

Mr. LANGER. Congress sought to prevent the closing of the banks. It did so by guaranteeing deposits and thus inspiring confidence in the depositors in the banks.

Mr. EASTLAND. I understand that. But by regulation Q, according to the interpretation of the Federal Reserve Board, Congress forbade the payment of interest on deposits. Prior to 1933, $246,000,000 had been paid in 5 years in the form of interest on bank deposits.

Interest is defined by the courts as money which is paid for the use of money. The exchange is a service charge, for doing business, and that is defined by the courts. What possible construction could reasonably be placed on a service charge so as to justify its being regarded as interest?

Mr. LANGER. Simply by making an arbitrary order, the Federal Reserve Board is attempting to make service charges appear to be interest.

Mr. EASTLAND. But what Congress prohibited was the payment of interest on demand deposits. Such payments had been made in the sum of $246,000,000 for 5 years prior to 1933, whereas in connection with the pending measure only the payment of $8,000,000 is in issue. That is all that is presently involved.

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

Mr. LANGER. I yield.

Mr. MAYBANK. The Senator was speaking of a situation which existed in North Dakota, which is very similar to the situation which existed in the Carolinas, where the price of cotton dropped from 40 cents to 4 cents, and mules and other animals were unsalable. After the failure of the banks and during the banking holiday, did the State of North Dakota forbid the payment of interest on deposits in banks?

Mr. LANGER. In North Dakota we did enact legislation to strengthen the financial structure of the banks.

Mr. MAYBANK. I am glad to hear the Senator say that. The distinguished senior Senator from Michigan [Mr. VANDENBERG] referred likewise to what Congress has done to strengthen the banking situation. I agree with everything he said in that regard. But the regulation we have been discussing was put into effect only last September, although the law was passed nearly 10 years ago. So I cannot understand the situation. I should like to have the Senator tell me whether he can understand how the regulation would have anything in the world to do with strengthening the banks in the United States.

Mr. LANGER. It would not. It would only weaken many small banks.

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

Mr. LANGER. I yield.

Mr. EASTLAND. The question whether it has anything to do with strengthening the banking laws is a matter for Congress to handle, not one to be handled by the Federal Reserve Board.

Mr. MAYBANK. I entirely agree with the Senator's statement.

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

Mr. LANGER. I yield.

Mr. MAYBANK. The Senator from Michigan had to leave the Chamber to return to the Committee on Foreign Relations. I should like to say, inasmuch as he mentioned South Carolina, that we strengthened our banking laws materially and we passed many laws to that end. As a matter of fact, the result of one of the laws is that certain cash depositories in South Carolina cannot lend the money which is deposited with them. They depend entirely upon exchange charges to enable them to pay their clerk hire and their other expenses. It is only recently that the law has been amended so as to permit a portion of the money to be loaned. So I am advised that 43 of those banks will immediately have to close for lack of revenue if the exchange charge is not permitted.

I thank the Senator from North Dakota for yielding to me.

Mr. BUSHFIELD. Mr. President, will the Senator yield to me? I should like to make just one contribution.

Mr. LANGER. I yield.

Mr. BUSHFIELD. The Superintendent of Banks of the State of South Dakota told me yesterday that, at least according to his estimate, 25 banks in our State would be in jeopardy if this measure were not passed.

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

Mr. LANGER. I yield with pleasure to the distinguished senior Senator from Tennessee.

Mr. McKELLAR. Question was asked whether the banking system would be strengthened. If the Senator will permit me to do so, I will read a letter dated December 29, 1943. I ask Senators please to note the date. The letter was written to the correspondents of the National Bank of Commerce, at Memphis, Tenn. It reads as follows:

To Our Correspondents:

The Federal Reserve Board has recently ruled that the absorption of exchange charges in the collection of nonpar items is a violation of section 19 of the Federal Reserve Act and of the Board's regulation Q as it refers to the payment of interest on demand deposits.

It will be recalled that the distinguished senior Senator from Michigan [Mr. VANDENBERG] stated that the payment of interest on demand deposits would ruin the banking system. Today we find that after the Federal Reserve Board has permitted this custom to exist under the law, as the Board understood it, for at least 9 years, now, 9 or 10 years later, it changes its course of action in reference to that part of the law or its interpretation of it.

I continue to read from the letter of the National Bank of Commerce:

The office of the Comptroller of the Currency has recently directed that action be taken by us in compliance with the above ruling, and in a letter dated November 20, stated, "if we cannot secure action in Memphis and * * * and a few other cities, I suppose the only alternative is to promptly send examiners to investigate and report and cite for violation banks that are absorbing exchange amounting to an indirect payment of interest on demand deposits.

In other words, Mr. President, the Federal Reserve Board not only is making an amendment of the law but it is threatening the banks with dire consequences unless its amendment is complied with.

The letter continues as follows:

It is our information that the matter is under discussion by various authorities in Washington before a congressional committee and a difference of views has been presented. We should like very much to be allowed to await final determination; however, in view of the position of the Comptroller's office, it has been necessary to advise him that we would comply with his directions. Therefore, effective on and after January 15, 1944, we shall be required to charge back such out-of-pocket collection costs as are incurred in the clearance of items not collectible at par through the Federal Reserve System.

We feel certain in view of the foregoing that you will appreciate our present position

and that we may be allowed to serve you in the future as we have in the past.

We are enclosing herewith schedule showing present costs for collection of out of town items for correspondent banks, which is self-explanatory.

Yours very truly,
NATIONAL BANK OF COMMERCE.

That is one of the large banks of Memphis. It is perfectly evident from the letter that that bank, and many thousands of other banks of a similar kind, are not complaining of exchange charges. This idea, which was put forth after 9 years of experience of the Federal Reserve bank, arose in Washington, in New York, and in other cities, among the large banks which wanted to crush the small ones. It is not the desire of the large banks in the various States to enforce the rule of the Federal Reserve Board. The rule was issued by the Federal Reserve Board, and it should not be complied with. The Federal Reserve Board has great power over banks, and many banks, as is clearly indicated by the letter which I have read, are afraid not to follow the Federal Reserve Board. As already shown by its acts, for 9 years the Federal Reserve Board did not believe it was the law; but at the last moment, when pressure was put upon it, and Congress did not give it relief, the Federal Reserve Board seems to have taken upon itself the duties of Congress in issuing this rule.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, another letter of the same character as that which was circulated by the National Bank of Commerce.

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

MEMPHIS, TENN., *June 8, 1944.*

To Our Correspondents:

Under date of December 29, 1943, we advised you that the Office of the Comptroller of the Currency directed that action be taken in Memphis in compliance with the Federal Reserve Board's interpretation of regulation Q.

At the same time we were advised that immediate steps were being taken to enforce the ruling alike in all national banks and State banks which are members of the Federal Reserve System.

Up to this time, uniform action has not been taken, and a difference of opinion has arisen as to what constitutes a violation of the law in this respect. Therefore, we have decided to rescind, as of June 15, 1944, our letter of December 29, 1943, with reference to the discontinuance of absorption of any out-of-pocket cost in the collection of your items.

Yours very truly,
NATIONAL BANK OF COMMERCE.

Mr. McKELLAR subsequently said: Mr. President, earlier in the day I made a statement, and asked unanimous consent to have printed in the RECORD certain letters from banks. I now hold in my hand three other letters bearing upon the same subject. I ask unanimous consent to have the letters printed in the RECORD immediately following the last letter which was ordered to be printed in the RECORD.

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

DECEMBER 6, 1943.

To Our Correspondents:

A recent ruling by the Federal Reserve Board states that the absorption of exchange charges by any bank constitutes a payment of interest, and is a violation of both section 19 of the Federal Reserve Act and the Federal Reserve Board's regulation Q. In view of this ruling, it will be necessary on and after December 15, 1943, for us to charge back exchange on all items not collectible through the Federal Reserve System.

It is our understanding that other banks in St. Louis and other cities have reached the same conclusion and have taken similar action.

THE NATIONAL STOCK YARDS NATIONAL BANK OF NATIONAL CITY.

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington, November 24, 1943.

Mr. W. T. BLAND,
Chairman of the Board,
First National Bank, Orlando, Fla.

DEAR MR. BLAND: You are no doubt familiar with the recent ruling of the Board of Governors of the Federal Reserve System with respect to the absorption of exchange, and with the action taken by the banks of Chicago, St. Louis, New Orleans, Houston, Dallas, Milwaukee, Omaha, Lincoln, and other cities with respect to such absorption.

We shall, of course, expect national banks to comply with the general principle set forth in the ruling, looking toward the elimination of any abuses through competitive overreaching which may have developed in the payment of interest through absorption of exchange. We welcome such voluntary action as that already taken in the cities named above upon the initiative of bankers themselves. In the absence of such action, the much slower procedure of individual examination and enforcement will be necessary.

We believe the bankers in Orlando will be glad to get together for a discussion of this subject with the idea of instituting voluntary action similar to that taken elsewhere. Because it would be an aid to us in enforcement and because we believe it would have a good effect in other centers and be a salutary influence in Orlando, I am writing to ask your cooperation in bringing the bankers of your city together for a discussion. Your willingness to do so will be very much appreciated and we shall be eager to have word of any action taken by the bankers there.

Very truly yours,
C. B. UPHAM,
Deputy Comptroller of the Currency.

I hereby certify that the above is a true and correct copy of a letter dated November 24, 1943, signed by C. B. Upham, Deputy Comptroller of the Currency.

ROZELLE WHITEHEAD,
Notary Public, State of Florida at Large.
My commission expires October 20, 1946.

THE FIRST NATIONAL BANK OF LINCOLN,
LINCOLN, NEBR., *November 15, 1943.*

To Our Correspondents:

The Federal Reserve Board has recently ruled that the absorption of exchange or collection charges is a violation of its regulation Q under the Banking Act of 1935 which prohibits the payment of interest on demand deposits.

We are, therefore, no longer permitted to absorb such charges. Effective December 1, to conform to this ruling, it will be necessary for us to charge your account with the actual exchange cost incurred by us in the collection of items received from you.

To assist you in the recovery of such exchange charges from your depositors, we will furnish your bank with a description of such cost items and the amount of the charge.

You know it is our desire to be of every service to you in the future, and that we appreciate our fine relationship during the past many years.

THE FIRST NATIONAL BANK OF LINCOLN.

Mr. McKELLAR. Mr. President, as I look at the situation, this is an effort on the part of the big banks of the country to crush the little banks. When I say "the big banks," I mean the really big ones.

Mr. EASTLAND. The Senator means banks in New York, Chicago, and in other large cities.

Mr. McKELLAR. Yes. They want to control the banking system. They do not want the small banks throughout the country to do business. They want to do that business themselves. By endeavoring to defeat the proposal of the Senator from South Carolina they are endeavoring to control the banking business of the country. The banks of the country have been in a marvelous condition for the past 10 years, and during all those years, until the past few months, the plan was followed of allowing the large banks to absorb the expense of collecting the checks of the smaller banks.

Mr. EASTLAND. Mr. President, is it not a fact that the banks of Nashville and Memphis are willing to absorb those charges?

Mr. McKELLAR. Yes; it is a fact. Some of the banks there are large ones. I believe one or two banks there have deposits of $100,000,000, or more. In Nashville the banks are not averse to absorbing the expense.

Mr. EASTLAND. They want to do it.

Mr. McKELLAR. They want to do it.

Mr. EASTLAND. And they are financially able to do it.

Mr. McKELLAR. They are financially able to do it, and they want to help the small banks, and help the people who are doing business with the small banks. But they are being forced to do something else. They have been absolutely frightened into it, as shown by the letter which I have read. A threatening letter of the Federal Reserve Board has forced them to take an opposite course of action to that which they would choose to take.

I think it is the duty of the Senate to adopt this amendment and I hope that all Senators will vote for it. I am not willing to surrender my duty as a legislator to the Federal Reserve Board, highly as I may respect it.

Mr. EASTLAND. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield.

Mr. EASTLAND. As an indication of what is meant, I have before me a list of typical banks in the State of Mississippi. The list comprises what may be designated as exhibits, showing net operating earnings for 11 months of 1944, including exchange collected:

Exhibit (a): Net operating earnings for the first 11 months of 1944, $15,647.27, including exchange collected of $15,141.97.

Exhibit (b): Net operating earnings for the first 11 months of 1944, $33,331.70, including exchange collected of $31,000.

Who can say that those banks can remain in business and serve their communities unless this amendment is adopted?

Exhibit (c): Net operating earnings for the first 11 months of 1944, $5,980.94, including exchange collected of $5,267.84.

It is safe to say that if this amendment is not adopted between 20 and 40 small banks in the State of Mississippi will be forced to close their doors within the next few weeks, all because of the predatory Federal Reserve System, which is attempting to take over the legislative responsibilities of the Congress. It is strange to see Members of this body who denounce government by bureau, and yet will not do anything to force the Federal Reserve System to come to Congress and allow Congress to decide with regard to the matter of the absorption of exchange.

Mr. President, I ask that the list of 22 banks in the State of Mississippi be printed in the RECORD at this point as a part of my remarks.

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

	Net operating earnings, 1944 (11 months)	Including exchange collected
Exhibit:		
(a)	$15,647.27	$15,141.07
(b)	33,331.70	31,000.00
(c)	5,980.94	5,267.84
(d)	53,072.58	32,711.74
(e)	2,000.00	10,812.66
(f)	14,000.00	12,360.00
(g)	22,000.00	12,150.00
(h)	2,162.06	1,932.94
(i)	1,485.47	12,657.11
(j)	1,456.72	2,020.92
(k)	25,416.93	11,221.55
(l)	9,891.77	5,084.25
(m)	10,606.17	5,638.17
(n)	13,161.28	10,082.29
(p)	9,190.46	10,758.97
(q)	17,326.31	13,225.51
(r)	49,465.57	9,391.78
(s)	20,009.15	13,833.43
(t)	50,543.18	35,080.00
(u)	22,773.01	32,431.43
(v)	23,373.29	13,958.47
(w)	9,549.77	9,471.38

Mr. LANGER. Mr. President, I should like to see the list of banks which the Senator from Mississippi has asked to have printed in the RECORD. Does the Senator object to reading the list into the RECORD?

Mr. EASTLAND. No; I have no objection.

Continuing with the list, exhibit (d) shows net operating earnings of $53,072.58 for the first 11 months of 1944, including exchange collected of $32,711.74.

Mr. LANGER. That is about 60 percent.

Mr. EASTLAND. Yes.

Exhibit (f): Net operating earnings for the first 11 months of 1944, $14,000, including exchange collected of $12,360.

Mr. LANGER. That is more than 80 percent.

Mr. EASTLAND. Yes. Mr. President, it is my judgment that these figures are typical of small banks in North Dakota, South Dakota, and other Western States, as well as banks in Southern States.

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

Mr. LANGER. I yield.

Mr. AIKEN. Who collected the exchange to which the Senator from Mississippi has referred?

Mr. EASTLAND. The information came from the banking department of the State of Mississippi, and was given to me by the State comptroller of banks of the State of Mississippi.

Mr. AIKEN. Who collected the exchange?

Mr. EASTLAND. The small banks.

Mr. AIKEN. For what year?

Mr. EASTLAND. For the first 11 months of 1944.

The next is exhibit (h). Net operating earnings for the first 11 months of 1944, $2,162.06, including exchange collected of $1,932.94.

Exhibit (i): Net operating earnings for the first 11 months of 1944, $1,485.47, including exchange collected, $12,657.11.

Exhibit (j): Net operating earnings for the first 11 months of 1944, $1,456.72, including exchange collected of $2,020.92.

Exhibit (k): Net operating earnings for the same period, $25,416.93, including exchange collected of $11,221.55.

Mr. LANGER. As the Senator proceeds, will he give the percentage as between the net operating earnings and the exchange collected?

Mr. EASTLAND. With reference to the last item which I read, the exchange collected would represent approximately 45 percent of the net operating earnings.

Mr. AIKEN. Mr. President, under what law is the Federal Reserve Board proceeding? This is all new to me.

Mr. EASTLAND. Under the law of the land. The Federal Reserve Board has placed an arbitrary construction on an act of the Congress which forbids a large bank from absorbing exchange collections on behalf of one of the small banks, its client. If the large banks can pass that burden back to the small bank it will cause them to close. The figures show about 25 percent of the small banks in the United States will have to close unless the Congress corrects the situation.

Mr. AIKEN. Would the amendment of the Senator from South Carolina correct it?

Mr. EASTLAND. That is its object.

Mr. LANGER. It is designed to save the small banks.

Mr. EASTLAND. It is solely a question of whether we want small banks in this country and whether 2,500 communities shall be deprived of banking services because of the arbitrary, predatory ruling of the Federal Reserve Board.

Mr. AIKEN. Does a liability arise from the small bank to the large bank?

Mr. EASTLAND. The large bank is absorbing it willingly now; they want to absorb it; but the Federal Reserve Board says "No;" they cannot do that.

Mr. AIKEN. Does the customer pay in any case?

Mr. EASTLAND. The customer pays.

Mr. LANGER. He pays 10 cents a check.

Mr. EASTLAND. Here is exhibit (l)——

Mr. WHITE. Mr. President, may I suggest to the Senators holding their conference that they raise their voices so that other Senators may have the benefit of the discussion?

Mr. EASTLAND. Exhibit (l) is another typical Mississippi bank with net operating earnings for 11 months in 1944 of $9,891.77, of which $5,084.25 represented exchange collected.

Another typical bank had earnings for the same 11 months in 1944 of $10,606.17, of which $5,638.17 came from exchange collected, so that more than 50 percent of the earnings came from that source.

Exhibit (n) is the name of a bank with earnings of $13,161.28 of which $10,082.29 came from exchange collected.

Exhibit (q): Net earnings $17,326.31, of which $13,225.51 was income from exchange collected, or about 75 percent. That bank is worth something to that community, and the people living there are entitled to banking services even though it is a small, poor community.

Another typical Mississippi bank had operating earnings of $49,465.57, of which only $9,391.78 came from exchange collected.

Another had operating income of $20,009.15 of which $13,833.43 was from exchange collected.

Here is a bank with an operating income of $50,543.18, of which $35,080, or approximately 75 percent, was income from exchange collected.

Another typical Mississippi bank had an operating income for 11 months of 1944 of $23,373.29, of which $13,958.47 was from exchange collections, representing, I estimate, from 55 to 60 percent.

Here is another illustration: In this case the bank for the first 11 months of this year, 1944, had earnings of $9,549.77, of which $9,471.38 was from exchange collected.

Mr. LANGER. Mr. President, if the Senator will permit me to ask him a question; suppose in a county in Mississippi there is a large bank which is close to four or five counties and the small banks in those counties have to close; that would mean, would it not, that the large bank would get the business and the farmers and laboring men would have to go to the large bank in order to transact their banking business?

Mr. EASTLAND. That statement is correct. With but one exception that I know of, every bank in the State of Mississippi favors the adoption of this amendment; and I submit if the large banks in the South and West are willing to absorb exchange collections, if everybody is agreed on that, why should we refuse them that privilege, and why should we deprive several thousand small communities of banking services? It is unjust to do so, and represents another predatory attempt by high finance to gain control of the small banks of the United States and to drive them into the Federal Reserve System.

Mr. LANGER. And is it not also true, may I not ask the Senator, that it would mean that the farmers and laborers would have to drive 30 or 40 or 50 or 60 miles to do business with some large bank in Mississippi?

Mr. EASTLAND. That is correct.

Mr. LANGER. Instead of going to a bank 3 or 4 miles away and borrowing a hundred dollars or so if the farmer needed it, he would have to go 50 or 60 miles away to do that.

Mr. EASTLAND. And the expense of his trip would be more than the interest on a small loan.

Mr. LANGER. And much more than the small amount of exchange charged.

Mr. BUSHFIELD. Mr. President——

Mr. LANGER. I yield to the Senator from South Dakota.

Mr. BUSHFIELD. Mr. President, in my humble opinion, there is much misconception on the part of Senators about the pending proposition. As the Senator from Tennessee [Mr. McKELLAR] said a few moments ago, we are not trying to change the law, but there has been a sudden, arbitrary interpretation or regulation of the Federal Reserve Board. If we clear away all the smoke about this proposal, we will find that back of this interpretation—the ruling of the Federal Reserve Board—is the desire on their part to secure absolute control of the State banking systems of the country.

In this connection and along with what has been said heretofore, I desire to call the attention of the Senate to what Mr. Crowley had to say about this same proposition. Leo T. Crowley is one of our distinguished citizens. He is Chairman of the Federal Deposit Insurance Corporation, one of the better Government agencies. Mr. Crowley has a distinguished experience in the past in Government service. He said in testifying before the Committee on Banking and Currency on House bill 3956, which is the same as the pending proposal:

> You skate around all you want; but, when you get right back, there are a few fundamental things involved. First, I think the ruling indirectly forces par clearance on the banking system of this country, and I have always been a strong believer, that in legislative matters, you should meet a thing directly—not placing some fine Italian writing in a law and then interpreting it in a way that you feel your theories can best be served. And Congress certainly in the past has indicated, without question, that it is not in favor of enforcing par clearance, and the Supreme Court has indicated, as I understand it, that the Federal Reserve Board did not have the authority to do so.

Then Mr. Crowley goes on to say further:

> I think the net result of the Federal Board's ruling is this: First, it forces par clearance; secondly, it very definitely affects the earnings of a lot of little banks. The next step, in my judgment, is that you break your little banker; you eliminate him from your banking picture, and the advocates of branch banking immediately will come along and say, "Now, this little community is in need of a bank and cannot support an independent bank, so that we have to have a branch bank to serve that community."
>
> Now, I do not think this ruling relates to just the matter of exchange in these little banks; I think a very fundamental issue is involved, and I think this committee ought to take plenty of time to understand all of the elements that may be involved, because I think that, as you go along, you will find that there are fundamental differences in principle between the Federal Reserve and the Federal Deposit Insurance.

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

Mr. BUSHFIELD. In just a moment, then I shall be glad to yield.

Mr. President, the distinguished Senator from North Dakota has referred to what the Federal Reserve crowd did to the banks of the Middle West in 1920; and we have not forgotten that. They practically broke the banks of that section by the unprecedented and unintelligent, in my opinion, ruling which required the banks to liquidate in 30 days. That brought on the crash of 1920, and we do not want the Federal Reserve Board to get control of all the banking facilities of this country.

Mr. LANGER. May I not say to the Senator they not only broke the banks, but they broke the farmers doing business with the small banks?

Mr. BUSHFIELD. Yes; the banks are built on the farming populations of those States.

I yield to the Senator from Mississippi.

Mr. EASTLAND. The argument has been made on the floor of the Senate by the opponents of the bill that we must defeat the bill in order to have sound banking in the United States.

Mr. BUSHFIELD. That question is not an issue at all.

Mr. EASTLAND. Is it not a fact that the Federal Deposit Insurance Corporation insures the deposits of this country?

Mr. BUSHFIELD. The Senator is correct.

Mr. EASTLAND. And does not that Government agency favor the passage of the bill?

Mr. BUSHFIELD. It does, and very strongly.

Mr. MAYBANK. The Senator from Mississippi asked the question I was about to ask, except that I would have added that Mr. Crowley would be far more interested in small banks than in large banks, would he not?

Mr. BUSHFIELD. Yes.

Mr. MAYBANK. Not because of his personal advantage, but that is his business.

Mr. BUSHFIELD. The Federal Deposit Insurance Corporation is particularly for the small banks because its protection is limited to deposits of $5,000.

Mr. MAYBANK. Let me ask the distinguished Senator from North Dakota if it was not testified in the hearings that back in 1920 or, at least, some time ago, the Federal Reserve sent the checks from the smaller banks through express for collection, and, of course, they would accumulate so many checks that it would be embarrassing for the little banks in the morning to meet those checks, and they had to go to the Supreme Court and stop that. I am wondering if that happened in the West; it was almost a tragedy in the South.

Mr. LANGER. Yes; I read about that a few moments ago. The Senator was out of the Chamber at the time, I think. I referred to the decision of the Supreme Court.

Mr. MAYBANK. Was that done generally in North Dakota?

Mr. LANGER. It was done all over the country.

Mr. BUSHFIELD. I thank the Senator from North Dakota for yielding.

Mr. LANGER. Mr. President, I desire to put into the RECORD the following telegram, dated March 20:

> This bank is in favor the Maybank Senate bill 1647 and we should like to have you use your power and influence in the passage of same.

That is signed by the Bank of Killdeer, a small town in the western part of the State.

I have here a telegram from one of the outstanding small bankers of North Dakota, John Ottis, of Kindred, Cass County, the largest county in the State:

> Will appreciate your support of the Maybank bill. Believe it to be to best interest of small country banks.

I have here a telegram from the Farmers State Bank of Lisbon, N. Dak., the county seat of Ransom County:

> We urge your support of Maybank bill. We believe exchange charges vital to existence of small banks and that defeat of Maybank bill would be entering wedge for eliminating of exchange.

I have here a letter from one of the leading bankers of the State:

> Do not think there is any question at all but those in favor of the Maybank bill are thinking of more control. * * *
>
> We believe our dual system of banking is a necessity to the economy of the United States.
>
> We think exchange is a legitimate charge, and we know that without these earnings, small banks like ourselves would have a hard time making ends meet.

Here is another letter:

> DEAR SENATOR: Your letter received in regard to this Maybank bill, and after reading the viewpoint of Mr. Crowley, head of the F. D. I. C., which you no doubt have read, I cannot see any objection to the passing of that bill. Surely he must have as good a viewpoint of the whole banking system as anyone, and as I cannot see where there would be any evil to the passing of this bill, then surely you should be on pretty safe ground in following his advice.
>
> Of course, I am personally interested, because if this bill is not passed it would appear that the small bank will lose its exchange. But just remember that the banking business is still a profit-and-loss business, and has to be operated the hard way, so that if your profits aren't enough to take care of the expense and losses, there isn't any Santa Claus that is going to make up the deficit.
>
> Those small exchange charges which the country bank is getting, if eliminated, when you get right down to it, will be just that much profit which the small bank would be losing and transferred on the profit account of the bigger banks and business concerns. Take, for instance, our local situation when, before the highways were built and the closed cars came on the market, local merchants are now losing a big percentage of the business they had back in those days to the chain stores located in Minot, 45 miles away, and you know yourself that all this extra business to get out of a community in which they pay no taxes, at a cost of 10 cents per $100 check drawn on the local bank, is a good deal for them.
>
> Furthermore, we have already had the experience of being requested to par checks for certain customers, and have done so, and found out later that the big bank in Minot charged back the exchange anyway, and put that in their own pocket, so I figure one of the big things back of the exchange elimination is to make it possible for the big bank to add that much more onto their float charges and thereby pocket the exchange the country bank is getting, for their own benefit, instead of it going to the country bank. In other words, a bigger outfit is going to get this exchange in another way, instead of a little bank. You know too well that the

more independent owner-operator business people that you can have in our country, that we are going to be that much better off than to have chain outfits doing the business instead of the little fellows, and anything that will tend toward taking this exchange from a little bank is another step toward having more and more chain and fewer and fewer owner-operator businesses.

Looking at it from all the other arguments against the bill, surely if anyone would see a danger to the banking system, Mr. Crowley ought to be able to see it in a position which he holds.

I have before me another letter. This is from one of the best bankers of the State of North Dakota. I telegraphed him as to whether I might use his name, and I have his telegram giving me permission. He says:

DEAR SENATOR: Thank you, Senator, for being good enough to request my views on the Maybank Senate bill No. 1642. Quite considerable quantities of various opinions—pro and con—on this discussion have reached us. The National Association of Credit Men oppose its passage with their No. 1 opposition, fearing adverse par effects, while others against the measure assure us that nonpar banks can still charge the usual exchange.

We feel quite certain that the Credit Men in that the defeat of the bill will be of advantage to them in the completion of the "job" which they slipped over with the par clause in the Federal Reserve Act.

Digressing, I might say that that is exactly what has been said by some of the distinguished Senators on this floor. Mr. Munn continues:

We will take with doubts their assurance that they never have and never will oppose service charges. The teller's window at the bank upon which it is drawn is in reality the only place where a check is actually worth 100 cents to the dollar. Various free services en route may and do make the public believe otherwise.

The Federal Reserve par system was installed at a time when the needy borrowers were bearing nearly the entire burden of the banks' earnings. The greedy convinced the majority that the rediscount facilities enabling the banks to reach new heights on their loaning capacity would amply repay them for performing this free service of paying local deposits at any remote spot in the country. Please note that the Federal Reserve haven in times of stress did not hold the first inducement.

You ask for personal experiences. Shortly after the Federal Reserve was inaugurated the writer was urged to join. The officer, avoiding my questions as to loss of revenue in such a move on our part, had me ushered to the Federal examiner. The latter's answer was "You could make up the decreased earnings and then some by rediscounting freely with the Federal Reserve." He was glancing at our card statement. "The Federal Reserve would rediscount for you at 4 percent. You could loan out $200,000 additional at 8 percent that would net you $8,000 additional revenue, greatly compensate for the loss of earnings by joining." That extra $8,000 looked very attractive except that I did not know where to find the $200,000 of additional paper which would be paid at the 90-day maturity. I have thought of that incident many times since and very often about the time our deposits in the depths of the depression shrank 90 percent to $27,500. The peak of that slump we attribute to the fact that we were on the par list previously and had with the shrinkage commenced service charges. That simply added fuel to the flame.

Right now people are making money. They don't object to reasonable service fees. When customers have to count the pennies, they will again first economize on those service charges. We had to go off the par list then and eliminate service charges. The depositors came back. They did not have much money but their accounts were on a profitable basis every time they mailed a check to a mail-order house, who we presume had enough profit to accept a check payable here for the goods that they were selling, or if not, required that exchange be added.

Correspondent banks are going to differentiate between profitable and unprofitable from banks the same as business generally among customers. The Federal Reserve furnishes free safekeeping, free transfer of funds, etc. Why not pass regulations declaring that those services are paying interest against the law? Or shall we by law and regulations drive all banks into a single system?

As you know, all the banks to the north of us are Canadian branch banks. During the time that I have been here, the branch closed its doors, not because they had poor loans. They were all good. But the poor loans were made at the head office. That community had taken stock in an amount exceeding all the loans which they held at closing. When banks in North Dakota failed universally, the community was owing the banks more than the banks were owing the community. We simply had been trying out "the owing to ourselves" idea, confined to local trade territories here in North Dakota.

Unit banking makes for the development of local communities and that benefits the whole country. The Federal Deposit Insurance Corporation brings a Nation-wide viewpoint into the entire banking set-up. As for ourselves, we would commend Mr. Crowley for the position that he has taken on the Maybank bill.

Yours very sincerely,
W. T. MUNN, *President.*

I have also received the following letter from the Florida Bankers Association of Leesburg, Fla.:

FLORIDA BANKERS ASSOCIATION,
Leesburg, Fla., April 25, 1944.

MY DEAR SENATOR: Enclosed for your consideration is copy of a resolution which was adopted at the fifty-first annual convention of the Florida Bankers Association held in Jacksonville April 11-12, 1944, by a majority vote of delegates of member banks of the association, asking your support of the Maybank bill, known as S. 1642.

Yours very truly,
J. CARLISLE ROGERS,
Secretary.

Likewise, Mr. President, I have here scores of other letters from the State of North Dakota, and I ask unanimous consent that I be allowed to put these letters in the RECORD without attaching the signatures. They are from small banks in every section of the State of North Dakota. They are practically unanimous in support of the Maybank bill.

The PRESIDING OFFICER. Is there objection?

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

DEAR SENATOR LANGER: Your letter of March 22, 1944, received, for which I thank you.

From present experience, at the present time, our biggest item of earnings is exchange. To lose it will cripple the little country banks.

We are wholeheartedly in favor of anything you can do in regard to this bill.

Thanking you very much for calling this matter to our attention.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Please permit me to bother you a little more on the above subject.

There is no question but what the pressure exerted by the Federal Reserve through various agencies, the under-the-surface maneuvering, and smoke screen have confused the issue so that many, including banks, cannot decide what is for the best interests of plain John Doe.

It is quite evident that the immediate objective is the elimination of exchange by State legislative action, which will be encouraged and expedited by defeat of the Maybank bill. The National Association of Credit Men, which is actively campaigning for outlawing exchange, argues that rather than charge mail-order houses, wholesale houses, etc., the small exchange fee for remitting for checks received by them from their customers, we should charge our own customers who give the checks. I fail to see their argument and do not believe we should take it from the small fry here for the benefit of the large corporations. Exchange is a vital part of the earnings of the small country banks and its elimination would be a painful, and in many cases fatal, blow to such banks.

Furthermore, down at the bottom of the whole affair it stacks up as a fight between the F. D. I. C., supporting the dual system of banking, and the Federal Reserve, which opposes it. I don't believe you are in sympathy with the ambition of the Federal Reserve to force us into that system with consequent death of dual banking, and trust that further study of the situation will result in your support of the Maybank bill. If a copy is available please read Representative BROWN'S letter of March 18 to the National Association of Credit Men, which states our side of the controversy very clearly.

Hon. WILLIAM LANGER,
United States Senator,
Washington, D. C.:

We urge your support of the Maybank bill. We believe that the passage of this bill is essential to the welfare of our banks.

DEAR SENATOR LANGER: When your letter of March 22, which has reference to the Maybank bill, S. 1642, came in, I was absent on my vacation, which accounts for the delay in replying.

We hope that you will give your support to the Maybank bill. It is our opinion that this is one way of heading off further control by the Federal Reserve bank, which would eventually lead to the elimination of the independent banks. It seems to us that we have too many Federal controls as it is. We note with considerable satisfaction that the Federal Deposit Insurance Corporation is supporting this bill and certainly they have contributed more to the upbuilding of the independent bank than the Federal Reserve bank has or ever will.

Hon. WILLIAM LANGER,
United States Senator,
Washington, D. C.

DEAR SENATOR: Since writing you March 21 with reference to the Brown bill, we have had some time in studying both sides of the question, and we are now convinced that the bill should be passed. If we are to maintain a dual banking system, banks should have individual liberty in running their business in a way that best suits operations in their particular locality, without being tied down to some system that works best in some other place.

We kindly ask you to work for the passage of the Brown bill.

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SIR: We have given careful consideration to the issues involved in the controversy over regulation Q, and we are of the opinion that the interests of the banks of North Dakota are best served by the position taken by the Federal Deposit Insurance Corporation.

Exchange charges have long provided an important part of the income of the country banks of our State, and in the face of declining revenues from other sources their loss at this time would be a severe blow. As you know, a bank must have a reasonable income if it is to keep itself in a sound, solvent condition. We believe that regulation Q is a step toward the eventual abolition of exchange charges and possibly of the dual banking system.

We, therefore, earnestly urge you to support the Maybank bill.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: Received your letter and circular with regard to Maybank bill, S. 1642, and after reading them, and many others, giving due consideration to small communities, entitled to enjoy the services of a bank, which would not be possible in many instances if exchange were eliminated. Consequently, I would appreciate it if you will vote for the passage of the bill.

P. S.—You know, the more enterprises in a community the better the community; such holds true with the States as well as the Nation. But let one own all, and see what's going to happen. I for one believe in living and letting live, which thought by so many of us is not entertained.

DEAR MR. LANGER: I urge your support of the Maybank bill, which permits the absorption of exchange charges by correspondent banks.

If there is any material profit made in the banking business, it is being made by the larger banks. Surely, if they want to absorb exchange charges they should be permitted to do so.

If exchange charges are absorbed by correspondent banks, there will probably be less pressure by the retail merchants association and by mail-order houses on the various State legislatures to pass laws prohibiting exchange charges.

The smaller banks must have the revenue obtained from exchange charges. If they are prohibited, then other service charges will have to be made to the depositors. For my part I would rather have the correspondent banks, the mail-order houses and the merchants pay these charges than to assess additional charges against our depositors' accounts.

In the event you have not used up your quota of names for the CONGRESSIONAL RECORD, I would be pleased to have you place my name on the list, so that I may receive a copy.

I was at the Nonpartisan State Convention in Bismarck last March and was especially pleased to have Beede get the endorsement for Representative, and well satisfied that the convention did a good job on the rest of the ticket.

Senator WILLIAM LANGER,
Washington, D. C.:

After complete information we are in favor of the Maybank bill and urge you to support the bill. Believe this bill favors the small country bank.

Hon. WILLIAM LANGER,
Bismarck, N. Dak.

DEAR SENATOR: The above bills are very much detrimental to the interest of banks, and we would like to see you support the minority report when they come up for action.

In the past years, practically no new banks have been organized, and many have gone out of business because it does not pay to operate. Considering the heavy investment necessary to start a bank, and the resulting responsibility and liability, it seems that investors can find ways to make more money and easier than to tie it up in a banking organization, and it is about time that banks be left alone. After all, a community without a bank is more or less a ghost town. Why put on more restrictions? We have enough now.

Senator WM. LANGER,
Washington, D. C.:

Urge support of Maybank bill. Deem vital to country banks.

Hon. WILLIAM LANGER,
United States Senator,
Washington, D. C.

DEAR SENATOR: Just received your letter regarding the Maybank bill and I am glad to see you tell me I am wrong in suggesting opposition to this bill. It has been so confused, but now it seems that it's a good bill for the small banks.

Thanks a lot and when you make Forman, I want to spend a little time with you, if your time will permit.

DEAR MR. LANGER: Your letter of April 13 has been received and you are entirely at liberty to use our telegram in favor of the Maybank bill.

We realize that the larger banks and corporations have managed to stack the cards against us so that we are in the minority, but we still maintain that elimination of exchange, to which defeat of the Maybank bill will without question lead, will be a blow to small banks and will eliminate many of them.

Thank you for your interest.

DEAR MR. LANGER: Since sending you my telegram advising you that we were against the passage of the Maybank bill, S. 1642, we have made further study of the matter and it is very clear to us now that this bill should be passed and we are writing you this letter advising you of our reversed position since sending you our telegram.

There has been so much confusion in this connection, that at first we thought that the passage should be opposed, but we now find that such is not the case and that the defeat of this bill is a planned matter by the Federal Reserve bank and its friends and pressure is being brought wherever it is possible to do so.

I am sure that you have made a sufficient study of this bill to see why we have changed our position for the passage of this bill and trust as you have indicated in your letter that you will favor the passage of this bill.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR BILL: We independent bankers may be so darn independent that we refuse to follow the position of our own Independent Bankers Association.

Shortly after the hearings before the House Banking Committee we sent out a general circular, and since then have sent a special circular to the bankers of your State. Of course, our little association is at considerable disadvantage. The Federal Reserve System has been extremely active in opposition to the Maybank bill. They have a tremendously large personnel and their influences are sufficient to prescribe the course of action to a number of State associations. We have had to operate pretty much alone and, of course, our association is not a very large organization.

We may be licked on the Senate side, but I feel that our position is logical and that time may prove us correct. The country bankers have been confused by the Federal Reserve System, and I am not much surprised that many of them are advising Congress contrary to their own interests.

I am glad that the hearings won't be held for a few days. It will give us a little more time to get out another circular that we are preparing, and I believe that many bankers who have been confused on the issue are getting the matter cleared up in their minds.

I want you to know that I appreciate very much your communications and the help that you have given me.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR BILL: As per your wire of this date, we are enclosing a list of our members in North Dakota. I presume that many of these bankers felt that the Maybank bill would have about the same support as the Brown bill did in the House, therefore were not active with their letters. I rather think you will begin to hear from the smaller banks very shortly.

It appears that in many States the big banks dominate the State associations, and they are using their influence in opposition to the Maybank bill. I am hoping that the hearing before the Senate Banking and Currency Committee may be delayed a bit so that the country bankers who respond rather slowly will have a chance to present their side of the argument.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR BILL: Thank you for your favor of the 23d in which you enclosed a copy of a letter from the Farmers State Bank of Richardton. It seems to me from reading this letter that Mr. Geidt, the cashier, has confused himself on regulation Q and the Maybank-Brown bill. It is quite evident that he is opposed to regulation Q and in favor of the Maybank bill, although he states himself to the contrary in his first paragraph.

The Maybank bill leaves the bank alone; regulation Q imposes a regulation.

Many of the bankers are beginning to realize that the pressure that the Federal Reserve banks have put upon them to oppose the Maybank bill is contrary to their own interests. I understand that John Graham, the superintendent of banks for your State, put out a circular that was probably written by the Federal Reserve. There have been quite a good many letters pro and con and some of our bankers like Mr. Geidt are somewhat confused.

As I understand it, the hearings on the Maybank bill probably won't start before the middle of April. This will give time for the clarification of opinions and I am quite sure that the banking fraternity will begin to oppose legislation through regulation. The power of the Federal Reserve is considerable and they have exerted themselves tremendously in trying to formulate opposition to the Maybank bill.

From the correspondence that flows across my desk it would appear that the proponents of regulation Q have shot their bolt and that from now on opposition to this regulation will continue to increase.

I am very appreciative of your thoughtfulness in keeping me thoroughly informed.

Hon. WILLIAM LANGER,
Senate Office Building:

Re telegram am writing you air mail in support of the Maybank bill.

SAUK CENTRE, MINN.,
March 15, 1944.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR BILL: I am just in receipt of both your telegram and your letter and I am very glad, indeed, to have this opportunity to express to you the views of our association on regulation Q and the corrective act in the Senate, the Maybank bill (S. 1642).

I spent 2 weeks listening to the testimony that was presented to the House Banking Committee. I believe the House Committee was influenced in its decision by the overall effects of regulation Q and not on the technical issue of whether or not the absorption of exchange constitutes the payment of interest.

Regulation Q if continued will have a tendency to eventually eliminate exchange. Many of the small country banks will have difficulty in substituting a service charge that will compensate them for the loss of this form of revenue. As an indication that par clearance is involved I am quoting from a letter of Congressmen FORD and CRAWFORD under date of March 7, which was sent to all the banks of the country: "In our country almost all business is done by checks. These checks should be worth 100 cents on the dollar. Par clearance makes this possible."

If the nonpar banks lose the revenue from exchange many will probably join the Federal Reserve System as the Federal Reserve banks of each district offer inducements that are not offered by the private correspondent bank. If a bank is a member of the Federal Reserve System it might be more advantageous to drop its State charter and take a national charter. If this was quite generally done our dual system of banking would begin to disappear.

At the present time the majority of banks are nonmember banks but they are the smaller banks and their assets probably constitute less than 20 percent of the total bank assets of the country. Of course, there are arguments why all banks should belong to the Federal Reserve System but when we review the mistakes of past matters by the Board of Governors we are wondering if it is advisable to have every bank in the country a member of that system. As things now stand the preponderance of assets are already in the Federal Reserve System so that the economy could probably be handled through them now as well as it could if all the little banks were brought into the fold.

I have a feeling, BILL, that we are definitely centralizing too much authority in official Washington, that banks are now regulated to an unreasonable extent, that if this regimentation is carried much further banks will find themselves in a strait jacket and their ability to serve the public will be greatly lessened.

The Board of Governors of the Federal Reserve System picked out a bad time for more regulation. You know that every class of business now has to put up with a great deal of regimentation. The banks are burdened with governmental duties to the point where they have a little time for their own affairs. To bring on a new regulation which upsets a prevailing custom seems to be illogical. There have been some abuses in the absorption of exchange but the supervisory authorities already have sufficient powers to force a bank to discontinue any practice that constitutes bad banking. It seems to me that the Board of Governors are trying to legislate through regulation, that if they are not stopped now that they will carry on further and eventually other types of service charges may come under their disfavor. Service charges are essential to a bank today. The country bank cannot live off its note pouch and the returns from Government investments are rather negligible.

I am taking the liberty of enclosing a circular put out a short time ago which contains my testimony before the House Banking Committee.

During the hearing before the House Banking Committee the opposition was rather negligible but now this opposition under the lead of the Federal Reserve banks of each district is becoming well organized and they are going to exert much pressure on the Senate. It is my studied opinion that the Maybank bill constitutes good law and it should be passed. The House Banking Committee after a long study of the companion bill, the Brown bill, came to that conclusion and the House I understand passed it by about a 6 to 1 vote. The question is controversial, so controversial in fact that the American Bankers Association were noncommittal. Now I believe they will break their silence and probably appear in opposition to the Maybank bill. Of course, the A. B. A. represents all the banks of the country but the influences of the big bankers are quite pronounced. Our association, as you know, is a grass-root organization.

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR: Your letter of April 5 has been received, and I am very much pleased to hear from you about the above bill, which I hope will pass.

With best personal regards, I am,

Yours very truly,

P. S.—Springlike here. Farmers will soon start in fields.

BILL.

Senator WILLIAM LANGER,
Washington, D. C.:

Strongly urge that you oppose Maybank bill, S. 1642.

Senator WILLIAM LANGER,
Washington, D. C.

DEAR SENATOR: Your letters of March 22 and 27, with enclosures, have been received. I appreciate and thank you for writing to me.

This Maybank bill seems to have gotten to be quite an issue and we have received so much literature on both sides of the question, that it would be hard to recommend what to do.

However, since wiring to you, the enclosed letter from the F. D. I. C. has been received, which seems to present more light on the subject than we had theretofore gotten. In view of this, it would seem that perhaps the Maybank bill should be passed. You are on the ground floor and acquainted with banking in North Dakota, and I am sure that you will make a proper decision.

We hand you letters from the Independent Bankers, the North Dakota Bankers, and the Minnesota Bankers Associations, which take an attitude opposite to the Federal Deposit Insurance Corporation.

We have had no personal experience in this connection, excepting that we do receive some items upon which we get exchange that had been routed differently heretofore.

Hoping you are fine, and with best regards, I am,

Yours very truly,

A lot of snow here.

DEAR SENATOR LANGER: We would like to operate this bank as we have in the past, and while we are much confused over the bills we are of the opinion that the Maybank bill will if passed allow us to continue as we have in the past, and for that reason we will appreciate your support of this bill.

Hon. WILLIAM LANGER,
United States Senator,
Washington, D. C.

DEAR SENATOR: This will acknowledge receipt of yours of the 16th in regard to the Maybank bill, known as S. 1642.

We have heard arguments both for and against this bill, as well as the majority and minority report on Congressman PAUL BROWN'S bill, known as H. R. 3956, which passed some time ago.

We are very much in favor of having the Maybank bill passed in the United States Senate. We have a number of small banks in our State as well as other States, and should they be deprived of the exchange revenue there is no question in our mind that a good number of them will have to liquidate as the income from the exchange in many cases represents from one-half to two-thirds of the operating revenue. The banks in this State have charged exchange for over 30 years or more, and we cannot see any reason why that practice should be abolished at this time as Congress has never declared itself in favor of universal par clearings. On the contrary, in 1917 Congress expressly amended section 13 of the Federal Revenue Act so as to authorize member banks to charge exchange on clearings which did not pass through the Federal Reserve banks. The Supreme Court of the United States in 1923 in the case of the *Farmers and Merchants Bank of Monroe, N. C.* v. *Federal Reserve Bank of Richmond,* in which the court held that they had no right to enforce universal clearings on the banks in this country. We believe that if par clearings should be made universal, it should not be made by administrative regulations, but only by act of Congress, and the present legislation merely carry out this thought.

We believe that the Federal Deposit Insurance Corporation's view on this matter should be considered carefully, and we agree fully with them. We are enclosing a circular letter that we received from them dated March 16, 1944, although they do not request any of the banks to support this legislation, we are sending it to you because we believe that will more clearly express the view of all independent banks, and especially smaller banks all over the Nation who receive a substantial amount of revenue from exchange charges.

We will appreciate hearing from you, and we hope that you may see your way clear to support this Maybank bill when it will come up to a vote in the Senate.

Mr. LANGER. Mr. President, as I view it, the Maybank-Brown bill has raised a great controversy in which the powerful Federal Reserve Board and the financial fat cats who run the banks of Wall Street are trying to destroy the independence, yea, the very existence, of over 2,700 small bankers in the agricultural sections of the South and Middle West. In such a dispute need I say where the cause of right and justice lies?

Mr. President, replying specifically to the argument made by the distinguished Senator from Michigan, when time and time again he said that this amendment involved only 2 percent of the deposit liability of this country, I will say that may be true. I do not concede it, Mr. President, but of one thing we are certain, and that is that this amendment involves nearly 20 percent of the banks of the country. There are, as the Senator said, 6,700 member banks in the Federal Reserve System, 4,800 nonmember banks that are on a par basis, and then there are 2,500 other banks. So we have,

roughly, 20 percent of the banks that are vitally affected by this measure.

Mr. President, if what I have stated does not arouse the interest of my fellow Senators, let me say that the amendment also places squarely before the Senate a situation wherein the Federal Reserve Board, with that boldness all too often found these days in our executive agencies, has made an administrative ruling which has the force of law but which Congress has never authorized. Not only has Congress never authorized the ruling, but during the 30 years' life of the Federal Reserve System, Congress itself has repeatedly refused to interfere with the banking practice which this ruling tries to make illegal. This is the old, old story of a delegated power to do one thing being used to deal with an entirely different problem—a matter which Congress itself has repeatedly refused to affect.

As I come from the State of North Dakota, I know a great deal about the practice of charging exchange. It has been a source of revenue which kept many of our North Dakota banks alive. I need not tell the Senate what keeping a bank alive means to a country town, whether the town be in North Dakota, or in Tennessee, or in Georgia, or in Florida, or in any other State in the Union which is more or less of an agricultural or dairy State. It means the difference between a living town and a dead town, a town which business comes to and a town which business shuns. I ask Senators, who knows best how North Dakota banks should be run? The men who have brought their banks through war and depression, through drought and crop failure, and drought and crop failure again? Or some young theorist, fresh from his college courses on money and banking, who gazes out of the high windows of the marble palace which houses the Federal Reserve Board at the far end of Constitution Avenue?

In the years prior to 1933, the country bankers used to get interest from the city bankers on the balances which they carried in the city banks. The country banks have to carry these balances in order to meet the demands of their customers who do business in the cities. They are prevented from investing this money because it is their reserve to meet the demands of their depositors. Vast sums are accumulated by the city banks which they are able to invest in Government securities which they can quickly liquidate because they have ready access to the Federal Reserve banks and to the security markets. So the city bankers make the profits which have always enabled them to pay interest for these funds. But in 1933, when Congress was swinging wildly to clean up the banking disaster which had almost ruined our country, a law was passed which made the payment of interest illegal, where the deposits were payable on demand. The idea was that this would prevent this money from being attracted to New York and other big money centers to be used to finance stock-market speculators. When this law was passed on June 16, 1933, it was needed. But since 1933 many other laws have been passed. Among these I have only to mention the Securities Acts of 1933 and 1934, which have set up a bulwark between the bulls and bears—they really should be called wolves—of Wall Street and the public upon whom they have always preyed. These laws have created the Securities Exchange Commission and given it many powers to regulate the securities business. Furthermore, under these laws the Federal Reserve Board has been given the broadest powers to regulate and control the use of credit for speculative purposes. Under this law the Federal Reserve Board has issued regulations fixing the margin requirements which brokers and bankers alike must live up to and restricting the making of bank loans to be used for security speculation. If these agencies exercise the powers given them by Congress, there never again can be a run-away stock market; no longer will funds be attracted to New York for use in the stock market, because it can be kept under control.

Mr. President I may say that in the campaign that just closed, next to the war I believe the argument which most impressed the people in the rural areas was that we had the Federal guaranty of bank deposits, and I think that was true also in the election 4 years ago, and it has been true I believe in every election since the Federal Deposit Insurance Corporation law was enacted.

Therefore, I say the need for prohibiting the payment of interest on demand deposits has long since passed. I say that Congress should repeal this old law because it is no longer necessary—it no longer serves any purpose except to prevent the little banks from getting interest on the reserve deposits which the needs of trade compel them to keep in the New York banks. This is something for us to consider carefully in the future.

In the meantime we must adopt the pending amendment. The House passed a bill in similar language by a record-breaking vote early in March of this year and why the Banking and Currency Committee of the Senate has kept the bill in the committee all these months, I do not know. I repeat, it should have been reported to the Senate promptly.

Again I want to congratulate the senior Senator from South Carolina for bringing the provision out in the form of an amendment to the pending bill, and I sincerely hope the amendment will be adopted.

The purpose of the amendment is to permit the little banks to live. It permits them to live because many of them live largely on their exchange-charge revenue. It nullifies the Federal Reserve ruling which holds that the interest statute is violated when the city banks pay the country banks' charges on check clearings unless the city banks bill their depositors for them. The Federal Reserve says that for the city banks to stand the expense of collecting checks from the country banks is paying their depositors interest. Not satisfied with depriving the small fellow of the opportunity of getting interest for this money, the Federal Reserve now wants him to pay part of his bank's operating expenses as well. There was a day when money was worth something to the banker. Bankers are so anxious to get deposits, it is perfectly clear that money is still worth something to them. But the Federal Reserve works on the theory that a penalty should be imposed on the public by the banker who holds his funds. Do not pay John Doe Public any interest and make him pay the expense which the banks have always borne as well. So says the Federal Reserve. Let the poor man pay it, let the farmer pay it, let the laboring man pay it, but for heaven's sake protect the large banks.

Of course the purpose is to pass the small banks' charges back to the public instead of letting the big city banks pay them as they have done ever since banks did business with one another. The reason is to make trouble for the little banks by stirring up public resentment against their charges and in this way force them to discontinue these small charges. The Federal Reserve calls this going on the par list and there has been a historical fight between the Federal Reserve and the small bankers on this question which came before Congress in 1917.

After the Federal Reserve System was set up certain Federal Reserve banks instituted compulsory par remittance by member banks on checks sent through them. In 1915 the Federal Reserve Board instituted a voluntary par remittance plan. However, this failed in a number of areas because of the small percentage of banks, 25 percent, which agreed to remit at par. In 1916 the Federal Reserve Board instituted compulsory par remittance which was put into effect in the face of intense opposition on the part of many national banks in country areas, and the efforts of a committee of the American Bankers Association to obtain postponement of the compulsory plan failed. Although many of the larger banks favored the compulsory plan because they were already remitting at par, the then—1916—president of the American Bankers Association declared his sympathies with the country banks in these words—mind you, Mr. President, this is a president of the American Bankers Association, speaking in 1916:

> The transfer of funds is a service—
>
> Not interest, Mr. President—
>
> a service which is as much entitled to compensation when made by a bank as it is when made by an express company or by the postal officials.

A committee of the American Bankers Association reported at the 1917 convention that it had sounded the opinion of bankers and that more than 75 percent opposed the par collection plan. Mr. President, I regret that the senior Senator from Michigan is not in the Chamber at the present time to get the official figures as to what the members of the American Bankers Association thought even in those days.

However, as the Federal Reserve Board had observed in the preceding year, the force of competition with par-clearing member banks was driving many nonmember banks onto the par list.

In 1916, section 13 of the Federal Reserve Act was amended expressly to permit banks to make reasonable exchange

charges on collections otherwise than against the Federal Reserve banks. In accepting this amendment, the nonpar banks, supported by an opinion of the general counsel of the American Bankers Association, had understood that the amendment would permit nonmember banks to charge exchange on collections which the Federal Reserve banks were handling in the customary agency capacity. However, the Attorney General in 1918—Thirty-first Opinion, Attorney General, pages 245 and 251—issued an opinion to the contrary, so that nonmember banks were prohibited from charging exchange not only on collection items owned by the Federal Reserve banks, but also on those which they were handling in an agency capacity. This deprived banks of the clearing facilities of the Federal Reserve banks for checks drawn on nonpar banks, and the situation in this respect has since remained unchanged.

In September 1943 the Federal Reserve Board issued its ruling that absorption of exchange was interest, and it has been battling in a most extraordinary manner to make all banks comply with its ruling. It has fought to break up the practice which its ruling outlawed even while Congress has been considering this legislation. The Federal Reserve Board would like nothing better than to have the Committee on Banking and Currency continue consideration of this bill, as it has considered it for many months already.

The Federal Reserve Board has been carrying on a country-wide campaign to get banks which are not directly affected by its ruling to oppose this bill; and the result has been a flood of telegrams asking some Members of this body to oppose this measure. The chief claim has been that this bill will destroy the Federal Reserve System. How utterly absurd. If the Federal Reserve hangs by such a slender thread, let it be cut now so that we may no longer be blind to its weakness.

I agree with every word that was said by the distinguished senior Senator from Tennessee [Mr. MCKELLAR]. He put his finger on the vital issue with which we are concerned today.

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

Mr. LANGER. I yield.

Mr. MCKELLAR. If this amendment would destroy the Federal Reserve System, why has it not been destroyed during the 9 or 10 years the Federal Reserve System has acquiesced in this very method of handling business?

Mr. LANGER. Of course, Mr. President, the question answers itself. It shows how very specious is the argument made by the Federal Reserve Board.

Mr. President, I am sure that the Members of this body are too courageous in their respect for right and justice to yield to this kind of lobbying. I have upon my desk many letters sent by the Federal Reserve Board to bankers in the State of North Dakota, which letters have been forwarded to me.

Every bureaucrat who makes an illegal ruling wants his hand upheld and puts up an awful howl when Congress takes steps to protect the public from his abuse of authority. The worse the trespass on the public's rights, the louder do they cry. That is what is happening in this case.

The Federal Reserve ruling was to prohibit the absorption of exchange, but its purpose was to prohibit exchange itself, because by making exchange charges a nuisance through forcing every bank to charge them back to the public, instead of paying them as part of their operating expenses, the Federal Reserve hopes to force the little banks to cease charging exchange or to go out of business. Mr. President, in this very year more small banks have gone out of business in the State of North Dakota.

Let me show how this system works. Farmer Smith lives in a small agricultural community and is a depositor in the Farmers State Bank of Williston, N. Dak. This is an independent, locally owned bank catering exclusively to the residents of the town and the farmers residing in the immediate vicinity. Mr. Smith buys some equipment from a store in Chicago for $100. He sends his check in that amount to Chicago and receives the merchandise. The Chicago store deposits the $100 check with its bank in Chicago, receiving credit to its deposit account for $100. At this point, for all intents and purposes, Mr. Smith and the Chicago store have concluded their transaction. The remainder of the transaction is wholly a banking function, of which both Smith and the store are completely ignorant. The Chicago bank transmits the $100 check to its correspondent, the Minneapolis National Bank, of Minneapolis, Minn., with instructions to collect the check and credit the proceeds. The Minneapolis bank acts as correspondent, not only for the Chicago bank, but for many other banks throughout the country for the purpose of collecting checks drawn on banks in Minnesota. The Minnesota bank sends the $100 check, together with other checks drawn upon the Farmers State Bank of Williston, to the Farmers State Bank for payment. The Farmers State Bank remits to the Minneapolis bank by a draft drawn upon an acceptable point, probably Minneapolis, and charges exchange at one-tenth of 1 percent. Thus, the draft executed and mailed to the Minneapolis bank is in the amount of $99.90. Ten cents is retained by the Farmers Bank of Williston as an exchange charge for this service. It should be noted that if the Minneapolis bank presented Mr. Smith's check at the counter of the Farmers State Bank at Williston, the check would be cashed at par.

I wish to repeat that, Mr. President, because the statements which have been made upon the floor of the Senate are misleading. It should be noted that if the Minneapolis bank presented Mr. Smith's check at the counter of the Farmers State Bank at Williston, the check would be cashed at par. The Minneapolis bank credits the deposit account of the Chicago bank with $100 and absorbs the 10 cents exchange charge as a part of its operating costs. It feels that it is able to do this because it has made profitable use of the earning power of the deposit which the Chicago bank maintains with the Minneapolis bank.

If the present regulations of the Federal Reserve Board are enforced, that Minneapolis bank will no longer be permitted to absorb this exchange charge. Having received only $99.90 from the Farmers State Bank of Williston, the Minneapolis bank will be able to credit the Chicago bank only with the amount it has collected on the check, namely, $99.90. The Chicago bank, not being able to absorb any charges in relation to the account of the store, can only notify the store that, having received a net credit of only $99.90 from the check of Mr. Smith, the store must remit an additional 10 cents in order to obtain deposit credit for the full amount of $100. The store will then demand the remittance of 10 cents from the original maker of the check, Mr. Smith. Under these circumstances, Mr. Smith would undoubtedly step into his small, locally owned bank and would demand that it remit the 10 cents; and no doubt he would threaten the shifting of his business to a so-called par bank, where the exchange charge would not be imposed, but where the expenses would be absorbed by the Federal Reserve System as an over-all banking expense. The result would be a shaking disturbance of a depositor relationship that has been satisfactorily in existence for a long time.

Many small banks have been experiencing great disturbance among their customers as a result of this ruling. I know, Mr. President, because I have received telegrams to that effect from bankers in the State of North Dakota. I say that concerns from whom bank depositors make purchases for which they pay by check are told that it is illegal for the bank to absorb the exchange charge. That causes them to complain to the little bank's depositor, who immediately is given the impression that his bank has just started charging exchange and that the practice is wrong. That is only natural, because the Federal Reserve says it is illegal. It is also natural for him to think it is a new practice, because he never had any difficulty until the Federal Reserve ruling was made, although his bank has been charging exchange for many years. So he complains to his banker, and possibly he moves his account to some nearby city bank where exchange charges are not necessary. The whole process tends to force the country banks to go on the par list. That is just another way of saying that the Federal Reserve has succeeded in forcing the banker to discontinue charging exchange which is legal under the law of his State and which in 1917 Congress said was legal under the Federal Reserve Act as well.

Now let me make clear that these things are happening all over the South and Middle West today, and many bankers are being forced to change their method of doing business, all because of the Federal Reserve Board's ruling which Congress never authorized.

Mr. President, in conclusion I say again that the distinguished senior Senator from South Carolina [Mr. MAY-

BANK] is to be congratulated for the work he is doing in behalf of the farmers, the dairyman, and the laboring men of the country, in so tenaciously sticking by his guns in the face of the opposition which has developed here, particularly on the part of those who come from large banking centers.

Mr. MALONEY. Mr. President, this afternoon I received a message from the chairman of the Committee on Banking and Currency, the Senator from New York [Mr. WAGNER], who finds it necessary to be in New York. He has asked me to advise the Senate that the pending proposal originally submitted in the form of a bill, is now pending before the Committee on Banking and Currency, and that the committee is in the midst of its hearings on it. He has asked that I emphasize to the Senate that the officials of the Federal Reserve Board are just about to testify before the committee and that they are very anxious to be heard on this measure. He has asked me to tell the Senate as well that bankers from various parts of the country and officials of banking associations who profess to be vitally concerned have not yet had a chance to testify, but they hope to be able to testify before the matter is acted upon by the Senate.

Mr. President, I myself am a member of the Committee on Banking and Currency, and I presume that is why the chairman of the committee submitted the request to me. But, unfortunately for me, I have been unable to attend several of the sessions of the committee dealing with this proposal, due to the fact that I had to be in attendance at other committee meetings. However, Mr. President, I feel obliged to express on behalf of the chairman of the committee the feeling that it would be unwise to rush to a conclusion upon this measure at a time when high officials of the Government are requesting an opportunity to be heard before the committee, where they have not yet been afforded an opportunity to present their case.

I myself need further enlightenment, Mr. President; and I would not feel justified in voting favorably upon the pending amendment until those who profess to see a danger in the adoption of the amendment have a chance to fully advise the committee.

Mr. TAFT. Mr. President, I am a member of the Committee on Banking and Currency, and I have attended the hearings. The hearings began last week, on Thursday, as I recall. For 2 full days—Thursday and Friday, if I am correct—the committee heard the proponents of the measure, although I understand that on Friday afternoon there was difficulty in having any of the members of the Senate committee leave the Senate Chamber to attend the committee meeting, and therefore perhaps the hearings could properly be said to have extended over a period of a day and one-half.

When we met on Monday morning of this week to hear the opponents of the measure, one or two of them testified. Four more proponents remained to be heard, and we heard from proponents of the measure all the rest of the day. On Tuesday morning we heard some proponents and some opponents.

Certainly the opponents have not yet completed their testimony. It seems to me that the most important of the opponents are the officials of the Federal Reserve Board themselves.

Personally, Mr. President, I am inclined to oppose the measure. The only thing which deters me is the question whether the interpretation of the law holding that the absorption of exchange charges is interest is in accordance with the law which was passed by Congress, or, in other words, whether the Federal Reserve Board in issuing regulation Q has gone beyond the authority given it by Congress.

That is the question I have intended to propound to the Federal Reserve Board officials, and I have intended to endeavor to obtain some answer which would determine my view regarding the measure.

It seems to me unfortunate that the measure should be attached to a bill with which it has nothing whatever to do. If its proponents are dissatisfied with the action of the committee on it, it seems to me they have a perfect right to move that the committee be discharged from further consideration of the bill. Of course, I do not think that should be done until the hearings are concluded. They will take another day. I understand there are many bankers who wish to be heard against the bill. But I do not think the chairman of the committee is inclined to prolong the hearings or to have repetitious testimony. I should think the hearings could be completed tomorrow, or certainly not later than Friday.

Mr. President, I certainly could not vote for the measure at the present time.

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

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from Ohio yield to the Senator from Louisiana?

Mr. TAFT. I yield.

Mr. ELLENDER. Let me inquire why the hearings have been delayed so long. Can the Senator tell us?

Mr. TAFT. That I cannot say. That is for the chairman of the committee to say. Unfortunately, he was away yesterday, and he is still away today. I understand he will be back tomorrow.

In view of the fact that it is now 10 minutes of 4, I think further consideration of the amendment should be deferred until tomorrow, when the chairman of the committee will be here.

Mr. ELLENDER. I presume the Senator from Ohio will concede that, in view of the approaching end of the Congress, there is no chance of the proposal of the Senator from South Carolina being acted upon as an independent bill. If it is to be passed upon at all, it must be attached to some other bill.

Mr. TAFT. The Senator's presumption is based on the assumption that the proponents of the measure are opposed to having the committee consider it further. But in that event, it should not be attached to a bill with which it has nothing whatever to do.

Mr. ELLENDER. That is what I had in mind when I spoke a moment ago. I doubt that the bill will ever be reported by the committee at the present session.

Mr. TAFT. I have made only a very casual poll of the committee, but I think three Democratic members and two Republican members of the committee may be in favor of the bill, and perhaps the other members of the committee may be opposed to it. However, I am not sure of that. Perhaps the proponents of the bill may know about that.

However, I could come to no final conclusion until I had an opportunity to question the officials of the Federal Reserve Board.

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

Mr. TAFT. I yield.

Mr. LANGER. Is it not true that the committee has had the bill since last March?

Mr. TAFT. I should think the committee has had it at least that long. However, I have seen the calendar of the Banking and Currency Committee and the calendar of the Committee on Finance, and I should think that both committees have on their calendars two or three hundred bills which have been there for the last year or so. That point alone is not sufficient ground for attaching the measure to another bill. I should think the Senator should give notice that he is going to move that the committee be discharged from the further consideration of the bill, if he is not satisfied with the action of the committee.

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

Mr. TAFT. I yield.

Mr. MAYBANK. The Senator stated that similar delay has occurred with regard to several bills referred to the Committee on Banking and Currency. I should like to ask the Senator from Ohio if any other bill which passed the House by a vote of almost 2 to 1 and was referred to the Senate Committee on Banking and Currency in March of this year has not been considered by that committee?

Mr. TAFT. I have no way of knowing. I know that I have two bills pending before the committee. I have urged the chairman to hold hearings on the bills. They are Senate bills, of course.

Mr. MAYBANK. I have in mind the pending amendment which as a bill was introduced last January and was passed by the House. It passed the House overwhelmingly in March. What the Senator has said about hearings commencing last week and running through this week, is correct, except that the Federal Reserve Board has decided to be heard tomorrow and complete their testimony perhaps on the same day. Then we shall have to take testimony of the F. D. I. C. In other words, we shall have to consider two Government agencies, one charged with insurance and the other charged with laws governing banks, and they will both have to be heard.

Mr. TAFT. Mr. President, it seems to me that the Senator from South Carolina states excellent reasons for postponing consideration of the bill. We have

before us a matter on which two departments of the Government have taken a stand, and to proceed without first taking testimony from them seems to me to be an extraordinary procedure for the Senate to undertake.

Mr. MAYBANK. I suggest that because of the length of time taken by the House of Representatives in consideration of the bill, and the protracted hearings held there, the House hearings could be made use of by the Senate committee.

Mr. TAFT. I have not read the hearings conducted by the other house, and I do not know what is contained in them. I am not defending the action of the chairman of the committee. It seems, however, that when we are in the midst of holding hearings we should hear the most important witnesses.

Mr. MAYBANK. I do not intend to criticize the chairman of the committee. I merely state actual facts.

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

Mr. TAFT. I yield.

Mr. ELLENDER. What efforts have been made to hold hearings on the bill?

Mr. MAYBANK. On many occasions I have asked for the holding of hearings on the bill. I not only spoke in the Committee on Banking and Currency, but also on this floor before the June recess. On several occasions I urged that hearings be held on the bill.

Mr. ELLENDER. What reasons were assigned for not holding the hearings?

Mr. MAYBANK. I have not only asked that hearings be held, but other members of the committee, as well as Senators who are not members of the committee, have made similar requests.

If my memory serves me right, from time to time both Senators from Georgia talked to me about the matter. The Senator from Alabama [Mr. BANKHEAD] is a member of that committee, and I should like to hear him make a statement.

Mr. TAFT. Mr. President, I do not know why the chairman of the Banking and Currency Committee did not hold hearings unless it was the fact that all during last spring the committee was engaged in hearings on the O. P. A. bill. I believe hearings were held at great length in regard to that matter.

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

Mr. TAFT. I yield.

Mr. BANKHEAD. I wish to confirm what the Senator from South Carolina [Mr. MAYBANK] has said. His statement is not in conflict with what the Senator from Ohio has said. However, I believe that all members of the committee realize that a very diligent effort was made to have hearings held on the bill. The bill was introduced in the Senate in January. As the Senator from Ohio has said, we were then engaged in holding hearings on the price-control bill. Those hearings continued for a period of many weeks. Throughout all that time, while the matter of holding hearings on the bill in question was from time to time mentioned, the chairman of the committee, the senior Senator from New York [Mr. WAGNER], was engaged in conducting the hearings to which I have referred. He would not give consideration to any other controversial matter. At first the bill was referred to a subcommittee of which the senior Senator from Virginia [Mr. GLASS] is the chairman. The majority leader, the senior Senator from Kentucky [Mr. BARKLEY], was the ranking Democrat on that committee. I was next in order.

The question arose with reference to hearings, and the chairman of the committee, after considerable discussion, said that he would refer the bill to a subcommittee and would expect the senior Senator from Kentucky to hold hearings. After some delay and some application—I am sorry neither of the Senators is here—the Senator from Kentucky told me that he could not give the bill the attention that it deserved, and asked me to take charge of it. I proceeded with the matter and gave attention to the holding of hearings. Within a short time the chairman of the committee stated to me that he thought the bill was of such importance and of such a character that the hearings on it should be held by the full committee. Of course, I did not resist, I was merely acting by request. So I told him that that would be all right, and for him to take charge of the bill. I did not wish to object to his request that the full committee handle the matter.

Since then I have spoken to the chairman of the committee on a number of occasions. The matter of making continued and repeated requests for hearings became quite embarrassing.

The time for primary elections soon arrived, and we all know the difficulty involved during such a time. We know of the time consumed in making senatorial races; and the chairman of the committee had a race on his hands. He was frequently absent from the city. Other reasons of a personal nature caused him to be absent part of the time. Nevertheless, we were never able to hold hearings, notwithstanding diligent efforts to do so.

I polled the committee. I ascertained, like the Senator from Ohio, that a majority of the committee was opposed to the bill, but we wanted to get the bill before the Senate in some way, either by a favorable or an unfavorable report. We did not want it to be left in the position of no hearings having been held, and we proposed to go ahead and hold hearings, regardless of the attitude of the majority of the committee.

Hearings were held for 3 weeks by a committee of the other House. All the witnesses now to be examined were examined there. Printed copies of the hearings are available to any Member of the Senate who wishes to read them. We know from experience that if hearings were to be held every minute from now on until completed, no Member of the Senate would have time to read them, and the result would not be very helpful. Every Member has formed an opinion with regard to the bill, and hearings would not change his opinion. One agency of the Government, the Federal Deposit Insurance Corporation, has supported the passage of the bill because, as claimed before the House, to let the situation remain as it is would be very injurious to the small banks of the country, and would be likely to cause a number of them to go out of business, especially when conditions return to normal. The Federal Reserve Board, on the other hand, has vigorously resisted the bill, and it has threatened to occupy 2 or 3 weeks of time with its witnesses.

It seems to me that now, when we are nearing the conclusion of this session, the Senate should proceed to vote on the merits of the bill; and, in my judgment, it should be passed.

Mr. MAYBANK. Will the Senator yield?

Mr. TAFT. I merely wish to say that I should like to speak on the amendment, and I am not prepared to do so today. I certainly should like to have it understood that the amendment will not be finally voted on or disposed of today.

Mr. MAYBANK. Will the Senator yield?

Mr. TAFT. I yield.

Mr. MAYBANK. It is not my intention in any way to close any debate on this floor in connection with the amendment. I hope that as many Senators as possible will speak on the bill. I might also say—and I am sure the Senator from Ohio will agree with me—that the fact that we have not completed the hearings is due to circumstances beyond the control of the members of the Banking and Currency Committee, some of them being members of the Committee on Foreign Relations and some occupied otherwise, which has made it impossible for Senators to attend the hearings, so that most of the time there have not been more than three or four members present.

Mr. TAFT. I have not been there all the time, and I have been more than any other Senator, I believe, except the Senator from South Carolina.

Mr. MAYBANK. I am not criticizing, but what is the use going on with hearings when members of the committee are engaged in other committees and with other duties?

Mr. TAFT. Of course, the answer is that if committees have not time to consider a bill, the Senate should not vote on it. That is the principal answer. If Senators have not had time, we should postpone it. However, I have stated my opinion, that it should be postponed; but if we are to proceed, I should like to speak tomorrow and not be forced to speak today.

Mr. WHITE. Mr. President, in view of what has been said by the distinguished Senator from South Carolina, may we understand, then, that the amendment is not to be voted on this afternoon?

Mr. MAYBANK. I yield to the acting majority leader to answer.

Mr. HILL. Mr. President, we have to dispose of the pending bill. We have a number of nominations, as the Senator knows, which we desire to dispose of. They are the nominations out of the Foreign Relations Committee, and the nominations which have been pending before the Senate Committee on Military Affairs, the former being the State Department nominations, the latter being

the nominations to the Surplus Property Disposal Board. Then, as the distinguished Senator knows, all of us are anxious to have the calendar called.

Mr. WHITE. Will the Senator yield at that point?

Mr. HILL. I yield.

Mr. WHITE. That was partly in my mind when I asked whether it might not be understood that there would not be a vote on the amendment today, because yesterday the Senator from Alabama gave notice that we would have a call of the calendar today. I think he assumed the crop insurance bill would be out of the way.

Mr. HILL. I have stated that after disposing of the pending bill, I should then ask for a call of the calendar.

Mr. WHITE. Many Senators have had in mind that there would be a call of the calendar today, and I have no doubt that some have been in attendance expecting the consideration of calendar bills. I think we would make progress if we devoted the next hour or so to a call of bills on the calendar.

Mr. THOMAS of Oklahoma. Mr. President, the pending bill was reported and placed on the calendar on the 2d day of December. Today is the 13th. So the bill has been on the calendar for 11 days, and during that time I have made efforts to have it considered. The flood-control bill was first before the Senate and then the rivers and harbors bill was considered and occupied considerable time. The Senator in charge of those two bills would not yield so that the crop-insurance bill might be called up. During that period I remained here and saw many bills go through the Senate by unanimous consent, and I do not think I would be justified now in yielding for any further business to be transacted save the pending business, excepting, of course, matters as to which the Senate is unanimous.

I do not think further hearings would change any votes. I do not think the Committee on Banking and Currency would be able to complete its hearings in time for a report to be made on the bill of the Senator from South Carolina. The pending bill has passed the House; it has probably 15 amendments to it. The Senate bill is now much different from the House bill; it must go to conference, and if the Congress is to adjourn within the next few days, and if this bill is to be passed, it must be acted upon promptly.

I do not wish to be arbitrary, I desire to be reasonable, but I do want to have consideration of the bill concluded at the earliest possible moment.

Mr. HILL. Would the Senator feel that it would be agreeable to him for the Senate to consider bills on the calendar for the remainder of the day, and then proceed with the consideration of the pending bill tomorrow? I wish to be perfectly frank with the Senator, however, and say that if the Committee on Foreign Relations acts this afternoon on the nominations of the Under Secretary of State and the Assistant Secretaries of State, very likely we will have to go into executive session early tomorrow for the consideration of the nominations.

Mr. THOMAS of Oklahoma. Mr. President, if we could have positive assurance that hearings would be held on the bill of the Senator from South Carolina before the Committee on Banking and Currency and a report on the bill made to the Senate by that committee within the next 24 hours or so, of course that would be all-persuasive, but I am satisfied that cannot be done. There is no chance to complete the hearings on the bill in the committee and have a report submitted to the Senate; so that there is no one in the Senate who would have the benefit of the judgment of the Banking and Currency Committee as to what should be done with the proposal of the Senator from South Carolina. That being true, if anyone desires to speak on the amendment, for or against it, that is different, but unless there is someone who desires to speak on the amendment, irrespective of the hearings on the bill in the committee, then I shall be glad to hear him now. Of course, I should not object if we could get an agreement to vote on the amendment some time tomorrow within a reasonable time, if anyone desires to speak. I suggest that the majority leader and the minority leader try to agree on a time for a vote, if that can be arranged.

Mr. HILL. I wonder if it would be agreeable at this time to suggest a time for the disposition of the pending amendment.

Mr. WHITE. Mr. President, if that inquiry is addressed to me in any respect, I should not feel warranted at the moment in agreeing to any definite time for a vote on the amendment. I have had no opportunity to consult with members on this side, and I hardly feel it is quite my obligation or my privilege to commit this side to a definite time for a vote.

Mr. THOMAS of Oklahoma. So far as I know, there is no Senator who wishes to speak on the amendment save the Senator from Ohio [Mr. TAFT], who announced a little while ago that he was not ready to speak now, but that he desired to speak at some time if he had the opportunity.

Mr. MAYBANK. Mr. President, there are two Senators who wish to speak in favor of the amendment. Several have told me they desired to have something to say.

Mr. HILL. Are they prepared to speak at this time?

Mr. MAYBANK. Some have suggested that I make the point of no quorum, for two of the Senators who said they could return. I did not ask them whether they were prepared to speak at this time or not. The Senator from Massachusetts [Mr. WEEKS] I understand is to speak, and he is already on the list.

Mr. HILL. There are two, I understand, who are prepared to speak. I understand the Senator from Massachusetts is prepared to speak at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. MAYBANK].

Mr. WEEKS. Mr. President, there are one or two points in connection with the amendment which I wish to discuss briefly.

Prior to the passage of the Federal Reserve Act, there was no such thing in this country as par clearance of checks. The collection of checks involved great expense in exchange charges and considerable delay.

Then came the Federal Reserve Act, in 1913, and I remind Senators that one of the cardinal objectives of the Federal Reserve Act was to provide for par clearance of checks in this country so that the seller and the customer in exchanging merchandise need not run up against the expense of exchange charges and delays in the collection of funds.

Following the inauguration of the Federal Reserve Act, about 82 percent of the banks of this country subscribed and became members, or agreed to clear their checks through the Federal Reserve System. This 82 percent of the banks today represents about 98 percent of the banking deposits in the country. Some banks stayed out of the system, and today about 2,500 banws remain out of the Federal Reserve System or do not use the Reserve System collection facilities. This is the situation as it exists today.

Now I think it is variously and accurately, I believe, estimated, that about 90 percent of the business transactions in this country are carried on by the medium of checks. The other 10 percent are cash transactions.

I want to point out as forcefully as I may that a cardinal objective of the Federal Reserve System was to provide a system by which merchants buying and selling commodities all over this country might exchange funds without those funds being subject to a discount, or, to put it the other way around, subject to a charge for collection. In other words, as I see it, what we tried to the best of our ability to do was to set up a system which would enable a merchant in the State of Washington, who might be selling to a purchaser in the State of Alabama to collect his bill by check without the funds being subject to an exchange charge on either end. When banks are enabled indiscriminately to charge exchange it is in effect a shaving of the currency, for the simple reason that if I buy from a man living in California and I live in Massachusetts, I can pay the bill in currency and he can collect the face amount of the bill, whereas under a system of exchange charges if I pay him by my check, which check is subject to a fee for collection, the face of the check is reduced by that amount and in effect it shaves the currency; and remember that 90 percent of the business transactions in this country are settled by check.

I have no intention of speaking at any length on this particular subject, but I do want to remind Senators that for 30 years we have had a Federal Reserve System duly created and established, and one of its cardinal objectives was, I repeat, to enable business to be transacted all over this broad country without the payment of a tariff on the collection of the bills which business renders.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). Does the Senator from Massachusetts yield to the Senator from Tennessee?

Mr. WEEKS. I yield.

Mr. McKELLAR. The Senator is also aware of the fact, is he not, that during

that 25 years—I believe it is about that, or perhaps a little less—these charges have been made with the concurrence of the Federal Reserve Board, and that system has been in vogue the entire time until the Federal Reserve Board a short time ago changed it.

Mr. WEEKS. Mr. President, in response to the distinguished Senator from Tennessee, I may say that, when the Federal Reserve System was set up, there was no compulsion upon banks to join the System. So far as I know there is no compulsion today upon a bank to join the System. But after the troublous times of the panic of 1907, a monetary commission was created to study the banking and currency set-up, and it finally recommended the Reserve Act, and the Reserve Act was passed. Those who participated in the enactment of that very important and very vital legislation considered that something had to be done, and, as I have tried to point out, one of the things they tried to accomplish was to enable business to be transacted without paying a tariff for collecting the bills which might be incurred.

Mr. McKELLAR. But the trouble with the Senator's statement is that for 9 years the Federal Reserve Board, while it has not endorsed it, has complied with the custom which theretofore existed, that exchange charges be absorbed by the larger banks, and that has been done. It is only for about a year that there has been any attempt whatever upon the part of the Federal Reserve Board to interpret the part of the act the Senator has referred to, which it now declares is its authority for changing the law. What I want to know is, why did the Federal Reserve Board agree to the exchange charges all these years, and only recently change the practice?

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

Mr. WEEKS. I yield.

Mr. MAYBANK. The Senator was discussing the same matter somewhat earlier today, and he mentioned the situation in South Carolina. I may say for the Senator's benefit that in his absence I explained the fact that during these years excellent advance has been made in this country in the matter of banking and banking facilities. The Congress of the United States has passed laws which have bettered conditions in every way possible. Simultaneously the States of the Nation have done the same thing. For instance, the State of South Carolina has materially bettered its banking laws. The regulation which has been discussed was in existence in 1933. Since 1933 South Carolina has passed laws bettering its banking facilities and conditions upon the basis of what the people at that time interpreted the laws of Congress to mean.

In other words we have a law, as was testified to before the committee when the Senator from Ohio [Mr. TAFT] and other Senators, including the Senator from Arkansas [Mr. McCLELLAN] and the Senator from New Jersey [Mr. HAWKES], were present, providing that the money deposited in State depositories of our State cannot be loaned nor can it be invested. Therefore the depositories rely entirely upon a small-service charge and exchange. Since that law was passed it has been amended so as to allow a part of the deposits to be invested in Government bonds. So I might say to the Senator that I think by its action at this late day the Federal Reserve Board, after permitting this custom to prevail for 9 years, has not treated fairly the States which in those years were passing laws to better banking conditions, the theory of the legislators of the States being that the Federal Reserve would carry on as it had been, without this prohibition now known as order Q.

Mr. WEEKS. Mr. President, let me say that since the passage of the Federal Reserve Act every step that has been taken has been taken in the direction of trying to perfect the system of par clearance of checks in this country.

The first amendment was the so-called Hardwick amendment in 1917, which prohibited banks from charging exchange rates on checks collected. The next step was when the crisis of 1933 came upon us. Funds had been collected in the banks in the central reserve cities, and were hastily drawn out, which created the banking crisis of 1933, threatening the solvency of a good many banks.

At that time there was adopted the amendment offered by the distinguished Senator from Virginia [Mr. GLASS], which provided that "no member bank shall, directly or indirectly, by any device whatsoever, pay any interest on any deposit which is payable on demand."

Then there arose the question of the interpretation of "interest." I wish to read from a statement showing what brought the Federal Reserve Board to its present action in this matter:

> So the matter rested until September 1943, when the Board ruled in regard to a specific bank which had, during 1942, absorbed exchange charges amounting to $18,576 out of a total of $25,187, while its correspondent bank deposits increased from $7,000,000 at the end of 1941 to about $18,000,000 in June 1943."
>
> It was pointed out that this bank, in hundreds of cases, had absorbed exchange charges of many depositors in return for compensating balances, and that in some cases the absorption of charges amounted to as much as two or three percent of correspondent balances with the bank. Furthermore, it was shown that this bank did not absorb exchange charges when compensating balances were inadequate to cover the cost.

In other words, while this situation has been developing, the banks which have approximately only 2 percent of the banking deposits of the whole country have been charging exchange and have been creating a situation which might very well develop into the same type of situation which we faced in 1933, when the distinguished Senator from Virginia offered his amendment to section 19, providing that no bank may pay interest directly or indirectly on demand deposits.

For the benefit of some Senators who may not have been in the Chamber at that time, I wish now to touch very briefly on a matter which was discussed earlier in the day. At one time this situation seemed to be developing—I think there is no need for it so developing—into a contest between large and small banks. In no sense is any such contest involved in this matter. As I pointed out, in 20 States of the Union there is no bank which does not pay checks at par. In all the New England States there is not a bank which does not pay checks at par. In the great Southwest, in California, Nevada, Utah, Arizona, New Mexico, and Colorado, and in a number of other States of the Union, including Pennsylvania and New York, every single bank pays its checks at par. I should like to point out that in each of those States there are many small banks which either are members of the Federal Reserve System or are nonmember banks using the Federal Reserve System collection facilities.

In Maine, New Hampshire, and Vermont there are many very small banks which get along without the exchange charges, which to some seem to be such an important element in the earnings statements of small banks. The point has been made in this debate that if we should take away from some of the small banks which are complaining about the present ruling the privilege of collecting exchange, we would be doing them irreparable injury. I do not believe that we would be doing any injury to a small bank in Alabama or Tennessee, any more than injury would be done to the small bank in New Hampshire or Maine which is getting along very nicely without the exchange charges.

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

Mr. WEEKS. I yield.

Mr. SHIPSTEAD. Am I to understand that the amendment would prohibit the collection of exchange?

Mr. WEEKS. I do not understand that it would prohibit it.

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

Mr. WEEKS. I yield.

Mr. TAFT. Not only is that statement true, but so far as I can see, the amendment would in no way change the practice in the Northwestern States of South Dakota, Nebraska, North Dakota, and Minnesota. In that section of the country, although there are many banks which do not pay their checks at par, it is not customary for the central bank to avoid the exchange charges. The exchange charges in that section of the country are usually paid by the depositors themselves, and not by the central banks or the banks in the larger cities. When I asked the witness from Nebraska why he objected to the bill of the Senator from South Carolina, which would not change the status of his own bank, he said, "It is part of a movement which may lead to statutes in South Dakota, North Dakota, or Minnesota prohibiting the payment of exchange charges."

Mr. SHIPSTEAD rose.

Mr. TAFT. I do not know about the situation in Minnesota. As I understand, the custom is about the same in that general section. However, that is the affair of those States. There is nothing in this proposal which would require the State of Minnesota, the State of North Dakota, the State of South Dakota, or the State of Nebraska to enact any such

statute; and the small banks in that section of the country may continue to do exactly as they are doing today, so far as the passage of the Maybank bill or amendment is concerned.

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

Mr. WEEKS. I yield.

Mr. SHIPSTEAD. The situation to which the Senator has referred applies to my State. The Maybank bill would not interfere with the collection of exchange at all. If the people of Minnesota wish to stop the collection of exchange, they have a right to do so under State law. As a matter of fact, I believe that nearly all the small banks in Minnesota are against this bill.

Mr. WEEKS. Mr. President, I brought out that point because the proponents of the pending amendment have tried to impress upon the Senate that some small banks will be vitally injured if the amendment is not adopted. I submit that no one will be injured.

I submit that the small banks in the Southeast, where most of the nonpar clearance banks are located——

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

Mr. WEEKS. I yield.

Mr. BUSHFIELD. I merely wish to call the Senator's attention again to the testimony of Mr. Crowley, head of the Federal Deposit Insurance Corporation. He sums up his opinion of what this ruling by the Federal Reserve Board will do, as follows:

> I think the net result of the Federal Reserve Board's ruling is this: First, it forces par clearance. Secondly, it very definitely affects the earnings of a lot of small banks. The next step, in my judgment, is that you break your little banker. You eliminate him from your banking picture, and the advocates of branch banking immediately will come along and say, "Now, this little community is in need of a bank. It cannot support an independent bank, so we have to have a branch bank to serve that community."

Mr. WEEKS. Mr. President, I do not agree with that statement in any degree.

Mr. McKELLAR rose.

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

Mr. McKELLAR. I merely wish to call the Senator's attention to the fact that all the banks of my State, large and small, take the same position as the one taken by Mr. Crowley. They think the action of the Federal Reserve Board will injure the small banks, and they do not want that to happen. That is all there is to the matter.

However we may try to disguise it, this is a contest between a large centralized banking system, which would like to do all the banking business, and the smaller independent banks of the country. I, for one, believe our banking system has worked splendidly, especially during the past few years, and that we should not change it. I take the further position that if it is to be changed, it should be changed by the Congress of the United States. It should not be legislated on by the Federal Reserve Board.

Mr. WEEKS. Mr. President, I do not consider that this is a contest between a large centralized banking system and the smaller independent banks in any degree. I submit that a small bank in Tennessee can get along without the exchange charges if a small bank in New Hampshire, a small bank in Nevada, or a small bank in Pennsylvania can get along without them.

Mr. REVERCOMB. Mr. President, will the Senator yield at that point?

Mr. WEEKS. I yield.

Mr. REVERCOMB. In reply to the statement made by the able senior Senator from Tennessee [Mr. McKELLAR] to the effect that this is an attempt on the part of a Government agency to legislate, I wish to point out the views of the author of the Federal Reserve Act, namely, that what is attempted to be done here against the amendment is in fact the intent of the law. The ruling of the Federal Reserve on this subject is based on the statute. I shall read from page 10 of the views of the minority of the Committee on Banking and Currency of the House of Representatives on House bill 3956. On page 10 of the minority report there is printed a statement made by the senior Senator from Virginia [Mr. GLASS], the author of the Federal Reserve Act. It reads as follows:

> My attention has been called to S. 1642, introduced by Mr. MAYBANK, and a companion bill in the House, H. R. 3956. This proposed legislation, in my judgment, would entirely emasculate the statute prohibiting the payment of interest by banks on demand deposits, which, you will remember, I fought for and obtained in the Banking Act of 1933. Senator MAYBANK's bill would authorize member banks to pay interest by absorbing exchange charges made by a comparatively small group of banks which do not pay their checks at par. Member banks of the Federal Reserve System cannot even make these charges nor do the nonmember banks who participate in the par clearance system.
>
> The bill is rankly discriminatory and lacking in frankness. Its enactment could have vicious and far-reaching effects upon the Federal Reserve System, both in the number of member banks and in the perpetuation of a par clearance system which has saved the Nation's industry, commerce, and agriculture millions upon millions of dollars. I am unalterably opposed to the bill.

The bill referred to is the measure now offered as an amendment by the able senior Senator from South Carolina [Mr. MAYBANK].

Mr. President, my purpose in reading the statement made by the Senator from Virginia is to answer the argument that the position now expressed by the Senator from Massachusetts [Mr. WEEKS] is against the intent of the statute. The author of the statute says that it is in fact the intent of the statute, and has been since the statute was enacted, and that the result sought to be achieved by the amendment is against the statute.

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

Mr. WEEKS. I yield.

Mr. MAYBANK. I should like to ask the Senator, if that be a fact, in accordance with the letter he read, why the Federal Reserve Board waited 10 years after 1933. Why did it make the regulation only this past fall?

Mr. REVERCOMB. Of course, that is a question which should be asked of the Federal Reserve System. If it has omitted to act as it should have acted under the act, that is no reason why the act should not now be carried out to its full intent.

Mr. MAYBANK. In other words, the Senator believes that if the Congress confers certain power upon an agency, the agency can wait 9 or 10 years before it makes its decision. That is the substance of the argument which has been made.

Mr. REVERCOMB. No; I do not support or defend any such action on the part of any agency of Government. But the fact that an agency may not have made correct rulings in the past is no justification for an attempt on the part of the Senator from South Carolina to prevent the act from now being carried out as it was intended to be done from the beginning.

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

Mr. WEEKS. I yield.

Mr. WHEELER. I simply wish to say that in my State almost all the banks are small banks, and all the small banks in my State, so far as I know, with the possible exception of one or two, are opposed to the amendment which has been offered. Whether they are right or wrong in the position they take, I am frank to say I do not know.

But I feel that the amendment has no place in the pending bill. The representatives of some of the banks in my State are in Washington to testify before the Committee on Banking and Currency with reference to the measure. I certainly think it should not be attached as an amendment to the pending bill at this time, at the very time when hearings are being held on it by the Committee on Banking and Currency. I venture to say that a great many other Senators find themselves in the position in which I find myself. I should like to read the hearings held by the Committee on Banking and Currency before I vote on the Maybank amendment or bill. I think I must read them before I shall be able to vote intelligently. I certainly will not vote for it until I have an opportunity to read the hearings and until I can learn more about it than I can at a time when the proposal is brought before the Senate before the committee hearings have been completed.

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

Mr. WEEKS. I yield to the Senator from Wyoming.

Mr. ROBERTSON. I should like to state the position of the bankers in my State of Wyoming in reference to the pending amendment. Their position is very similar to that already stated by the distinguished senior Senator from Montana [Mr. WHEELER] in regard to the bankers of the State of Montana.

I should like to read into the RECORD two telegrams which I have received from Mr. C. B. Bloomfield, secretary of the Wyoming Bankers' Association. One of the telegrams is dated December 7, 1944, and reads as follows:

> CHEYENNE, WYO., *December 7, 1944.*
>
> E. V. ROBERTSON:
>
> Understand that hearing is called for Maybank bill, S. 1642. Our association again advises you of our opposition to legislation that will disrupt the par clearance of checks. Wyoming together with other western States

clear at par. If hearing is continued long enough our association may want to be heard.

C. B. BLOOMFIELD,
Secretary, Wyoming Bankers Association.

The other telegram is dated December 12, 1944, and is as follows:

CHEYENNE, WYO., *December 12, 1944.*
E. V. ROBERTSON,
Senate Office Building,
Washington, D. C.:

Have been advised that attempt will be made to attach Maybank exchange bill as an amendment to H. R. 4911, Federal crop-insurance bill. In fairness to those objecting we believe the bill should have a full hearing and go through regular legislature channels.

C. N. BLOOMFIELD,
Secretary, Wyoming Bankers Association.

Mr. President, I particularly invite attention to the telegrams which I have received, coming, as they do, from the Wyoming Bankers' Association, which represents practically every bank in Wyoming. I believe that I can very safely say that those banks would come within the category of small, indeed very small, banks.

Mr. WEEKS. Mr. President, I wish to proceed and complete the statement which I started to make. I do not wish to yield the floor again until I shall have finished what I have to say.

Now to sum up what I have already attempted to point out to Senators when I say that no contest is involved here between large banks and small banks. If small banks in some sections of the country are disturbed about the possible effect of a continuation of the ruling of the Federal Reserve Board in respect to them, I assert that they are in no greater danger, insofar as their earnings are concerned, than are the small banks in 20 to 25 States in which either 100 percent, or practically 100 percent, of the banks clear checks at par.

In the next place, I invite attention to the fact that in my judgment this amendment would turn back the pages of history approximately 30 years and reverse the great forward step which was taken in this country when the Federal Reserve Act was first adopted, which forward step was to enable businessmen to transact business all over the country without having exchange charges involved in the transactions.

The Federal Reserve Act since its original passage has several times been amended, and the amendments have all been in the same direction and for the same purpose—namely, to make it possible for a man in Oregon to sell merchandise to a man in Connecticut, receive a check, and have the check cleared at par, thus receiving 100 cents on the dollar. I assert that it would be bad legislation and extremely bad policy to turn back and interrupt the progress which has been made. I submit that the amendment should not be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina [Mr. MAYBANK].

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Nye
Austin	Gillette	O'Daniel
Bailey	Green	O'Mahoney
Ball	Guffey	Pepper
Bankhead	Gurney	Radcliffe
Bilbo	Hall	Reed
Brewster	Hatch	Revercomb
Brooks	Hawkes	Reynolds
Buck	Hayden	Robertson
Burton	Hill	Russell
Bushfield	Holman	Shipstead
Butler	Jenner	Smith
Byrd	Johnson, Calif.	Taft
Capper	Johnson, Colo.	Thomas, Idaho
Caraway	Kilgore	Thomas, Okla.
Chandler	La Follette	Truman
Chavez	Langer	Tunnell
Clark, Mo.	Lucas	Vandenberg
Connally	McCarran	Walsh
Cordon	McClellan	Weeks
Danaher	McFarland	Wheeler
Davis	McKellar	White
Downey	Maloney	Wiley
Eastland	Maybank	Willis
Ellender	Mead	Wilson
Ferguson	Millikin	
George	Murray	

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

The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. MAYBANK].

Mr. TAFT. Mr. President, as I stated earlier in the day, I should like to speak briefly on the amendment, but I am not quite prepared to speak this evening. I understood there were some Senators on the other side who desired to speak. I thought perhaps we might agree, as suggested earlier, to vote at some hour tomorrow, perhaps at not later than 2 o'clock.

Mr. THOMAS of Oklahoma. Mr. President, if a vote is postponed, this is what will happen: A message will go out from this city to the different groups of banks urging them to telegraph their Senators, and tomorrow Senators will be the recipients of numerous messages from their States, from the so-called large banks and the so-called small banks. If any Senator thinks that will be helpful, I should have no objection to a postponement, but that is exactly what will happen if the vote is not had tonight.

Mr. WHITE. Will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHITE. In view of our rather long experience in politics and political life, does the Senator think such telegrams will have very much influence on any of us?

Mr. THOMAS of Oklahoma. I do not think so, and for that reason I do not see the benefit or advantage of postponing the vote.

Mr. WHITE. It gives an opportunity for preparation to some who are not immediately prepared to speak, and an opportunity to address the Senate tomorrow, at least briefly.

Mr. THOMAS of Oklahoma. On one occasion I heard a Senator say he did not know which side he was on, but he wanted to make a speech. [Laughter.]

Mr. WHITE. The Senator's remark is not addressed to me, I hope.

Mr. THOMAS of Oklahoma. Not at all.

Mr. BILBO. Mr. President, I trust our leader will agree to a recess at this time, because I wish to speak on the pending bill. I do not think the argument of the Senator from Oklahoma has much weight. I do not care if my bank does telegraph me. My account is current in the bank, and I can do as I please about my vote. I do not think Senators are such weaklings that they will be affected by any telegrams. I desire to speak at length on the amendment, and I should not want to start now, because I could not possibly conclude before 6 or 7 o'clock.

Mr. HILL. Will the Senator yield?

Mr. BILBO. I yield.

Mr. HILL. I wonder if we cannot get an agreement to limit debate, and to vote on the amendment and all amendments thereto tomorrow. Does the Senator from South Carolina, the author of the amendment, have any idea as to how many other Senators would like to speak, and how much time he might need?

Mr. MAYBANK. I think 2 hours would cover the time to be taken in speeches.

Mr. HILL. Does the Senator mean 2 hours for both sides?

Mr. MAYBANK. No; for the proponents.

Mr. HILL. The Senator means 2 hours for the proponents of the amendment alone?

Mr. MAYBANK. The proponents; yes.

Mr. HILL. I wonder if the Senator from Mississippi would not be willing to cut his speech down a little, because 2 hours for the proponents of the amendment would mean that we would have to give 2 hours to the opponents.

Mr. BILBO. I am willing to cut my speech short, if the Senator will agree that the Senate meet at 11 o'clock.

Mr. HILL. So far as I am concerned, I would not object to meeting at 11 o'clock, but I understand the Committee on Foreign Relations will meet again tomorrow.

Mr. RUSSELL. The Committee on Appropriations will meet tomorrow morning to mark up the deficiency bill.

Mr. HILL. The Foreign Relations Committee will meet to consider nominations before the committee, and the Committee on Appropriations will meet on the deficiency bill.

Mr. MAYBANK. There will be four speeches.

Mr. HILL. How long will they be?

Mr. MAYBANK. I would roughly estimate, about 2 hours. I am willing to make it an hour and a half.

Mr. HILL. Could the Senator make it 15 minutes for a speech, and let us have a vote at 2 o'clock tomorrow?

Mr. MAYBANK. What about confirmation of the nominations?

Mr. HILL. If we agreed to vote at 2 o'clock, that would mean, of course, that all the time from the time the Senate met until 2 o'clock would be given up to debate on the amendment or amendments thereto.

Mr. MAYBANK. I made the inquiry because I understood the Foreign Relations Committee is to meet tomorrow morning.

Mr. HILL. As I understand, the Committee on Foreign Relations is to meet tomorrow morning, but even if they

acted tomorrow morning, we could not take up the nominations before the following day except by unanimous consent.

Mr. MAYBANK. If we vote at 2 o'clock, and take an hour and a half for the proponents, that will leave only half an hour for the opponents. I do not know what the Senator from Ohio [Mr. TAFT] would think about that.

Mr. HILL. Has the Senator from Ohio any idea how long he will take tomorrow?

Mr. TAFT. About 20 minutes, but I believe that the chairman of the committee, the Senator from New York [Mr. WAGNER], should be present, and should have something to say on the subject, because after all this is in effect a motion to discharge his committee from further consideration of the Maybank bill. One of my reasons for asking for delay in the beginning was the absence of the chairman of the committee, who is in New York. I understand he will be back in the city tomorrow.

Mr. HILL. How long does the Senator from South Carolina think the speeches will take?

Mr. MAYBANK. The Senator from Ohio has brought up another question. If there be any question raised about discharging the committee from consideration of a bill which it has had since January, I am sure there will be much debate.

Mr. HILL. Does the Senator feel he could now agree to some limitation?

Mr. MAYBANK. Yes; I am perfectly willing to agree to a limitation and a vote at 2 o'clock, provided what the Senator from Ohio and the Senator from New York may say in explanation will not take most of the time.

Mr. HILL. The time would be divided between the proponents and opponents, letting the Senator from New York control the time on behalf of the opponents, and the Senator from South Carolina for the proponents.

Mr. BUCK. Mr. President, what are we to do about the hearings?

Mr. MAYBANK. As we conferred in the committee before we left the hearing, I was hoping we might have a vote today, and that would end the matter; but in view of the fact that the matter is to go over until tomorrow, and in view of the fact that we have decided to vote at 2 o'clock, I might say, with the permission of the other members of the committee, that the hearings should not be continued. I have no right to say whether they will be continued or not.

Mr. BUCK. Should not the committee be discharged from the further consideration of the bill before it is taken up by the Senate?

Mr. MAYBANK. I agree, but I have been holding hearings, and very few Senators were present. If it meets the approval of the other members of the committee that we cancel the hearings, and if it is agreeable to the opposition to vote at 2 o'clock tomorrow, it is agreeable to me.

Mr. BUCK. Is it not unusual to proceed with the consideration of the bill when a committee is holding hearings?

Mr. MAYBANK. I understand it is.

Mr. BUCK. Why is it proposed to be done in this instance?

Mr. MAYBANK. Because it is an unusual circumstance to have a bill pass by a vote of 2-to-1 in the House of Representatives in March, introduced by a Senator in January, and wait until Christmas Eve to have hearings. One is as unusual as the other, I agree with the Senator.

Mr. BUCK. When will the chairman of the committee be back in the city?

Mr. MAYBANK. Tomorrow, I understand.

Mr. HILL. Mr. President, I ask unanimous consent that at not later than 2 o'clock tomorrow the Senate vote on the pending amendment and all amendments thereto, and that the time be controlled one-half by the Senator from New York [Mr. WAGNER], the chairman of the Committee on Banking and Currency, who I understand is opposed to the amendment, and one-half by the Senator from South Carolina [Mr. MAYBANK], who is the author of the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and the request is agreed to.

NATIONAL MEMORIAL STADIUM IN THE DISTRICT

The PRESIDING OFFICER. (Mr. MCFARLAND in the chair) laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 155) establishing a commission to select a site and design for a national memorial stadium to be erected in the District of Columbia, which were, on page 1, line 9, to strike out "and select."

And to amend the title so as to read: "Joint resolution to consider a site and design for a national memorial stadium to be erected in the District of Columbia."

Mr. BILBO. I move that the Senate concur in the amendments of the House.

Mr. WHITE. Mr. President, I wish to ask just what amendments have been made to the bill by the House of Representatives.

Mr. BILBO. The House amendment would strike out two words from the bill. The House objected to the words "and select." If those words are stricken out, the commission will be left with the duty of recommending a site.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MCFARLAND in the chair) laid before the Senate messages from the President of the United States, submitting several nominations, which were referred to the appropriate committee.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BAILEY, from the Committee on Commerce:

To be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey:

William B. Page, from the 10th day of September 1944;

Norman Porter, from the 1st day of October 1944; and

Capt. LeRoy Reinburg, United States Coast Guard, to be a commodore for temporary service to rank from October 1, 1944, while serving as commandant, Coast Guard yard, Curtis Bay, Md., or in any other assignment for which the rank of commodore is authorized. This nomination is made to correct the spelling of this officer's name as previously nominated and confirmed.

By Mr. CHANDLER, from the Committee on Military Affairs:

Robert A. Hurley, of Connecticut, to be a member of the Surplus Property Board; and

Lt. Col. Edward Heller, of California, to be a member of the Surplus Property Board.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

By Mr. CONNALLY, from the Committee on Foreign Relations:

Norman Armour, of New Jersey, now Acting Director of the Office of American Republic Affairs of the Department of State, to be Ambassador Extraordinary and Plenipotentiary to Spain.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Henry A. Schweinhaut, of Maryland, to be an associate justice of the District Court of the United States for the District of Columbia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

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 postmaster nominations are confirmed en bloc.

That completes the calendar.

Mr. HILL. I ask that the President be notified forthwith of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. HILL. 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 5 o'clock p. m.) the Senate took a recess until tomorrow, Thursday, December 14, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 13 (legislative day of November 21), 1944:

DIPLOMATIC AND FOREIGN SERVICE

Norman Armour, of New Jersey, now Acting Director of the Office of American Republic Affairs of the Department of State, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

Laurence A. Steinhardt, of New York, now American Ambassador to Turkey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America near the Government of Czechoslovakia now established in London.

Hallett Johnson, of New Jersey, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 13 (legislative day of November 21), 1944:

THE JUDICIARY

ASSOCIATE JUSTICE OF THE DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF COLUMBIA

Henry A. Schweinhaut to be an associate justice of the District Court of the United States for the District of Columbia.

POSTMASTERS

FLORIDA

Harold H. Bryan, Bowling Green.
Randilla B. Renfroe, Dover.
Hollon R. Bervaldi, Key West.

IOWA

Aloysius J. Hanrahan, Charlotte.

MAINE

Wendall M. Lewis, Boothbay.
Charles C. Cousins, Brooklin.
Ethel Pinkham, East Holden.
Laurence H. Hern, North Windham.
Paul J. Cody, Poland Spring.
Ralph L. Harrington, Steep Falls.

NEW YORK

Ray L. Leonard, Dexter.
Anna G. Prendergast, Hall.
Avis D. Widrig, Richland.

WISCONSIN

Arthur G. Anderson, Brodhead.
Lawrence H. Hardebeck, Lakewood.

HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 13, 1944

The House met at 12 o'clock noon.

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

Thou who are the great Shepherd, we pray for a faith so clear and firm that we may feel the sacredness of these moments. By Thy gentle spirit open our hearts. Should there be some sore trial unknown to the world, when the burden is heavy and the heart is stricken, with Thy promise give cheer: "My grace is sufficient for thee." Shut out of our lives any overreaching or proud ambition, ennoble and chasten us as we walk the pathway of Him who has never been surpassed. Help us all to stand and affirm the victory of this eager, throbbing, feverish life.

Our Redeeming Lord, whose face is "Eternal Love," help those whose peace is broken, whose hearts are tasting the bitter cup, shuddering on the verge of surrender. Grant that their spirits may be enthroned, believing that trial purifies and the contrite heart softens under pain. The darkest hour may be the angel's touch; beyond the wavering course of time there is a mystery that never knows doubt. O God, life, with its dreams and disillusions, with its pathos and tears, in its twilights of childhood and age, yearns for Thee. In these warring, tragic days shadows are gathering round many a doorway; O clear the outlook that they may see the beatific vision and rejoice. Wherever our sons and daughters toil beneath Thy liberal sun, O Lord, be there; "Thine arm make bare and Thy righteous will be done." In the name of our glorified Saviour. Amen.

The Journal of the proceedings of Tuesday, December 12, 1944, was read and approved.

MESSAGE FROM THE SENATE

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

H. R. 3791. An act for the relief of the estate of Charles Noah Shipp, deceased.

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

H. R. 3961. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. OVERTON, Mr. BAILEY, Mrs. CARAWAY, Mr. CLARK of Missouri, Mr. BILBO, Mr. JOHNSON of California, Mr. VANDENBERG, Mr. BREWSTER, and Mr. BURTON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 198. An act to amend further section 2 of the Civil Service Retirement Act, approved May 29, 1930, as amended; and

S. 1688. An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 1997) entitled "An act to repeal section 3 of the Standard Time Act of March 19, 1918, as amended, relating to the placing of a certain portion of the State of Idaho in the third time zone," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STEWART, Mr. CLARK of Idaho, and Mr. GURNEY to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 3429. An act to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406), as amended by the act of April 22, 1940 (54 Stat. 148); and

H. R. 4485. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2105) entitled "An act to amend and supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, to authorize appropriations for the postwar construction of highways and bridges, to eliminate hazards at railroad grade crossings, to provide for the immediate preparation of plans, and for other purposes."

The message also announced that the Vice President has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of Auguest 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Justice.
3. Department of the Navy.
4. Department of State.
5. Department of the Treasury.
6. Department of War.
7. Office of Defense Transportation.
8. Office of Price Administration.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1782) entitled "An act to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187), for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCARRAN, Mr. CHAVEZ, Mr. MCFARLAND, Mr. GURNEY, and Mr. THOMAS of Idaho to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 1963) entitled "An act for the relief of G. H. Garner," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. TUNNELL, and Mr. ROBERTSON to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD in two instances and to insert therein two short editorials.

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

There was no objection.

Mr. WHITE. Mr. Speaker, I recently obtained permission of the House to insert in the RECORD a pronouncement of the United States Chamber of Commerce on universal military service. I have had an estimate made by the Printing Office, and am advised that it will cost $208.

The SPEAKER. Notwithstanding the cost, without objection, the extension may be made.

There was no objection.

(Mr. ANDREWS of Alabama asked and was given permission to extend his remarks in the RECORD and include a poem.)

ADDITIONAL COPIES OF THE FOURTH REPORT OF THE HOUSE SPECIAL COMMITTEE ON POST-WAR ECONOMIC POLICY AND PLANNING

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 2058) back favorably without amendment a privileged resolution (H. Res. 676) authorizing the printing of additional copies of House Report Numbered 1855, current session, entitled "Economic Problems of the Reconversion Period," for the use of the Special Committee on Post-war Economic Policy and Planning, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved, That 2,500 additional copies of the fourth report (H. Rept. No. 1855), current session, entitled "Economic Problems of the Reconversion Period," of the House Special Committee on Post-war Economic Policy and Planning, submitted pursuant to House Resolution 408, be printed, with illustrations, for the use of said committee.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TOLAN. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Wisconsin [Mr. WASIELEWSKI] may extend his remarks in the RECORD and include a brief editorial.

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

There was no objection.

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include two letters enumerating delivery by the Humble Oil & Refining Co. of its one-billionth gallon of high-octane gasoline to the armed services.

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

There was no objection.

THE CIGARETTE SHORTAGE

Mr. WEISS. 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 Pennsylvania?

There was no objection.

Mr. WEISS. Mr. Speaker, I have been trying for about 3 weeks to get some information with reference to the cigarette shortage and I found out three fundamental facts. The number of cigarettes manufactured for civilian and soldier consumption this year was the greatest in the history of the tobacco industry. But it is evident from a letter I have here received from a soldier boy that they cannot get cigarettes overseas. Civilians cannot buy cigarettes. So there is one of two things obvious and evident: first, there is either specialized or spotty distribution or second, black-market operations.

Mr. BULWINKLE. Will the gentleman yield?

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

Mr. BULWINKLE. May I say that my information is, and I am interested in this just the same as the gentleman, that last year the armed forces took 33 percent of the output of cigarettes; this year it is running 50 percent or a little more than 50 percent.

Mr. WEISS. This soldier boy to whom I refer says in his V-mail letter that they have an allowance of one pack of cigarettes a week overseas. The hoarding, if any, is due to spotty distribution or to black-market operations. I urge the tobacco industry to remedy this situation before the Seventy-ninth Congress convenes or it will be our job to clear it up. We owe it to the working civilians and to our fighting soldiers to get them cigarettes—they stimulate morale.

Mr. CALVIN D. JOHNSON. Will the gentleman yield?

Mr. WEISS. I yield to the gentleman from Illinois.

Mr. CALVIN D. JOHNSON. I understand we exported, according to the press, 400,000,000 pounds of tobacco last year. It is probably through our very large exports that a shortage has developed.

Mr. WEISS. That may be true, but from the information I have that is not evident. I do not know—but statistics from the office of O. W. I. indicate otherwise.

Mr. BULWINKLE. I would suggest that the gentleman take this up further and look into it.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief letter from Mr. James Angelo, of Indianapolis, Ind.

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

There was no objection.

Mr. PLUMLEY. Mr. Speaker, yesterday I asked and received permission to include in the RECORD as an extension of remarks an address delivered by the Honorable Manley O. Hudson, judge of the Permanent Court of International Justice, but I find this exceeds the allowable limit to the extent of $156. I ask unanimous consent that this may be printed notwithstanding the estimate.

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

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a newspaper article.

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

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to include in the RECORD the addresses delivered at Montpelier, Vt., on Armistice Day, on the occasion of the dedication of the local honor roll.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article from the Times-Herald.

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

There was no objection.

Mr. GAVIN. Mr. Speaker, it has just been called to my attention that three boys from my home town, Oil City, Pa., just a little over 13 years of age, have been killed in action overseas. A few weeks ago while back home I visited a family in Johnsonburg, Pa., in my district, who had five boys in the service and two of these boys were killed in action within 4 days.

We have from eight to ten million men in the United States armed forces and we have had close to 550,000 casualties. We have conscripted our boys by the millions and they are fighting all over the world, and yet the colonies of the British Empire are now just getting around to enacting legislation to draft men for overseas service.

Prime Minister Churchill and Foreign Secretary Eden do not seem to be much concerned about the conscription in the colonies of their fighting men. The Prime Minister said he was not going to preside over the liquidation of the British Empire, and he might have included the British life line to India; however, he seems content to let us throw thousands of our boys into action to carry on the fight, hundreds of whom are being liquidated every day.

What seems to be the difficulty is that somebody in the State Department does not tell the British Empire that we are not satisfied with their policy on the conscription of men in the British Colonies. If we can draft our boys by the thousands for overseas service, why cannot the British colonies do likewise?

The Prime Minister and the Foreign Secretary can get in touch with Uncle Sam when they feel the British Empire is not getting the breaks. So it is about time for Uncle Sam to get tough with the Prime Minister and Foreign Secretary

when we feel we are not getting an even break.

The British Empire and her colonies ought to pursue the same policy we are pursuing—drafting and putting into action the 18-year-olds. A few months ago we heard the cry, "Give us the tools and we will finish the job." Well, we are not alone furnishing the tools but we are furnishing the manpower to win this war. Yet, we are witnessing, right up in Canada, riots because they conscripted 16,000 men for overseas service.

What we need more than ever before is a diplomatic policy with a backbone and someone with the courage to tell the Prime Minister and the Foreign Secretary to get going with a conscription program in the British colonies to furnish the manpower for overseas duty to bring this war to a rapid and early conclusion.

SCHOOL CHILDREN PARTICIPATION IN SALVAGE CAMPAIGN

Mr. DIRKSEN. 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 Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, ever since Pearl Harbor millions of school children in this country have rather enthusiastically and wholeheartedly participated in the salvage campaign. With a rare enthusiasm they have gathered scrap paper, fats and greases, scrap metal, and other essential commodities and have made a very distinguished and indispensable contribution to the victory effort. It is a little singular that these efforts have not been officially recognized. Neither by any agency of government nor by Congress has there been some official expression of thanks to these fine young Americans who have done so much.

I am going to drop a little resolution in the hopper directly. I think it is the only time in my life that I ever contrived a resolution to which there could be no objection from anybody anywhere. It is simply for the Congress, in behalf of the people, to express its thanks to the school children of America for their contribution to the victory effort.

It seems so timely and appropriate as we approach the Christmas season that we formally express our gratitude to young America.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUTHER A. JOHNSON. 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 Texas?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, the gentleman from Pennsylvania [Mr. GAVIN], who addressed the House a moment ago, has to my mind, rendered a disservice to this country and to the cause of the Allies engaged in this war. Remarks such as he has made are frequently being made by a few radio news commentators, and I think the American people should discourage statements like his which are calculated to create disunity among the Allies, encourage Hitler, and thereby prolong the war. We are in the midst of a great war, the result of which is still undetermined, and so far as I am concerned until the war is won, I do not think we should publicly condemn either our allies or their leaders, or say or do anything that will tend to create disunity among those who are fighting with us to defeat the Japs and the Nazis. We must win this war above everything else, and do it now.

EXTENSION OF REMARKS

(Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD.)

PERMISSION TO ADDRESS THE HOUSE

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. Mr. Speaker, the gentleman from Texas [Mr. JOHNSON] took the position, which is evidently taken by the majority side as indicated by the applause over there, that a large number of people, close to a majority of the American people, should keep their mouths shut and never criticize anything that is done by the President or any agency created by him. He seems to assume that he is not only indispensable but infallible as well. He even went so far as to charge that the gentleman from Pennsylvania, who actually served in the front lines in the First World War, has done a disservice to his country.

Now nobody asked the gentleman from Texas to criticize another Member of the Congress, or to express his opinion as to that Member's loyalty. No one asked the gentleman from Texas to measure the patriotism of the gentleman from Pennsylvania by standards, scales, or yardstick. We may assume that every Member in this House is patriotic and has no other thought in mind except the winning of the war, but some of us have the right, and we intend to continue to exercise the right, to express our opinion on the conduct of some of our allies. When this country put into force conscription, when Australia and Canada refused to put conscription for foreign service in force, when they asked us to fight this war over in Germany, and at the same time Commonwealths of the British Empire keep their men at home, we have the right to protect the liquidation of American youths.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. HOFFMAN. I will have something more to say on this subject later on today.

RIVERS AND HARBORS BILL

Mr. MANSFIELD of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

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

There was no objection.

The Speaker appointed the following conferees: Messrs. MANSFIELD of Texas, PETERSON of Georgia, BELL, CARTER, and DONDERO.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

Mr. FISH. Mr. Speaker, having served with him for many years, I have the highest regard for the gentleman from Texas. Naturally, I also believe in free speech for everybody, including the gentleman from Texas, but I think we ought to be very careful in this House about questioning the motives of any Member who desires to get up and tell the truth, whether it is in war or in peace. Everyone knows that the gentleman from Pennsylvania who just spoke is as patriotic as any other Member of the House. He merely stated a fact, that conscription is not in effect in Canada. He pointed out that boys of 18 years of age, from his district, had been killed. I was in this House when a letter from General Marshall was read stating that no boys of 18 would be sent abroad unless they were volunteers. That letter was read when we passed that legislation. In England they are not taking boys of 18 and sending them abroad unless they are volunteers or have had 1 year's training. Those are facts. They are the truth. I think anybody has a right to say it without having his patriotism questioned. Every Member of Congress, on both sides, is for winning this war and winning it as soon as possible.

Mr. BULWINKLE. 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 North Carolina?

There was no objection.

Mr. BULWINKLE. Mr. Speaker, careless words cost lives. The careless words used on the floor of this House cost lives just as much as the careless words used anywhere else. I do not care about any criticism you might make of the administration; that is your business. But I do say this. We are in this war. It is not ended by any means. In the name of the great God of all, remember that we who have our sons and relatives and friends over there should back them and our allies and not talk about our allies, or not say anything which will aid in destroying the morale of the troops.

G. H. GARNER

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1963) for the relief of G. H. Garner, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

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

There was no objection.

The Speaker appointed the following conferees: Messrs. KEOGH, ABERNETHY, and JENNINGS.

ROBERT WILL STARKS

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2874) for the relief of Robert Will Starks, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$5,000" and insert: "$1,000."

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial from the Arkansas Gazette of December 10, 1944, on the Little Missouri River and projected work; and further to extend my remarks and include a news item from the Arkansas Gazette of December 10, 1944, in reference to the highway bill.

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

There was no objection.

WORLD WAR VETERANS' LEGISLATION

Mr. RANKIN. 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 Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, on yesterday the gentleman from New Mexico [Mr. ANDERSON] inserted in the RECORD what purports to be a letter from Millard W. Rice to the President of the United States, criticizing the widows' and orphans' bill passed by Congress a few days ago. In my opinion, Mr. Rice does not reflect the views even of his own organization, and he is flying in the face of the sentiment of the veterans of other organizations. He leaves the impression that the passage of this measure is a discrimination against a man who died of service-connected disabilities. That is not true. He leaves the impression that these men whose widows and orphans we are trying to take care of had absolutely no service-connected disabilities. We do not know whether they did or not. Many of them came back not knowing what their rights were until it was too late to apply for benefits. Many of them did not know of their disabilities until it was too late to apply. Many of them said, "I am going to overcome my disabilities. I do not want anything from the Federal Government," and went on and struggled along until finally, when they died, their dependents found themselves outside the pale of protection. It is their widows and orphans that this Congress is trying to take care of now. I hope the President signs this just bill, and I am surprised that Mr. Rice would write such a letter or that the gentleman from New Mexico [Mr. ANDERSON] would insert it in the RECORD.

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and insert a statement I made before the Committee on Banking and Currency of the Senate.

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

There was no objection.

EXPEDITING PAYMENT FOR PROPERTY ACQUIRED DURING WAR PERIOD

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 565 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to 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 (S. 919) to expedite the payment for land acquired during the war period. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COX. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. Speaker, I wish again to appeal to the membership of the House to refrain, as far as possible, from criticizing other powers with which we are associated in the waging of the war. Of course, we have the completest confidence in the high patriotism of every Member of this body. We are completely united, I know we are completely united, in our determination to bring about speedy victory with the least possible loss of lives.

There can be no division between any of us in the high hope that the end of the war, particularly the war in Europe, is in sight.

Mr. Speaker, this resolution proposes to make in order the consideration of the bill S. 919, which is intended to simplify, insofar as the Federal Government is concerned, the law with respect to the condemnation of private property that the Government finds it necessary to take. The bill does away with commissioners that are now used in such proceedings.

When the bill was first presented to the Rules Committee I saw no objection to it and I do not now wish to raise objection, other than to say that I do not feel any enthusiasm for the measure, because it takes away from the private citizen his right to have his interest adjudicated in his local court—you might say the forum of his own choosing. I do not know but what it is a mistake to abandon that practice.

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

Mr. COX. I yield.

Mr. WHITTEN. Is it not a fact that under the bill reported here the private citizen does have the right, on his request, to have the issue tried by a jury?

Mr. COX. Yes; that is very true.

Mr. WHITTEN. And is that not an increased right, in that under the present law with respect to flood control he has no right at all to a trial by jury?

Mr. COX. No. The practice has been that the General Government would respect and follow State procedure in condemnation proceedings. This does away with that practice, as I understand the bill. The bill does simplify the procedure and makes it less expensive to the Federal Government, because under the present practice you may have as many as two jury trials and great delay. But at any rate, the law as it now stands, does preserve the right of the citizen to a determination of his rights in his own State court.

Mr. WHITTEN. Will the gentleman yield further?

Mr. COX. I yield.

Mr. WHITTEN. The gentleman apparently is not familiar with the fact that under the flood-control law, land taken for flood-control purposes may be taken without the citizen having any right to trial by jury, but limits him to a trial by three commissioners.

Mr. COX. Yes. If you will read the two letters of the Attorney General, embodied in the report of your committee, you will see that my argument follows the line of reasoning as set forth by the Attorney General himself.

I am not opposing the bill. Perhaps there is real need for it. Possibly for the duration of the war it would be well that this new procedure be adopted.

Mr. Speaker, I reserve the remainder of my time.

Mr. FISH. Mr. Speaker, I yield myself 10 minutes.

The SPEAKER. The gentleman from New York is recognized for 10 minutes.

Mr. FISH. Mr. Speaker, apparently, this is an old, ancient, hoary rule, dated May 23, providing for 1 hour's debate, half an hour on each side, on the bill S. 919 to expedite payment for land acquired during the war period. It comes to you with a unanimous report.

There has been a great deal of complaint that through the present State system of payment by commissioners, and so forth, much delay has ensued and the property owners seem to be far from satisfied with the prices they have been receiving and feel that justice requires that it should be by a judicial or court action. That is the purpose and object of the bill.

There is a corollary or a complement to it that raises a much greater issue which affects a large number of congressional districts and, of course, many States, and that is that during wartime large blocks of land have been confiscated by the Federal Government and taken out of taxes in the local towns and counties. I know that in my district and I do not think that my district is much different than many others, we have one large Army camp, Camp Shanks, down in Rockland County, that obliterated a part of one township and took it out of taxes. The same thing happened at the Stewart Airport near Newburgh. A large section of the town of Newburgh really was taken off the tax rolls. The question is whether the Government does not have some moral responsibility to pay at least a part of the taxes back into those school districts and into the towns. This question has been under consideration for some time, yet no action has been taken.

I am in favor of this rule because it seems to be in the interest of the individual American and property owner to preserve and protect his property rights instead of having them jeopardized without much recourse on their part to the courts. This bill will be discussed in detail by members of the committee when we go into the Committee of the Whole.

Mr. Speaker, I ask unanimous consent to proceed out of order for the balance of my time.

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

There was no objection.

Mr. FISH. A serious issue has been raised in the House today. I am talking more directly to the Republicans than to the Democrats, but I propose to talk to both. It is an issue that I believe is probably unavoidable and we might as well face it right away as to postpone it until the next Congress.

There is not a single Member of Congress, Republican or Democrat, who is not in favor of winning the war as quickly as possible and bringing our sons home immediately afterward, but I am afraid that if we follow the suggestions of some Members on the majority side and adopt a hush-hush policy on foreign policies or the conduct of the war that the Members might just as well stay home. If Members of the minority may not tell the truth or even refer to or criticize our allies in the war, then this legislative, deliberative body has assumed an inferiority complex to the other body, the Senate or to the British Parliament, where they do not hesitate to criticize our foreign policies, the conduct of the war, the President, and the acts of Congress, because it is a part of the function of every legislative body in peace and war. I hope that in the future no one's patriotism or Americanism will be even remotely questioned or impugned if he feels it is his duty to get up on the floor of the House and tell the truth about our allies, because it may be aiding and expediting the winning of the war.

It may be something that should be said and beyond that it may be something that should be said in the interest of the American people which comes first anyhow, because their sons are fighting this war. This is not a New Deal war. I do not think you want to call it a New Deal war. Republicans and Democrats alike have their sons in this war fighting shoulder to shoulder all over the world and they are on the march to victory.

Let me read you a statement that should be in the RECORD in time of war. This is an editorial that appeared in the Kansas City Star of May 7, 1918, written by Theodore Roosevelt, an outspoken, courageous American, one of our greatest Republican Presidents, who in the midst of the last war had this to say, and I hope the Republican Members of the House will listen to his words of advice and follow them in this war:

> To announce that there must be no criticism of the President or that we are to stand by the President right or wrong is not only unpatriotic and servile but it is morally treasonable to the American people. Nothing but the truth should be spoken about him or anyone else, but it is even more important to tell the truth, pleasant or unpleasant, about him than about anybody else.

That referred to our Commander in Chief in the midst of the last war, and I endorse wholeheartedly this editorial as applied to this war.

Turning to my Republican colleagues I want to emphasize to them that they have a solemn and sacred duty and function to perform here as a minority. It is their duty to represent the Republican Party and those who sent them here, by constructive criticism without fear or favor in time of war or in time of peace. What we need on the minority side is more vigorous leadership, more active, more aggressive, more outspoken and constructive criticism, whether it be of the New Deal and the pitfalls of the New Deal or of the President or of the Commander in Chief or of the conduct of the war.

The only possible criticism of the House of Representatives that I know of is that there is a certain inferiority complex among its Members on foreign policies and the conduct of the war. We on this side let the other body speak out freely, many of us applaud those statements, but any time one of us gets up here to speak there is always some one to question him and to say "Hush, hush" or "Shush, shush, we must not say that, we are at war," and endeavor to make out that some Member of the minority is trying to throw a monkey wrench into the war effort. The next step will be that we will not be permitted to refer to the Communists in America because the Soviets are one of the Allies.

The gentleman from Pennsylvania a while ago referred to some boys 18 years of age from his home town who were killed. He certainly had a right to say that. I will go further and call the facts to your attention. You and I voted to draft these boys of 18 into the armed forces. At that time we had a letter read to us, I think by the gentleman from New York [Mr. WADSWORTH], from General Marshall saying that these boys of 18 would all be given 1 year's training before being sent to the other side. That is the practice in Great Britain today. All boys of 18 were to be given 1 year's training before they were sent to the battle lines. It may be a military necessity, I do not know, and I am not criticizing that feature, but I am stating the facts.

The War Department now tells us that boys 18 years old will be sent any time to the front, with 3 months' training. I am not objecting if it is a military necessity, but it is contrary to the pledges given and to the practice in Great Britain.

The SPEAKER. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield myself 3 additional minutes.

Mr. Speaker, I am not criticizing if it is a military necessity, but the American people are entitled to all the facts and the Congress should discuss the issue without fear or favor. If it is necessary for my boy who is now 18, and who enlisted when he was 17, to go overseas to fight, that is all right; but, in my opinion, the other nations should do likewise.

It is perfectly justifiable for any Member of Congress to say that the Allied Nations should have conscription as long as we have and that the British Empire should have it as well. I think that is only a fair criticism when our own sons are being drafted. It was not my speech, but I am upholding the right of the gentleman from Pennsylvania to say it because it is the truth and the truth is never wrong whether it is in peace or in war. That does not interfere with our winning the war.

I know that Members, like the gentleman from Wisconsin, FRANK KEEFE, will take the floor of this House at any time, in peace or in war, and express their views openly and criticize constructively the things that are wrong. But there are far too many on the Republican side who are fearful that somebody is going to criticize their remarks, fearful of the radical commentators on the radio and the press because of attacks on the New Deal or the President. If the Republicans do not criticize constructively the New Deal and the President, then what is there for the minority party to do? What is left for the Republican Party? What will be left of our country? Of course, you cannot expect the majority to criti-

cize the acts of their own administration, and for political reasons they must uphold their own party, and I do not blame them, but our main function is to criticize and criticize openly and fearlessly, and that includes foreign policies and the conduct of the war. I beg of you, in a parting word to my Republican colleagues, that you realize your duties and your obligations to your constituents, and take the floor of this House on every occasion when anything is wrong with the New Deal or the administration or the President or the conduct of the war, for you have a definite right to discuss the conduct of the war and to express your views, and if you do not do it who else can or will in America except in the Senate. Unless the Republicans in Congress fight openly and boldly, regardless of Communist and left-wing smear attacks in the press and over the radio, there will be no Republican Party or Republic left to fight for. Free speech and free criticism must above all places prevail in Congress, and especially among the minority Members, who should not pull their punches whenever warranted on all issues that affect the interests of the American people, including the conduct of the war, the Commander in Chief, and our foreign policies.

Mr. COX. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, it is very seldom that I take the floor to pay much attention to what my colleague, the gentleman from New York, says, much as I like him personally. But remarks such as he has just made cannot go by without some comment.

It is rather interesting to note that on Monday he condemned his party, and today he is chastising his party in the House and undertaking to admonish them and tell them what they should do during the next Congress. I doubt if the advice of the gentleman, in view of his many inconsistent positions, will fall upon ears that will hear them and evaluate the advice in the light they would if it came from, for example, the gentleman from New York [Mr. WADSWORTH].

The gentleman has raised an issue which does not exist. The gentleman undertakes to raise a straw man that anyone who makes constructive criticism is going to be open to attack. I have been a Member of this body for 16 years, and I have never heard any lack of criticism on the part of any Members on the majority or the minority side who felt it their duty to offer criticism. There is a difference between constructive criticism and personal attack. That is just where the gentleman from New York fails to take notice and to distinguish between.

Constructive criticism is one thing, personal attack is another thing. I have never personally attacked any President of the United States or any person. I have never personally attacked a former President. For example, I have the highest personal regard for former President Hoover. On one occasion, at least, on this floor I defended him when he was personally attacked by a member of his own party. I waited to see if some member of his own party would defend him and when none did I defended him against the attack made on him. When former President Hoover was President of the United States, true, elected as a Republican, he was JOHN McCORMACK'S President just as much as he was the President of any other person. I disagreed with him on some of his policies, but I never did so in a personal way, and I never differed with him on foreign affairs. I supported him on every question relating to the foreign policy of our country that came before this House, because to me party lines disappear when the 3-mile limit is reached on matters concerning the relationship of our country with other nations of the world.

There is no disagreement at all about constructive criticism. It is good and it is worthy in war as well as in peace. So the gentleman does not raise an issue that anyone in this body on either side or anyone that I know of in the United States takes issue with. But the gentleman does raise an issue as a straw man for the purpose of knocking it down, in the hope that some people will feel that there are forces in this country, particularly in the Democratic Party, who will try to suppress constructive criticism.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. COX. Mr. Speaker, I yield 3 additional minutes to the gentleman from Massachusetts.

Mr. McCORMACK. Certainly, as we sit here—and I am not talking as a Democrat, I am not talking as leader, I am talking just as an American and a Member of this body—we do not see any suppression of free speech or free press, directly or indirectly. Our newspapers are going ahead and printing news as they see it. Some print a different type of news than others, but there is no attempt directly or indirectly that I see to suppress them or to interfere in any way. Certainly, there is no suppression of the right of any paper in the United States to take a position for or against Franklin D. Roosevelt or for or against any other person, either in his official position or as a candidate during the last election. Eighty percent of the press were opposed to President Roosevelt and his reelection. Seventy-eight percent were opposed to him 4 years ago. They had a right to do so. Whether some of the newspapers went further than we thought they should is another question, but that is a matter of personal opinion. The right of freedom of the press and the exercise thereof has certainly not been interfered with to the slightest extent. The complete right of freedom of press and of speech has not been interfered with.

What the gentleman fails to distinguish, as I said, is that constructive criticism is one thing and personal attack is another. Further, constructive criticism in time of peace is one thing and constructive criticism in time of war is another. The question of prudence enters into it. It may be all right to say something in time of peace that it might not be all proper to say in time of war.

I am not talking about the remarks of the gentleman from Pennsylvania [Mr. GAVIN]. My observation transcends that. I am not in any way inferentially criticizing his right to say what he did say today. What I do say and the position I take is that in time of war even in giving constructive criticism we must apply the rule of prudence, having foremost in our minds that the best interests of the United States of America comes first, above everything.

You and I, here, are elected as Republicans or Democrats. But we are something more than that. We are all Americans. We may have different views about this or that bill; we may have different views on this or that question, but there is no difference in our love for our country, our institutions, and our Government, and the great ideals for which our Government stands. On that there is unity. The gentleman from New York is just as firm and strong in his love of our country as anyone else. I know that. The motives of no man are questioned. The patriotism of no man is questioned. I agree that the patriotism of no man should be questioned, but the judgment of men can be questioned, and properly so, by constructive criticism. All I have to say is the gentleman from New York, a man of great capacity, a man who had everything, a man who has a fine mind, a man who is eloquent, a man who can think soundly if he wants to, years ago got off on the wrong premise and he has not gotten back yet. In offering our criticisms, our country being engaged in war, let us apply the rule of prudence to what we say or write.

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed out of order 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. Mr. Speaker, the gentleman from Massachusetts, the majority leader, again did what he has so often done—he has attempted to distract attention from what was actually said on the floor by calling attention to some other statement. Now no one disagrees with his proposition that constructive criticism should be permitted on all occasions. No one disagrees when he condemns personal attacks or criticisms of an individual because of some personal trait or action, which is but a matter of taste or judgment. The difficulty grows out of the definition of "constructive criticism."

As I gather from the statement of the gentleman from Texas [Mr. LUTHER A. JOHNSON] and from the statement of the gentleman from North Carolina [Mr. BULWINKLE]—yes, and from the remarks of the majority leader the gentleman from Massachusetts [Mr. McCORMACK]—any praise of the President, of the administration, of any administrative agency, is constructive criticism, while

anything said which directly or even indirectly calls in question any policy or action of the executive branch of the Government is either a disservice to the country's war effort or is destructive in its tendency. With that definition or interpretation of criticism I cannot agree.

My service in this House has continued for almost 10 years—it will be 10 years in January. Never, as I recall, have I questioned the ability, the judgment, or the loyalty of any Member of this House. Nor do I intend, if I live so long, during the coming 2 years, to do so; nor have I criticized, nor do I intend to criticize, the conduct of the war. But I do intend when occasion offers to make suggestions which in my judgment will aid in winning the war; in preserving our interests after the war is over.

To get back to what happened this morning. The gentleman from Pennsylvania, returning from his home where he learned that some of his friends and neighbors had lost their sons in this great war, ventured to suggest that our allies, the Canadians and Australians, adopt conscription. If conscription for Americans aids in the winning of the war, is there any reason why those governments, which are more closely connected with the British Empire than we are, should not adopt the constructive procedure of conscription? Is it not constructive for the gentleman from Pennsylvania to suggest that they do as we have been asked to do, and as we have done, and send conscripted youth to fight on foreign soil?

We were told that this was a war to preserve our national entity. If true, then it is a war for the preservation of Canada and of Australia, which are a part of the British Empire, and equally true is it that, if our youth are to be conscripted, soo too should the young men of those two Commonwealths be conscripted.

I suggest that the statement of the gentleman from Pennsylvania [Mr. GAVIN] was constructive criticism, and yet when the gentleman from Pennsylvania [Mr. GAVIN] makes that criticism what does he get from the majority side? The plain, vigorous charge from the well of the House that he has rendered a disservice to his country. That was the statement of the gentleman from Texas [Mr. LUTHER JOHNSON].

Among other things the charge that a man has been guilty of a disservice to his country is by many people construed to mean that a man has been guilty of disloyalty.

The gentleman from Pennsylvania served in the First World War. He served in the front lines where machine-gun bullets, high-explosive shells, were dealing out death to his comrades. He fought in that war in a combat unit and yet when here on the floor of the House he demands that other nations cooperate, collaborate, join with us in the war which we are fighting for their preservation, for their very existence, he is accused of having rendered a disservice.

Speaking only for myself, I would be somewhat reluctant to make such a charge against a veteran of the First World War.

The gentleman from Pennsylvania [Mr. GAVIN] is known to all of us as one who, when his country needed him, answered the call; as one who served as long as his country had need of his services; as one who ever since has faithfully in his life at home and here on the floor of the House done his utmost for America and in support of the war effort.

I was rather inclined to the thought that the gentleman from Texas spoke without thinking, as many of us do. I am sure he did not realize that the words he put into the RECORD, if permitted to stand there, and even whether they are stricken or not, will in the next campaign be reprinted and use by the P. A. C., by the C. I. O., by the majority party, in the congressional district of the gentleman from Pennsylvania as evidence that the gentleman from Pennsylvania is disloyal. Can we not, as Members of the House, leave it to the individual opponents of those who come up at election time to oppose us to find their own ammunition? Must we place in the RECORD false charges of disloyalty, of lack of patriotism, so that some organization like that financed and operated by Sidney Hillman, who has now gone abroad to give his advice as to how the war should be conducted and as to how far we should go, can use that against a colleague in the next campaign?

My opponents in the last campaign—the P. A. C. and its allies—demanded that I cooperate with our allies. That I am more than willing to do but I insist that they cooperate with us. I venture to request those who asked me to cooperate to advise as to whether they approve of the Greeks who are now fighting the British in Greece, or whether they join in thought and action with those who would deny to the people of Greece the right to select their own form of government, their own officials?

The same questions I trust they will answer as to our conduct in Italy. They might also advise as to which faction we should cooperate with when the question as to who is to rule there and the kind of government it is to have come up for ultimate decision.

I likewise ask my critics whether they approve of the course of Great Britain and of Russia in leaving, at least to a certain extent, the battle front in western and southern Europe and attempting to establish in Italy, in Greece, their own position to aid them in post-war influence in those countries.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. FISH. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. HOFFMAN. I am not now criticizing the gentleman from Texas [Mr. LUTHER A. JOHNSON]. He may say what he wishes, but I do reserve the right and it is my purpose as a Republican, serving in the interests of my country, reelected in spite of the opposition of the new dealers and their political allies, the Communists, of their political ally, Sidney Hillman, with his $2,000,000—and they had a man in my district for months spreading their lying propaganda—I repeat, I do intend in the days to come to defend my own patriotism and my own acts and those of the Members on the minority side who are willing that I should.

When charges of a lack of patriotism are made against me or against members of my party, they are not, if made on the floor of this House, going unanswered. To the best of my ability I will lay bare the record, demonstrate the falsity of such charges, and, if possible, expose the motive which causes them to be uttered.

Neither Sidney Hillman, the Communists, those who want to remake America, nor any new dealer, nor any worshiper of the New Deal, will go unanswered, if I am present on the floor when the charge is made, if I can obtain recognition.

While I listen with interest to, sometimes with admiration, of the gentleman from Texas [Mr. LUTHER A. JOHNSON], the gentleman from North Carolina [Mr. BULWINKLE], and the gentleman from Massachusetts [Mr. MCCORMACK] after all I was neither elected by nor am I in any way responsible to any one of them. When they suggest that other Members are rendering a disservice to the country, as did the gentleman from Texas [Mr. LUTHER A. Johnson] today, their words, so far as I am concerned, fall on unheeding ears. If they wish to join me in constructive criticism of actions which are hindering the war effort, let them add their approval to what I am about to say about war production.

PAYING A POLITICAL DEBT

The Washington Times-Herald on the front page this morning carries the information that the War Labor Board has summoned Montgomery Ward & Co. and the C. I. O. union to appear tomorrow to show cause why the company has not complied with the 1942 War Labor Board ruling calling for maintenance of membership and minimum weekly wage rates of $20.25 in seven States in which the company operates.

Yesterday's papers also carried the information that picket lines had been thrown around Ward's stores in Detroit and the morning papers state that C. I. O. is about to call a general sympathetic strike in Detroit and in other cities.

Everyone knows that a general strike would but add to the confusion and the impairment of the war effort which have already been created by almost daily strikes of the C. I. O. in war plants.

There is no authority in any Federal statute which authorizes the W. L. B. to order an employer to enter into a contract containing a security of membership clause. Nevertheless, such orders have been issued time and again by the War Labor Board and, upon the failure of the employer to comply, industrial plants have, under executive order, been seized by the Government and almost invariably the Government has given the striking union what it demanded.

By using the W. L. B., a Government agency, as its holdup man, the C. I. O. and some other unions have been able to

make employers and the taxpayers stand and deliver.

In many instances, th enforcement of the order granting the union additional pay did not cost the company anything because the increase in wages granted was but added to the company's contract with the Government and the ultimate cost fell upon the taxpayer.

It is a clever and a very effective procedure to make the taxpayers grant additional compensation to the administration's political supporters. It is especially effective because the New Deal courts have refused to take jurisdiction to pass upon the validity of the orders issued by the W. L. B.

Appearing before the Smith committee, William H. Davis, Chairman of the Board, and his legal counsel have been unable to put a finger upon any Federal statute which authorizes the making of a security of membership order.

They admit that, under the National Labor Relations Act, while employer and employee may agree to a closed shop or to a security of membership clause, neither can be forced to enter into a contract containing either provision.

They attempt to justify their ruling imposing a security of membership clause under the War Labor Disputes Act, which authorizes the Board, appointed by the President—

To decide the dispute, and provide by order the wages and hours and all other terms and conditions (customarily included in collective-bargaining agreements) governing the relations between the parties, which shall be in effect until further order of the Board.

But the same section just quoted and from which the Board claims to derive its authority, in the next succeeding sentence provides that—

In making any such decision the Board shall conform to the provisions of the Fair Labor Standards Act of 1938, as amended; the National Labor Relations Act; the Emergency Price Control Act of 1942, as amended; and the act of October 2, 1942, as amended, and all other applicable provisions of law; and where no other law is applicable the order of the Board shall provide for terms and conditions to govern relations between the parties which shall be fair and equitable to employer and employee under all the circumstances of the case.

When the attention of Mr. Davis and his counsel was called to the provision requiring the decision of the Board to conform to the provisions of the National Labor Relations Act, he answered with the statement that the War Labor Board had authority to settle disputes between employer and employee and that, to accomplish that purpose, it had the added authority to make any and all orders necessary to settle a dispute.

His argument and his statement was that whatever the parties might agree to do, the W. L. B. by order might force them to do.

The absurdity of that position is apparent from the statement of it. As well might the highwayman who holds up the wayfarer and takes from him his purse at the point of a pistol say that when the pocketbook was handed over his victim agreed to settle the argument.

From its persecution of Ward's, the skeptical and suspicious individual might think that the War Labor Board had entered into a conspiracy with the stockholders and officials of Sears, Roebuck & Co., a rival mail-order house of Montgomery Ward, to destroy Ward's business.

Of course, there is no basis for any such thought, but there is sound ground for the conclusion that the administration, in return for promises of political support, did, prior to the election, for the benefit of the C. I. O., seize the plant of Montgomery Ward & Co.

There is ample ground for the conclusion that, the C. I. O. and P. A. C. having delivered at the November election, the War Labor Board is now making payment for the votes cast for the fourth term.

The administration has already, through its New Deal courts, which hold that they will not review the orders of the Board, demonstrated to C. I. O. and Sidney Hillman and to the informed public that it is the political and economic ally of the C. I. O. and of those who want to substitute Federal for private control.

It is idle for the administration, for the Government agencies, for Sidney Hillman, to say that they believe in free enterprise, when all of their acts demonstrate the opposite.

There is also ample ground for the suspicion that the P. A. C. and the C. I. O. are not interested primarily in the betterment of the worker. If either or both organizations honestly and sincerely believed that wages could be increased, that industry could be rendered more efficient by a security of membership clause or by a closed shop, there is no reason why they should not give the public, union and nonunion employees, a practical demonstration by an industry or a branch of industry so conducted.

Dan Tobin's Teamsters' Union, more than a year ago, boasted that it had $4,000,000 in cash, $5,000,000 in war bonds, any part of which it was willing to spend to control an election.

The P. A. C. and Sidney Hillman, prior to the election, had resources of more than $2,000,000, any or all of which it claimed the right to spend to, as it said, educate the voters—in reality, to purchase an election.

If these organizations really believe that the workers are being treated unjustly by employers as a whole, then in all fairness they should establish or take over some one business and operate it.

If the employers are making an exorbitant profit, as is constantly charged by the C. I. O., then the C. I. O., with its millions of resources, should establish such an industry and, for its members, who would be the stockholders, make and accept a fair profit and give to the employees, also its members, a fair, adequate wage under proper working conditions.

The truth of the matter is that the administration, Sidney Hillman, his communistic allies, and some officials of the C. I. O.—contrary to the wishes of the rank and file members, the vast majority of whom are honest, patriotic, and fair-minded—wish to bring about either state socialism, or communism, or a fascist control, and there is little difference between them.

The War Labor Board—yes, and the Governor of the State of Michigan—might take cognizance of a Michigan State statute, Public Act No. 176 of the Public Acts of 1939, which expressly provides that it is unlawful for any person to take possession or control of any property or to withhold possession of any property against the will of the owner, or to interfere with the free use thereof, either by force, threats, intimidation, or artifice.

That statute also provides that it is unlawful for any employee or any other person, by force, coercion, intimidation, or threats, to force or attempt to force any person to become or remain a member of a labor organization, or to attempt to force any person, by threats or intimidation, to refrain from engaging in employment.

By the express provisions of the act, no one is exempt from it except employees and employers who are under the jurisdiction of the Railway Act or involved in farm labor or domestic employment.

It might be added that the national labor relations law itself makes it an offense for an employer to encourage membership in any union. Yet the W. L. B. and this administration in this instance, and in hundreds of others, have exerted the Board's power in an effort to force employers to encourage membership in one union, discourage it in another; to violate the terms of the National Labor Relations Act.

It is time that the people began to realize that, while our men are dying by the hundreds on the western front in Europe, here at home in America, at least one of the "four freedoms," that is, freedom from want, which rests upon the unrestricted right to work, is being taken from the American citizen by this administration to pay for political support.

In this connection, it might be added that yesterday the casualty lists which came to my desk carried the names of approximately 2,700 young Americans. Here, while they were fighting abroad, the Commander in Chief permits his political allies to demand tribute of their relatives who wish to work in support of the soldier's fighting efforts.

The SPEAKER. The time of the gentleman from Michigan has again expired.

Mr. COX. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Speaker, I would not attempt at this time to censure any Member for exercising his prerogative to criticize or find fault in the program or policies inaugurated by another, but in view of the speeches made here this morning I do want to call attention to a philosophy expressed by Benjamin Franklin many years ago when he said: "Our friends are those who tell us of our mistakes and help us to mend them." A friend does not remind you of your mistakes and stop there. He goes further and suggests how they may be corrected.

I just want to emphasize the thought that it is a good philosophy, both in private as well as political life, before we undertake to publicly criticize the actions or policies of others we should first be willing and able to suggest better ones or how they may be improved.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. COX. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, these speeches have strayed far afield from the matter which is now under consideration. I wish to address my remarks to the rule which is now before us and call the attention of the House to a matter that is frequently not understood; and to my surprise some members of the Committee on the Judiciary to whom I have mentioned the situation in which we find many American people have stated they did not know that a jury trial was denied, I presume because such provision is in a statute reported from the Committee on Flood Control in 1928 and if considered separately, comes under the jurisdiction of that committee. That certainly is not true with regard to the gentleman from Alabama [Mr. HOBBS] or the gentleman from Texas [Mr. SUMNERS], who are thoroughly cognizant with the problem and sympathetic with my desire to obtain a remedy by act of this Congress making provision for the American property owner whose land is taken by his Government to have a right to a trial by jury.

The Flood Control Act having to do with the Mississippi River and its tributaries provides that the Federal Government can go into that area and take land for flood control to help the man who lives below the dam, can take it by simple act of taking it into charge or possession once it has been authorized by act of Congress that such a dam or flood-control project be constructed as was done under the law of 1938 insofar as my district is concerned, without regard to making any payment to him at that time, except so far as the Government cares to offer. I realize, of course, that for the orderly procedure of Government perhaps it is necessary in some cases that possession be taken but you cannot expect it to be satisfactory to the man whose land is taken away and flooded and this not to help the man himself but to help the man who lives below the reservoir. Especially is that true where his compensation is fixed by commissioners with no right of appeal for a determination by a jury.

Here is the point to which I wish particularly to call your attention: Under present law that man's compensation and damages for the property which has already been taken from him is fixed by three commissioners who are appointed by the court at $25 a day and expenses.

The man whose land is taken has no recourse, can get no trial by jury on the question of compensation; the law does not give him that right. The decision of those commissioners is final when affirmed by the court. The court of course appoints the commissioners; they are men in whom the court has confidence and the result universally, almost without exception, is that their judgment is affirmed. Also in practically every case you will find that the commissioners fix the compensation at the amount previously determined by the Government appraisers. That is not in keeping with the American theory of government. If you will read the Constitution you will find it provides that in lawsuits between individuals when the amount in controversy is $20 or more a trial by jury is guaranteed. You will find if a man is indicted for a crime he is entitled to a trial by jury. You will find that if his property is taken for an Army camp or for a war plant to contribute to the war effort he has a right to trial by jury in the amount of compensation. But, Mr. Speaker, you will find that Congress—men who represent the people of the Nation, the folks back home—passed section 702d, United States Code, 33 years ago, taking away the right of such citizen to a trial by jury—a statute under which land can be taken for the specific purpose of improving other land. The statute tells him that he is not entitled to a trial by jury in the matter of determining compensation. Mr. Speaker, too many here are giving time and attention to protecting the power, the authority, and the might of the Federal Government and too little attention is given to the individual whose home is taken, whose land is taken, land on which perhaps his family has lived for a hundred years or more. This Nation says to him: "We will send our men in there, we will determine what you are entitled to and you will stand by helpless." That is the law today. This Congress here has an opportunity to correct that situation. This bill gives me an opportunity to tell you some of the facts that have developed under this procedure. You say to us: "Well, that just affects WHITTEN and a few folks on the Mississippi." But let me remind you that this Congress has just passed a flood-control bill for the control of the Missouri River Valley and other tributaries of the Mississippi, and before long many other Members will find out how this thing affects their constituents. You will find there are a large number of individual American citizens whose rights need protecting, whose property will be taken, and who will have no right of appeal to his fellow Americans as to the compensation paid him, and you will find that they do not all live in my district.

Mr. FISH. Mr. Speaker, I yield myself one-half minute to answer in part the remarks made by the gentleman from Massachusetts [Mr. MCCORMACK], and that is all that is necessary at this time.

Mr. Speaker, all I care to say in reply is that according to the gentleman's definition of "constructive criticism," it only means praise of the President—anything else is destructive—according to the majority leader. I agree with Theodore Roosevelt, "that nothing but the truth should be spoken about the President, but pleasant or unpleasant, it is even more important to tell the truth about him than about anyone else in time of war."

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, I seem to have raised an issue here this morning, and rightfully so, that deserves the serious consideration of the membership of the House. I regret I was not in the Chamber at the time the gentleman from Texas made his remarks, but for his information I want the gentleman from Texas to know that I served as a sergeant in the Infantry overseas during World War No. 1, I am past commander of the American Legion, an active member in the Veterans of Foreign Wars and the American Legion, and for a year and a half I served on the selective-service appeal board for the State of Pennsylvania, appointed by the governor of my State; so with that background and as a Member of this body, I feel qualified to express my opinions on this situation concerning our American boys.

Mr. Speaker, I am going to finish what I started this morning so that this issue will be clear to the Members of the House, and that is a fair square deal for our boys who are doing the fighting.

It has just been called to my attention that three boys from my home town, Oil City, Pa., just a little over 18 years of age, have been killed in action overseas. A few weeks ago while back home I visited a family in Johnsonburg, Pa., in my district, who had five boys in the service and two of these boys were killed in action within 4 days.

We have from eight to ten million men in the United States Armed Forces and we have had close to 550,000 casualties. We have conscripted our boys by the millions and they are fighting all over the world, and yet the colonies of the British Empire are now just getting around to enacting legislation to draft men for overseas service.

Prime Minister Churchill and Foreign Secretary Eden do not seem to be much concerned about the conscription in the colonies of their fighting men. The Prime Minister said he was not going to preside over the liquidation of the British Empire, and he might have included the British lifeline to India; however, he seems content to let us throw thousands of our boys into action to carry on the fight—hundreds of whom are being liquidated every day.

What seems to be the difficulty is that somebody in the State Department does not tell the British Empire that we are not satisfied with their policy on the conscription of men in the British colonies. If we can draft our boys by the thousands for overseas service, why cannot the British colonies do likewise?

The Prime Minister and the Foreign Secretary can get tough with Uncle Sam when they feel the British Empire is not getting the breaks. So it is about time for Uncle Sam to get tough with the Prime Minister and Foreign Secretary when we feel we aren't getting an even break.

The British Empire and her colonies ought to pursue the same policy we are pursuing; drafting and putting into action the 18-year-olds. A few months ago we heard the cry, "Give us the tools

and we will finish the job". Well, we are not alone furnishing the tools but we are furnishing the manpower to win this war. Yet, we are witnessing, right up in Canada, riots because they conscripted 16,000 men for overseas service.

What we need more than ever before is a diplomatic policy with a backbone and someone with the courage to tell the Prime Minister and the Foreign Secretary to get going with a conscription program in the British colonies to furnish the manpower for overseas duty to bring this war to a rapid and early conclusion.

Mr. Speaker, our first concern is to win the war. The more men we get in there on the fighting line now the quicker we will bring the war to a successful conclusion and save thousands of our American boys.

This, I believe, is only fair to the American boys who are fighting and dying by the thousands.

Read Drew Pearson's column this morning in the Washington Post. A columnist who by no stretch of the imagination could be called antiadministration. He tells the story of the type of leadership we are getting in the State Department.

What I feel this country needs is less diplomats, diplomacy, and diplomatic dinners. That stuff is all right in peacetimes, but what we need now are practical, hard-headed, two-fisted horse traders in the State Department to give our boys an even break and protect Uncle Sam's interests.

I insert for information the following editorial from the Washington Times-Herald:

CANADA AND THE DRAFT

An interesting character day before yesterday was again elected mayor of Montreal, Canada's largest city—population 903,000, most but by no means all of it French-Canadian.

MONTREAL ELECTION

The winner in Monday's Montreal mayoral election was Camillien Houde, by a score of about 63,000 to 48,000. Houde had been mayor of Montreal several times. In 1940, with Canada at War, he urged Canadians to refuse to register under Canada's draft act, which enables the Dominion to draft men for service in Canada but not overseas. For this Houde was interned for 4 years as a menace to public safety, getting out of internment only a few months ago. Now, with Canada more than 5 years at war, Houde has staged a triumphant come-back.

Houde's election is an incident in the draft crisis which has been exciting Canada ever since November 2, when Col. J. L. Ralston resigned as Minister of Defense in Prime Minister W. L. Mackenzie King's cabinet.

Ralston, after a tour of European battlefields came home convinced that Canada, with the big push on in France, could not find enough replacements for its casualties on a volunteer basis.

"I considered," he wrote King, "that I had no alternative but to recommend that drafted personnel be sent overseas as reinforcements."

It has long been customary to blame the French-Canadians solely for the strong opposition in Canada to drafting men for overseas service—an opposition that dates back to World War No. 1. And the French-Canadians by and large are a stubborn breed whose main loyalties seem attached to a state and church such as existed in France before the revolution.

But as Ralston's statement indicates, opposition to the overseas draft is by no means confined to the French-Canadians. "Zombies," as the home-service draftees are called, of both British and French descent, have been registering strong unwillingness all over Canada to go across to France and fight. Nothing like the needed 16,000 could have been obtained as volunteers.

Mackenzie King's government then at last nerved itself to bring in a diluted overseas draft act, under which not more than 16,000 Canadian draftees will be sent to the western front or the Italian front.

The Australian draft system is similar to the Canadian, and so is the New Zealand system. Britain does not draft Hindus to fight, though some of the native Indian princes may. When it comes to letting their own men be shipped far away to fight empire wars, the British dominions, crown colonies, etc., are very independent-minded these days.

Our Government, of course, has no such hesitancies. Our men are drafted in million lots and can be sent anywhere to fight, and in this war have been sent almost everywhere—to Australia, New Guinea, the western and Italian fronts, Burma, India, China, etc., etc.

Mr. COX. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I greatly deplore the arguments made here this morning. Of course, there is room for criticism as among ourselves and nobody would suppress the impulse, whenever it arises. But we are committing a terrible blunder. We are committing a terrible sin against the men who constitute our fighting forces and their loved ones back home when we indulge in attacking our Allies. I hope and pray that we will not have any more of it.

Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Speaker, I do not know whether I want these 3 minutes, because an argument such as has been just made by the gentleman from Pennsylvania can be answered in a few seconds. The gentleman should by all means find out the facts about a thing before he speaks. The gentleman should know, if he does not know, that England has conscription from 18 years up. There are men on the floor here that could give him all the facts. Again and again I say to you that careless words, words spoken without any foundation, words spoken to create bitterness, make it, as my friend the gentleman from Georgia just now said, much harder on the morale of our men in the service. I am not here to try to get you to stop your criticism of the administration. I will answer that at the proper time. But I do say, and I say again, on the conduct of the war, remember that unnecessary talk might cost the lives of men, might cause injury to many. This kind of rot should stop on the floor of this House.

Mr. FISH. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Speaker, I am in a good humor, and I am not going to criticize anybody or give you any advice unless you come to me privately and ask for it.

I want to come back from far afield and discuss for just a moment the provisions of this bill, and I shall address my remarks to the learned and able gentleman who has the bill in charge. I shall suggest and offer, when the bill is read for amendment, this amendment:

Page 2, line 14, after the word "party", insert the words "shall be entitled to and may demand a trial by jury."

My reasons for offering this amendment are these: A liberal construction of this bill as drafted and presented would lead the lawyer who thinks in terms of the Anglo-Saxon traditions of the common law, in the light of an unbroken line of decisions of the Supreme Court of this country, to conclude that the citizen whose property is being taken by the Government willy-nilly—he cannot deny the right of the Government to take it—is given, if he demands it, the right to a jury trial; but a very eminent member of the present Supreme Court recently said from the bench in a written opinion that the fact that a statute is couched in simple and plain language of unmistakable meaning by no means meant that the meaning of that statute is plain, that to so hold would be a matter of oversimplification.

I was brought up to believe, and have followed the idea, that when we say a thing in plain English terms we mean exactly what we say. This bill reads, with respect to a trial by jury:

Provided, however, That any party may demand a trial by jury of the issue of compensation by filing with the clerk of the court a demand therefor.

However, I notice in the letter from the Attorney General urging the passage of the bill these words:

This bill would abolish the use of commissioners in condemnation proceedings and would provide that the issues in such proceedings would be determined only by the court reserving to either party the right to a trial by jury at its option.

There is the bug under the chip that I am after. It comes down to the proposition that the court at its option may permit the man whose land is being condemned and taken from him to have a trial by jury.

Let us make it so plain that it will not be a matter of oversimplification. Let us just say what we mean and assure to the landowner a trial by jury.

Mr. FISH. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, this bill, S. 919, passed the Senate on May 20, 1943. It came to the Committee on the Judiciary and some consideration was given to it, but that committee did not see fit to report the bill until November 30, 1943. Then the bill came before the Committee on Rules, and that committee reported on May 23, 1944, a rule providing for the consideration of the bill by the House.

I speak of these dates because it is conclusive proof that this is not emergency legislation. I regret exceedingly

that a bill of this type, changing the general condemnation laws of all the States in the Union as far as Federal condemnation is concerned, is brought in at this late hour. The rule will be adopted, but I think we should approach the matter very carefully. Unless I change my mind, I shall not vote for the bill. If there ever was necessity for this radical change in the fixed, tried, and proven law of the land, surely that time is passed so far as war land purchases are concerned.

Why take away the right of the States? Why set up a Federal pattern when every State can pass such a law if the State wants that done. This bill as a law would hinder and delay. It would not expedite. It might compel the Government to pay much more for the thousands of acres taken for military purposes if it were retroactive.

Mr. Speaker, a bill introduced in May 1943, and not called up until just before adjournment in December 1944, is not emergency legislation. Why have two methods of determining the value of land taken for public use, when those lands are in the same neighborhood? The answer is, more delay, more expense, and more red tape.

Mr. CASE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include the text of a very brief bill I introduced yesterday.

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

Mr. COX. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

EXPEDITING PAYMENT FOR LAND ACQUIRED DURING WAR PERIOD

Mr. HOBBS. 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 (S. 919) to expedite the payment for land acquired during the war period.

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 S. 919, with Mr. COFFEE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Alabama [Mr. HOBBS] is recognized for 30 minutes and the gentleman from New York [Mr. HANCOCK] is likewise recognized for 30 minutes.

Mr. HOBBS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, now that we have settled the destiny not only of our own Nation but of the world, including the selective service laws of our allies, we come down to the issue which is before you in the bill, S. 919. It is a very simple question of whether or not in wartime, we want to expedite the payment to our citizens of the money due them from the Government for land which under eminent domain we have had to take for the prosecution of our war effort. In so doing, we are correcting during the war, the omission of some of the statutes in failing to provide for the grant, the specific grant, of trial by jury. That is all there is to the bill. Now as far as criticism of the bill is concerned, and its legislative history, it is true that the bill has not been pressed as vigorously as it might have been. But what of it? The issue is here. The cases are now in fieri; citizens of our Government, our fellow citizens, have not been paid for their land. We submit that the bill ought to be considered on its merits and not because of any delay caused in the Committee on Rules or in the Committee on the Judiciary, or in the House. I do want to call attention to the fact that 2 years ago, the Committee on the Judiciary acted on this bill, in substance; this House passed this bill, and it died in the Senate. Without criticism of the other body, I submit that the Committee on the Judiciary possibly was wise in waiting until Senate action was taken before we bothered you to consider this bill a second time.

Mr. ANGELL. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am happy to yield to the distinguished gentleman.

Mr. ANGELL. Is it not a fact that under this bill the litigant himself has the right for a trial by jury, as a matter of right, and it does not rest in the discretion of the judge?

Mr. HOBBS. That is absolutely true, sir.

Mr. ANGELL. In other words, the discretion does not rest with the trial judge? It rests with the litigant. If he demands a jury trial he is entitled to it as a matter of right?

Mr. HOBBS. If this bill is adopted; yes, sir.

Mr. WHITTEN. Will the gentleman yield?

Mr. HOBBS. I am delighted to yield to the gentleman.

Mr. WHITTEN. I just wanted to say to the gentleman that in my remarks I made some reference to the fact that one or two members of the Committee on the Judiciary were not as well advised about the present law with regard to flood control. As far as the gentleman from Alabama is concerned, he is thoroughly familiar with this practice and procedure, and in my opinion has done a splendid job for the Nation and the country in bringing this bill here.

Mr. HOBBS. I appreciate the remarks of the gentleman with reference to myself, although they are wholly undeserved. I know very little about the law relating to flood control. I am just a country boy from Alabama and know mighty little about anything. Still I am delighted to have the gentleman pay that tribute to our committee.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. HOBBS. Mr. Chairman, I yield myself 2 additional minutes.

There are three committee amendments that I call to your attention so that you will understand the issues that are up for debate. One corrects a date erroneously set forth in the bill. It is the 26th, and it ought to be the 24th. That is all.

In the second amendment we say this bill shall apply only when a report of the commission has been made, that is the local commission, and when the proceedings in court have begun, then it shall not oust the jurisdiction that would otherwise have attached.

The third amendment extends the life of this act 1 year, to 1945, instead of to 1944.

I call attention to this one point which you all should know: We do not, as a peacetime program, advocate any interference with the sovereign States. It is only during wartime that we advocate this drastic remedy. The reason for it is that cases before our committee time after time have shown that the consumption of time and cost have been prohibitive; cases in which paying the Commissioners has cost more than the land to be condemned. Therefore, we feel that under the circumstances and in aid of the war effort this bill is justified.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. HANCOCK. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, there was justification for this bill when it was first proposed. It was introduced in the Senate in March 1943 by the late Senator Van Nuys. The Senate acted on it in May. We acted on it in our committee in November, and it is now before the House, December 13, 1944.

At the time the legislation was first recommended the Department of Justice was confronted with the gigantic task of acquiring vast acreage in this country for airports, war plants, training camps, public works of all kinds, docks, yards, warehouses, and for other military purposes. They felt that a uniform condemnation bill would expedite and facilitate their work in acquiring this vast amount of property which the Government needed. That was the real reason for recommending the passage of the bill.

During these intervening 22 months the task of acquiring the land needed for Federal purposes has been practically completed; as a matter of fact we now have surplus lands and the problem is not to acquire new land but to dispose of lands no longer needed.

In different States we have different methods of condemning lands for public purposes. The general law states that the Federal Government must comply with the State laws. All the land that I have mentioned that has been acquired for war purposes has been acquired under State laws and the fact that we have been successful in acquiring so much land without this bill is proof positive that it was never needed in the first place. Generally speaking the Government is represented in condemnation proceedings by the United States attorneys or by special local counsel who know the procedure in the States where they practice.

We have in New York a system of condemnation by commissioners—the type of condemnation which the gentleman from Mississippi does not like. Our procedure is very simple. The

State or the political subdivision or the public utility simply files a petition describing the land to be taken, for what public purpose it is needed to be used, and asks for the appointment of commissioners. If it appears that public use of the land is necessary and proper, and the court so finds, it appoints three commissioners to determine the value of the land. Ordinarily the commission consists of a lawyer and two men who are well qualified to judge values of real estate, real estate agents or bankers or men engaged in the mortgage business or somebody of that kind. They examine the land, hear witnesses for the owners of the land and for the public, and make their report to the courts. If the court after a hearing finds that the award is excessive or inadequate, the court sends it back for further consideration or appoints a new commission.

We in New York feel that the question of the valuation of lands is not so much a matter of fact for a jury to determine as a matter of opinion to be settled by experts, by men of special knowledge. This is satisfactory to the citizens of New York. Why should you compel us to accept a jury system which we do not like; and vice versa, why should we attempt to inflict upon the people of Mississippi a system of condemnation of which they do not approve?

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK. I yield.

Mr. WHITTEN. Is it not a fact that under the terms of this bill if the parties are satisfied the issue will be tried by the court, and the jury is not at all compulsory? Under the terms of the bill being considered the jury has got to be requested or demanded; otherwise it will be tried by the court.

Mr. HANCOCK. That is right. But in most instances when a case reaches the court one party or the other will demand a jury.

Mr. WHITTEN. So you folks are not having a jury system imposed on you by the terms of the bill. I would like to ask the gentleman this further question: Is not the landowner given a chance to be heard in the cases the gentleman enumerated as to whether or not it is necessary to take his land?

Mr. HANCOCK. Oh, yes; the court must find that before he appoints the commissioners.

Mr. WHITTEN. That is the thing. Under the flood-control bill they cannot be heard on that because under the general statute passed by the Congress the War Department is given the right to draw up its own plans and provisions for such reservoirs as they see fit to make.

Mr. HANCOCK. In answer to the gentleman's first point, we, of course, do not have that practice in New York. In other jurisdictions, however, almost invariably either the public or the landowners is dissatisfied and asks for a jury trial. That is one thing that was emphasized by the Department of Justice as the cause for delay.

Mr. WHITTEN. Except that in regard to flood control there is a particular statute which states that the findings of the commissioner when confirmed by the district judge shall be final; and it is final; and the court heretofore always has affirmed the decision of the commissioners.

Mr. HANCOCK. The gentleman has his mind fixed on the Flood Control Act and it ought to be amended if it is not satisfactory to the people affected. But that is no reason why the gentleman should ask for a law through this bill to deal with his problem when such a law would affect practically every law on property condemnation under which we have been working satisfactorily for many decades.

Mr. WHITTEN. If the gentleman will permit me, it is right natural for me to call attention to those measures and the effects I happen to know about.

Mr. HANCOCK. The gentleman had better amend the Flood Control Act. The present bill is only intended to be temporary, as indicated by its own terms, and terminates on December 31, 1944.

The only reason for this bill was to have time, not in paying compensation to landowners but in getting title for the Government. The former theory is merely a camouflage and I say the latter is no longer necessary, if it ever was. It is unfair to come in here and impose upon the people of the various States a uniform law which the people of many States do not want. No public official, or landowner, or lawyer, or farmer ever asked me to support this bill.

Mr. LAFOLLETTE. Will the gentleman yield?

Mr. HANCOCK. I yield to the gentleman from Indiana.

Mr. LAFOLLETTE. It might be well also to point out to the gentleman, in line with what he is complaining about, that once the court finds the land should be condemned, nobody can say anything about it. Under this bill the court makes a finding as to the propriety of the condemnation and a jury fixes the damage. So he gets no relief anyway.

Mr. HANCOCK. It is a question of who is better qualified to decide the question of compensation to which the owner is entitled. Personally, I prefer a qualified commissioner to any judge I know of and I prefer qualified commissioners to any jury I have ever seen. We are satisfied with that system in New York. Why impose another system on us? Why should we attempt to impose our system upon Kansas, Indiana, or Mississippi? The bill is a temporary thing at most. It may have been needed 2 years ago, but is not needed now. It is a definite infringement on the rights of the people of our various States, and the bill ought to be defeated. I am opposed to the bill. I am sorry there are not more Members present, and I am sorry I have not been more persuasive.

Mr. CARLSON of Kansas. Will the gentleman yield?

Mr. HANCOCK. I yield to the gentleman from Kansas.

Mr. CARLSON of Kansas. I may say that the way our State is handling the situation is very satisfactory. It seems to me if we are going to throw this thing into the Federal district courts it might get to the place where we might need a large number of new district judges to take care of this work.

Mr. HANCOCK. If the condemnation laws of our States are not satisfactory to the citizens of the various States, let us change the laws through the legislatures of our States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOBBS. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, this bill reminds me of a case 25 miles from my home city of St. Louis. The Government needed a tract of ground on which to construct a plant where it could manufacture TNT and DNT. The Government acquired a very large area, including a safety zone. However, this was an ideal spot. A tremendous amount of water was needed and this site was located right on the Missouri River.

It employed a man 250 miles away to value the property that was taken over although there were hundreds of people in St. Louis well acquainted with the site and also the value of the land. He had a contract, fees to be paid by owner of land based upon price. Finally the Government sent checks on price set by Government agent. One-half of the owners of the property secured their checks at the county seat. All of a sudden a telegram came from Washington stating, "Pay out no more checks."

About half of the owners never have received the money that they were told they would be allowed for their property up to this time. One of the owners of a piece of land, who resides in St. Louis, was in my office last week and told me that his case, as well as others, was not settled. If we had a law such as this in effect at the time they took over that property it would have been settled long ago. I do not think that the bill will affect this situation in any way at all due to the provisions on page 2, section 2, because that case is too far advanced. But I do feel that in time of war we are justified in enacting legislation which will enable the owners of the property to have the right to receive their money for the property that the Government takes away from them without any delay. This site was fine farm land and relatives of the original owners, some of whom were in possession of that land 100 years ago, occupied that land. Of course, they had to get another farm. Feeling that they were going to get their money many negotiated for other farms, bought them, and moved in. But unless they had some other resources they have not been able to pay for the new farm as yet, and probably they are paying interest on the money due on the new farm.

I just cite that as an example of what has happened. The trouble was the appraiser valued a great deal of the property too high. There was an investigation. I doubt that there will be many more cases because the Government is not going to acquire much land in the future. I think they have acquired about all they need, if not more, so it appears this bill is too long delayed. But in order to guarantee to the people of this country that they are going to be

paid promptly when the Government does take their property away from them for war purposes it will do no harm to have such legislation for the duration of the war.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from New York.

Mr. HANCOCK. Would the gentleman be in favor of making this permanent legislation?

Mr. COCHRAN. I would not. I think that the laws of the several States should apply in time of peace, but in time of war I see no objection to expediting cases of this character.

Mr. HANCOCK. The gentleman knows that it does not apply to pending cases where commissioners or appraisers have been appointed.

Mr. COCHRAN. I said that in my remarks. I said section 2 would not apply to the case that I had in mind, but if this bill would prevent a recurrence of that case, I am for it.

Mr. HANCOCK. It only applies to newly instituted cases, and there will be very few of them.

Mr. COCHRAN. I know that and said so but I also said in order to prevent a similar situation to the case I mentioned arising in the future, I would agree to a law of this kind on the statute books during the period of the war, but after the war I said let us go back to the old law and consider these cases under the condemnation laws of the States where the property is located. We are probably wasting valuable time at this late date in considering this bill, for as the gentleman from New York says, there will be very few cases that will be affected.

Mr. HANCOCK. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. LAFOLLETTE].

Mr. LAFOLLETTE. Mr. Chairman, I can find no real reason for this bill from the arguments that I have heard by its proponents today. As I understood the argument made by the gentleman from Mississippi—and if I do not state it correctly, I want to be advised—under the flood-control procedure there was practically an arbitrary right to take land from which there was no appeal, if the gentleman desired a trial by jury, so that a jury might pass upon that question. If I understand it properly, if it goes to the taking, then this bill does not reach it top side or bottom, because that issue has already been decided by the courts.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. LAFOLLETTE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I might state that the gentleman's understanding came from the question which I asked the gentleman from New York. I realize this bill does not touch that question. The point of the question was that his State gave the people of the State a chance to be heard—even in those States when a jury trial was not had the landowner had already been given a chance to fight out the issue as to whether or not the land should be taken. I realize that that is not involved in this in the least, nor is it my desire to include it.

Mr. LAFOLLETTE. Yes. In other words, we are in agreement then that the issue of whether or not the land may be taken is tried by the court. If that is true, I cannot see where there is any more speed provided under this bill than there is under State law, because under practically every State law the only purpose of appointing commissioners is to fix the value. Under State law, the issue of whether or not the land should be taken, in 90 percent of the States I know anything about, is a matter for decision by the court, or, if it is a decision by the jury, you have only one jury trial anyhow, so that the issue of speed in determination I do not think is present at all.

Someone said that you can ask for a jury. You have to ask for your jury 10 days in advance of your trial. You could ask for the jury if you were disturbed about the value right at the beginning of the trial in any event.

I believe my record demonstrates that I have a pretty broad view of the effect of the commerce clause, and I am willing to see it interpreted pretty broadly, but I think that divesting people of the title to land and fixing the value of that land is so closely identified with the State or the government in which the land is located that it is a bad precedent, even under the guise of something that is temporary, to attempt to supersede those State laws with a Federal law of this nature.

Mr. HOBBS. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, I rise in support of this bill. I support it because it gives to every man whose property is being taken by the Government for flood control and other purposes the right to have a jury determine the damages. This is a right which ordinarily is guaranteed by the Constitution, and, although there are exceptions thereto, there is no sound reasoning, in my opinion, for such.

I take the position, members of the Committee, that the property of no man should be confiscated for any purpose unless and until a jury of his peers has determined the damages incurred. This is an elementary principle to which I believe each of you adhere.

The bill comes to the floor, so I am informed, by unanimous vote from the Judiciary Committee. Its enactment has been recommended by the Office of the Attorney General. Already it has the approval of the Senate, and it should be passed today in the House. It provides an orderly uniform system for the means of determining damages in the condemnation of land, whereas the methods now utilized are varied, complicated, and intricate, depending upon the purposes of condemnation. The proposed change to a uniform system of determination of compensation by a court, either with or without a jury, which is optional with the landowner under the terms of the bill, would do nothing more than was done by the adoption of Federal rules of civil procedure in respect to civil actions generally.

I have heard the fears expressed by some that the bill will enlarge the authority of the Government to acquire property by condemnation. It would not. The proposal relates only to procedural matters.

My information is that there is a backlog of condemnation cases pending before various commissioners throughout the country, probably as many as 50,000 cases. The owners of these properties are entitled to an expeditious conclusion of their cases. The proposal, according to the Attorney General, will tend to expedite the closing.

Now, I confess that I have a personal interest in the bill. It directly affects the interests of many people of my district in that it is quite possible that the Government will some time in the future take over by condemnation large tracts of land for flood-control purposes. Most of my constituents live above the proposed dam site. Many of them live now under the hazard of being moved out, evicted. The same hazard applies to the constituents of many of you. My people want a jury to determine what compensation they shall receive for giving up their homes. They believe and feel that they are entitled thereto by constitutional provisions. I have no doubt but that your people feel just as mine. Although the bill in its present form will not guarantee them that right indefinitely, the probabilities are that the provision will and should be extended. To say the least, the bill is a step in the right direction. I hope you will support it.

Mr. HOBBS. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, it seems to me from the question that was just raised tht it might be understood that it was thought that this bill had something to do with the rights of a citizen in connection with the question of the construction of some Federal project or perhaps going to the question of whether a person's property or land should be taken. Of course, that is not involved here.

As I stated in speaking on the rule, it is the general belief of the people of this Nation that the right to a trial by jury is protected in the Constitution. As I attempted to call to your attention, that is not the law with regard to taking land for flood control or for rivers and harbors improvement purposes.

In pressing for passage of this bill providing jury trial of cases where the Government seeks to condemn the property of the landowner for flood control, I am impelled by the desire to see that the landowner in these cases may be able to get fair and reasonable pay for his lands if taken from him by force.

It comes close home to me, for in my district large areas were taken by the Government on appraisals and reports of commissioners, and in many instances the landowner has been forced to see his home, his land, and his all taken for an inadequate price.

When I was elected to Congress the Government was putting into operation reservoir flood-control plans, including Sardis and Arkabutla Reservoirs; the lands had been taken and steps made to flood great areas of fertile lands over the protest of the landowners.

In some few cases commissioners' hearings had been had, but payment had not been made. I made trip after trip to the War Department in an effort to secure an increase in price. The War Department, as it seems always to do, would not question the decision of its appraisers. In many cases they claimed the landowners had willingly signed options. Of course, we know that if they did it was because they were faced with condemnation in a commissioner's court. As stated, the bill providing for jury trial passed the House only to fail to pass the Senate. These cases were finally determined, leaving no way to compensate the owner for the real value of his property.

In one instance a whole town was moved. One of the finest small towns in Mississippi, Coldwater, with beautiful homes, old shade trees, and a history in which its inhabitants rightfully took pride, had the property of its citizens, over their protest, taken at the price of the War Department, with no chance for a jury to determine its value.

Under authority granted it in 1938, 3 years before I became a Member of this body, the War Department plans to further expand its flood-control projects in that area. Of course, the people affected are seriously disturbed and rightfully so. They sent me thousands of protests, which I placed before the War Department and the President in company with representatives from Water Valley and Enid, Miss. Additional protests were made to the President and to the War Department on the use of manpower and materials during this war emergency for such purpose. Finally, on this basis, construction was held up for the duration of the war. The War Department still insists that these dams at Enid and Coffeeville must be built.

For over 2 years I have worked persistently to get some relief for the landowners in the Arkabutla and Sardis area. I have tried to get some hearing and some consideration for them. The Senate failed to pass the jury-trial bill, the War Department refused to do anything, and the committees of Congress cannot go behind the decision of the commissioner's court. S. 919 should be passed so that the property owner would have an opportunity to secure the real value of his property.

In these flood-control projects, lands are taken from the owner and flooded to benefit the lands of other persons. In every case where that is done you are going to find opposition on the part of the people whose land is taken, to benefit those who live below the reservoir area. That is the way you would feel about it if you were the landowner. Then to say to that man that his Government has a right not only to take his land but to fix his compensation by sending commissioners, drawing pay from the Federal Government, down to determine how much money he shall receive in payment for it, with no right to him for a trial by a jury of his peers, is very unfair and un-American. Now my people are vitally interested in the effect of the present law in my own area but I want to call attention of the Members of the House that you folks are also going to feel the effects of this, too, when they start the reservoir program in the Missouri River Valley and in various other areas. I say to you it may be that a jury trial would not bring to the individual citizen whose property is being taken, one dollar more than he gets from the commissioners; that, I do not know. But I know this, that when it comes to the feelings of that man, he feels a lot better when he has an opportunity, if he sees fit, to avail himself of it, of having the issue of compensation determined by a jury of his peers. In addition to that, I would like to call to your attention one example, if I may, of what the present law, with regard to flood control, has done with regard to one of the citizens of Texas. He does not, of course, live in my area, though he was reared there. This man was a colonel in the Army of the United States. While he was on active duty the Federal Government went and took his property for flood control. While he was on active duty the Government gave all the timber or the wood on that land to an individual who agreed to remove it. Then when this colonel was placed on the retired list, and that is the earliest time that the Government could try the issue in view of the Soldiers' and Sailors' Relief Act, when he was on inactive duty they had a hearing before three commissioners. Those commissioners granted this individual, this colonel in the Army, who was just back from active duty, $6 per acre for his land, including all timber and wood which once had been on it, while the man to whom the Federal Government gave the timber on the land, according to my information, sold the timber for $23 an acre. This evidence was not admitted by the commissioners and thus the amount for which the timber sold does not appear in the record of the proceedings.

Those same commissioners had fixed the amount of compensation on adjoining and similar lands a year or two before at about the same rate. Do you think they could pay this man more, even though his land was worth it, without admitting they were wrong in the amount fixed for the other land? This Army colonel is a resident and a voting citizen of the State of Texas. But he happened to own this land in my State, land which he had owned for years and did not care to sell. It may be, as has been contended, that my interest largely has to do with regard to land taken for flood control. I am more familiar with problems arising from that source. I can appreciate the arguments of some of you gentlemen who are opposed to this bill as to the change in the general practice and procedure. At the same time, I do not see that there is sufficient disadvantage in that not to make an effort here to call to the attention of the Members of the Congress of the need for changing the law with regard to lands taken for rivers and harbors improvement and with regard to flood control so that a trial by jury will at least be possible when desired by the person whose property has been taken. I have such a bill pending now before the Committee on Flood Control, and certainly I hope that this House or this committee will give serious consideration to providing such relief as is needed to the people of our Nation.

If the American citizen is guaranteed the right of trial by jury when charged with a criminal offense; if individuals in a suit at common law where the amount in controversy is $20 or more are guaranteed a jury trial; if the individual land owner who has his property taken for an Army camp, a naval base, or for the erection of a post office or other Federal buildings has the right of trial by jury to fix his damages or compensation, how can there be any excuse for refusing such right of jury trial to his neighbor who has his property taken not to further the war effort but to improve other lands? To refuse to such individuals the right to a jury trial is to deny to them equal rights under the law. I cannot believe the membership of this House believes in such unfair treatment.

I do not know what the future holds, but I do know that in removing a man from his home many things aside from the simple sales value of the lands must be considered. The fact that he has become sentimentally attached to the lands, that he knows his neighbors, he has his church connection, his family are buried in the nearby cemetery, his children know the other children in the school, and that it has been the home of his father, his mother, and his forefathers all endear the old home to him.

> Breathes there a man with soul so dead
> Who never to himself hath said,
> This is my own, my native land?

These are matters that jurors with like feelings and like surroundings will consider, matters that Government appraisers and commissioners may not see, and they are matters that in the eventual long run the Government should allow to be paid.

In other words, being elected by these people, and living as we do in a land of government of the people, by the people, and for the people, I feel that I would be remiss in my duty should I not make the strongest fight possible for the interest of these, my people, and do all within my power to save for them the thing most dear to them, their homes.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. HANCOCK. Mr. Chairman, I yield the remainder of the time to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, this bill which is now before the committee, seeks to change the present policy with respect to the law of condemnation. Under the present law, and under the Conformity Act, the Government follows the State law in the various and several States with respect to the procedure in these cases. That law stands paramount today. If this particular act should be adopted by this Committee, we would simply set aside the Conformity Act, which is now in full force and effect, and

would take away the policy which has been followed throughout the years, of the Federal Government following the State laws in the several and respective States. That is one of the points that I want the Committee to deliberate carefully when you think of the effect this particular legislation will have if adopted.

On the matter which was mentioned by my distinguished friend from Mississippi [Mr. WHITTEN], with reference to flood control, that, of course, has no application here. The amendment to the Flood Control Act, which the gentleman is doubtless now trying to obtain, will meet that situation. But this bill provides that the issues shall be determined only by the court. That embraces the question of the taking, the question of the public utility, the question of the public benefit; all of those questions are determined by the court. The jury has no right, under the pending bill, to make any finding with respect to those matters. Therefore, the matter which the gentleman insists upon in his argument before the Committee would not obtain, because those matters are determined by the court not determined by the jury.

Mr. WHITTEN. Will the gentleman yield further?

Mr. SPRINGER. I yield.

Mr. WHITTEN. It was not my intent to convey any impression otherwise. I realize that under the terms of the present bill that would be true. However, the present bill does apply not only to property taken for war purposes, but applies to land which is taken for river and harbor improvement and also to land taken for flood control; does it not?

Mr. SPRINGER. But, on the point upon which the gentleman was insisting, that the jury should determine the question as to whether or not a man's land should be taken, the jury would have no right to make that determination, because under the pending bill that entire question is left solely in the discretion of the court. The jury would have no part in it.

Mr. WHITTEN. Will the gentleman yield further?

Mr. SPRINGER. I yield.

Mr. WHITTEN. There is no difference between the gentleman and myself insofar as flood control is concerned. The determination of whether property is to be taken or not is now made by the Congress.

Mr. SPRINGER. But it is determined under the pending bill, according to its own phraseology, by the court and not by the jury.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. HOFFMAN. Is the question of necessity determined by the court or the department?

Mr. SPRINGER. The question of necessity is determined by the court. The question of the taking is determined by the court. The question of the right to take is determined by the court under the pending bill.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. DONDERO. Then the only question left for the jury is the amount of compensation that the owner shall receive for the land?

Mr. SPRINGER. The sole and only question which is to be submitted to the jury, under the pending bill, is the question of damages sustained by the owner of the property caused by the taking. That is the only question they would have the right to consider.

Mr. WHITTEN. Will the gentleman yield further?

Mr. SPRINGER. I yield.

Mr. WHITTEN. That is my prime interest in the measure.

Mr. SPRINGER. I am happy to know we are agreed upon that question.

Mr. KEEFE. Will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. KEEFE. Will the gentleman address himself to this question: Under the provisions of this bill, which appears to have been passed by the Senate on May 20, 1943, it is proposed that the effective termination date of the legislation shall be December 31, 1945. It was 1944, but I understand an amendment will be offered to make it 1945. It would be puerile and idle to consider a bill that would expire December 31, 1944. What I would like to know is: What is there in the facts developed in the hearings, if any, on this bill that showed necessity for the enactment of emergency legislation and condemnation proceedings which will, by its own terms, expire if the amendment suggested is adopted, on December 31, 1945?

Mr. SPRINGER. May I say to my distinguished friend from Wisconsin that this measure was referred to the Committee on the Judiciary in 1943, after it had passed the Senate in 1943.

The matter was not pressed at any time. As the bill came to the Committee on the Judiciary from the Senate it contained the provision that it should be effective only until December 31, 1944. In my opinion, of course, the time when this legislation was necessary as an emergency measure has long since passed. It would have been helpful when we were condemning land for camps and cantonments and buildings of various kinds and descriptions for the war. At that time this measure might have had some application, but, as has been said by the distinguished gentleman from New York [Mr. HANCOCK], that time has passed. We find we have a surplus of real estate on hand today and the problem now is to get rid of that surplus real estate, not to acquire additional real estate.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. Yes; briefly.

Mr. CASE. The gentleman referred to the principle of conformity. Suppose we have a State where the right of jury trial already exists: Would the provisions of this act abrogate that unless the party took advantage of this provision to appeal for a jury trial?

Mr. SPRINGER. Under the conformity act my opinion is that they would follow State law, except as this Federal law relating only to Federal procedure in cases where the Federal Government is involved would abrogate that State law.

Mr. CASE. That would destroy the present automatic right to trial by jury in the States where it now exists.

Mr. SPRINGER. I think it would; and I think they would be governed in cases where the Federal Government was directly involved by the provisions of this bill if it should be passed. I want to take just a little time, if you will pardon me, to speak of my own home State, Indiana.

In Indiana under condemnation procedure we have provision for the appointment of appraisers or viewers. When the case is filed it comes up on the return date and the parties come into court and the court appoints the viewers or appraisers. These are men of experience. They go out and make a complete survey. They survey the premises, they obtain evidence on the question of the damages which may be sustained. They come back and make their report to the court. And may I say that in 50 percent of the cases the report which is made by the viewers or appraisers is accepted by the parties to the action, the money is paid, the property is taken, the final decree is entered, and that is the end of the case. If the procedure is adopted which is sought by the pending measure it will abrogate the method of viewers and appraisers, and the payment of the award, in all cases in which the Federal Government is involved and would require the parties to go to trial either before a court, or before a jury, should one of the parties file written notice making such request for a jury 10 days before the trial, as provided in this bill.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my friend.

Mr. GRAHAM. I may say to the gentleman from Indiana that in Pennsylvania we have the county board of viewers similar to those in Indiana. In a condemnation case the court appoints its viewers, selects those men from the county board of viewers. They are experienced men. We have had hearty acceptance of that procedure.

Mr. SPRINGER. I thank the gentleman from Pennsylvania. I believe that is generally true in those States which have these viewers or commissioners who are appointed to make preliminary surveys. Their decision is accepted in at least 50 percent of the cases, and in some States a much larger percentage meets with the approval of the parties, thereby eliminating the delays incident to a trial by jury.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my colleague.

Mr. JENNINGS. As a matter of fact, is not this the practice? Condemnation proceedings are filed by the Government or by some other party entitled to condemn the land of the citizen and immediately upon the filing an application of the party filing the proceedings the court appoints a jury of view or appraisers to go upon the premises and fix the value of the land sought to be condemned.

Mr. SPRINGER. That is entirely true.

Mr. JENNINGS. And they do not have to wait until a regular term of the court; whereas if the provisions of this bill are adopted and the landowner demands a jury to fix the value of the property the proceedings would have to wait until the term of court, which might be 6 months from that time.

Mr. SPRINGER. The distinguished gentleman is precisely correct. If all these cases were thrown into court for trial, where the Government is the condemning party, it would result in congested court dockets and crowded calendars in court and I think more time would be lost and wasted than under the conditions which exist in the various States where they send out the viewers, and they make their report in such cases, which is practically the end of the litigation.

Mr. O'HARA. Will the gentleman yield?

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

Mr. O'HARA. If there was some manner in which we could expedite these condemning officers paying the money it would greatly help. I happen to have in my own district cases where there has been long delay, mostly by appeals on the part of the Government. The slow process of trial has resulted in gross inequity to the landowners whose property has been taken. This legislation is not going to mean the expediting of payments to the landowners that we hope it will.

Mr. SPRINGER. I do not think this legislation will expedite in any degree the payments to landowners. As a matter of fact, if this bill should be passed it would delay the settlement for the property condemned until after the trial of the case, and a final judgment is entered therein.

Mr. Chairman, there is one last thought I want to leave with the Committee. By this legislation we are charting a new course in condemnation proceedings where the Federal Government is involved. All other condemnation proceedings will remain as they are now under State law. This legislation, if passed, will cause endless confusion; it will cause confusion in the courts, it will cause confusion among the lawyers, because of the variance and the difference between the proceeding when the Federal Government is involved and where the parties are individuals or corporations other than the Federal Government.

Mr. LAFOLLETTE. Will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Indiana.

Mr. LAFOLLETTE. I do not know that it is clear. The gentleman will recall there was some discussion early in the present session in reference to a bill to determine the interest in land without the use of abstracts. This legislation purported to be Federal legislation, and with the power in the Federal courts to make their own rules, I am a little fearful this bill could be used as a method of setting up that procedure under rule which this Congress has refused to adopt. I am not sure, but I think this is a very dangerous piece of legislation on that account.

Mr. SPRINGER. That element of danger might well be involved, but the thought which impresses me and the last thought I wish to leave here is the confusion which the variance between the procedure when the Federal Government is involved and when the parties are other than those in which the Federal Government is involved, among lawyers and among the courts generally throughout the country. This legislation is not needed at the present time.

Mr. JENNINGS. Will the gentleman yield?

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

Mr. JENNINGS. The gentleman from Indiana [Mr. LAFOLLETTE] has raised a very serious question. It has been suggested that to expedite these proceedings, the various parties in interest may have their property sold without being brought before the court under due process of law. That is, the properties will be taken by a rule of practice. That is a dangerous thing.

Mr. SPRINGER. That is a very dangerous element and might well become involved in proceedings of this character. We do not want to confuse this question and we certainly do not desire to invite trouble of that character.

We should follow the Conformity Act. We do not desire to sit here and abrogate law which has been permanent law and legislation throughout the years and which has been so helpful to all citzens of the country. We have a uniform system in condemnation proceedings now. Let us not change it and confuse that procedure.

Mr. Chairman, I hope this bill will be defeated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOBBS. Mr. Chairman, I yield myself the remainder of the time on this side.

Mr. Chairman, I want to lay this charge at your door if you defeat this bill. It is up to you. You can do it if you will, but when you do you are killing a bill in the interest of the American people and not hurting the Government one bit.

The Government now can reach out its strong hand and take my property or yours if needed for the war effort; go into possession immediately upon tendering whatever they see fit; and do with it as they please.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am always glad to yield to the gentleman from Iowa.

Mr. GWYNNE. I was not a member of the subcommittee, but I would like to know who asked for this bill except the office of the Attorney General.

Mr. HOBBS. No one except the armed forces of our Government who are trying to fight this war; no one except those who have dealt with the problem.

As I was saying, the Government does not need your help and your vote. We are talking for the individual citizen whose land has been taken and who has not been paid for it. We are talking for the citizen who is being held up in his right to get his compensation because the commissioners do not act. We are talking for the little man who has, under the present existing circumstances, seen these commissioners for whom you are pleading, some of you, eat up five to six thousand dollars in per diem at the expense of the man whose property is being taken, and who are delaying final payment.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am delighted to yield to the gentleman from Maine.

Mr. HALE. What puzzles me is the provision in section 3 of this bill. If this is a salutary piece of legislation, why should it be limited in point of time?

Mr. HOBBS. That is easily answered. We do not mean this except as a wartime necessity when there are 48,000 condemnation cases piled up in the hands of commissioners; not in the courts. We are perfectly sure that we would not ask you to change the law and oust the States from one scintilla of their authority in peacetime, because then we have plenty of time to do as the States prescribe for these condemnation cases. But in wartime,when a man comes along and takes my property and puts me off, I may lose absolutely a whole year's crop. I cannot find another farm to rent. I cannot build tenant houses on a plantation that may be found. I cannot do anything as freely as I can do in peacetime. So it is manifest that we are doing for the sake of the war necessity what normally we would never consider doing.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am always delighted to yield to the gentleman from New York.

Mr. HANCOCK. May I direct the gentleman's attention to the fact that this bill does not apply to 40,000 condemnation cases which he says are piled up in the hands of commissioners. It only applies to new cases which may be instituted, and there will not be so many of those, because the Government has all the land it needs.

Mr. HOBBS. It applies to all of the cases in the hands of the commissioners.

Mr. HANCOCK. I beg the gentleman's pardon.

Mr. HOBBS. I am talking now if the committee amendment is adopted, unless the commissioners have made a final report and the matter is in court.

Mr. HANCOCK. May I also ask the gentleman this question: Why does he assume that a jury trial is going to expedite matters? As it is now, the appraisers and the commissioners, to whom the gentleman refers, frequently bring about settlements without a trial; without going to court. If this bill is passed, there will be a jury trial in almost every condemnation proceeding. There is no other alternative. You take away from the citizens the rights the States now give them to settle their cases through appraisers and commissioners.

Mr. HOBBS. I shall be glad to answer the gentleman.

Mr. HANCOCK. Furthermore, you will have to wait until the court is in session.

Mr. HOBBS. I shall be glad to answer the gentleman seriatum.

In the first place, it does apply as I have indicated provided the committee amendment is adopted, and without it the bill would not be as efficacious.

In the second place, you do lose some benefit by having those cases settled which are settled through the intervention of the commissioner, I grant that.

So far as expediting the matter is concerned, you expedite because you cut out that intermediate stage of the proceedings where all of the time is lost. You cut out the greatest bottleneck in condemnation work, and you go directly to the court, where you inevitably go finally in all contested cases.

As far as that is concerned, these cases which are delaying the game and preventing the payment to the property owner for the most part are being now dealt with by commissioners, and there were at the time this bill was being considered, according to the testimony, 48,000 of such cases.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the gentleman from Wisconsin.

Mr. KEEFE. Is it not a fact that under the present practice and procedure through the utilization of the commissioners in condemnation cases the commissioners, who are appointed by the court, are subject to the continuous orders of that court, and that if they are delaying the performance of their functions and duties suitable and proper application to the court could compel their activity or their removal; and after all that, is not the delay in the work of the commissioners traceable directly back to the district judge who appoints them? If there is unreasonable delay, that delay may be cured by a vigorous appeal to the district court to compel these commissioners to do their duty.

May I ask this further question: Under this procedure, if this bill is adopted, you will compel a court procedure in every single condemnation case, will you not?

Mr. HOBBS. No, sir.

Mr. KEEFE. You will have to have a determination by the court, will you not?

Mr. HOBBS. I will answer the gentleman's questions seriatim. The gentleman asked me three questions. The last one I have answered categorically; no, you do not have to go to court. Ninety percent of all the cases are eventually settled by compromise, and on the give-and-take basis that is so usual.

In the next place, as I recall the gentleman's question, the gentleman lays it all on the trial judge, and that may be true, but let me give the gentleman this picture. This bill is an amendment of acts that are infinitely worse from the standpoint of placing power in the Federal Government. Under the War Powers Act, you can go immediately and take a man's property when it is necessary for the war and if a judge so holds. Then he begins to try to get his money, and there is where the trouble comes. The gentleman says, "If there is dillydallying and delay on the part of the commissioners, go to the United States judge who appointed him." I have tried that. Has the gentleman?

Mr. KEEFE. Yes. I have been through many of these condemnation proceedings, and I have not found any difficulty.

Mr. HOBBS. In peacetime?

Mr. KEEFE. In peacetime and in wartime. The particular State I represent allows the highway commission and certain other commissions in my State to make themselves the determination of the necessity for the acquisition of lands needed for highway or other purposes. My State goes into possession of that land immediately by tendering to the county clerk the amount of the award made by the commission. Then the landowner goes into court and conducts in a reverse proceeding the condemnation proceedings under the law. I have never seen yet that that has impeded or interfered in any way with the right of the landowner to secure just compensation, provided you have a court that has control of the procedure in its own court.

Mr. HOBBS. Having enjoyed that speech by the distinguished gentleman in answer to my question, and I appreciate it, I congratulate him because he is the only man living or dead that I know of who has had that happy experience. In the 20 States in which this proceeding obtains which we are trying to amend for the benefit of the little man so that he can get his money, there has been no such experience recorded. We are pleading with you today, to do something that will enable us to provide for people whose lands have been taken, not the Government, they have the land which they needed for the war effort, they have built the plants, they have done their job, they have taken the individual's land, but they have not paid him. This is not a bill to expedite the taking of land. It is a bill to expedite the payment to the former private owner for land which the strong arm of the Government, under the power of eminent domain, has already taken, under the law which you wrote—mind you, which you wrote, without paying therefor. This committee is bringing you a bill to provide for that in a simple way, possibly not an ideal way, but in a much better way than the way we now have, where for 2, 3, and sometimes more than 3 years, the property owner is deprived of payment for his land which the Government says it was necessary to take in aiding the war effort. Now then, I say it is time something was done. This is the best we have been able to devise. We reported it here and it was postponed time after time when the consent calendar was called. We ask you to assume full responsibility if you do not want the law which you wrote, to apply, which is infinitely worse.

The CHAIRMAN. The time of the gentleman from Alabama has expired. All time is expired.

The Clerk read as follows:

Be it enacted, etc., That, notwithstanding the provisions of the act of April 26, 1888, entitled "An act to facilitate the prosecution of works projected for the improvement of rivers and harbors" (25 Stat. 94; 33 U. S. C., sec. 591); section 2 of the act of August 1, 1888, entitled "An act to authorize condemnation of land for sites of public buildings, and for other purposes" (25 Stat. 357; 40 U. S. C., sec. 258); the act of July 2, 1917, entitled "An act to authorize condemnation proceedings of land for military purposes" (40 Stat. 241; 50 U. S. C., sec.. 171), as amended; section 4 of the act of May 15, 1928, entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes" (45 Stat. 536; 33 U. S. C., sec. 702d), or other provisions of law, in every case instituted in any court of the United States in the continental United States and Alaska, except the District of Columbia, for the condemnation of property, or any interest therein, by the United States, any department, agency, commission, or board thereof, or Government-owned or Government-controlled corporation, except the Tennessee Valley Authority, the issues shall be determined only by the court: *Provided, however*, That any party may demand a trial by jury of the issue of compensation by filing with the clerk of the court a demand therefor in writing at any time after the commencement of the condemnation proceeding and not later than 10 days before the trial. In the event that a jury trial is demanded, the jury shall be selected and impaneled as in other civil actions.

With the following committee amendment:

On page 1, line 3, strike out "April 26" and insert "April 24."

The committee amendment was agreed to.

Mr. JENNINGS. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. JENNINGS: On page 2, line 14 after the word "party", insert the words "shall be entitled to and."

Mr. JENNINGS. Mr. Chairman, I offer this amendment to make certain the right of a landowner to a jury trial, if this act should become a law. I shall not vote for the bill, even if the amendment is adopted. I think the title of the bill, in fact, is a misnomer. There is not a word or syllable in this bill that would expedite the payment to a single landowner of a single dollar due him by the Government, for his land that is taken. Under the law as it now is the Federal Government goes into court and the procedure that is followed is the law of the State in which the land is sought to be condemned. The Federal Government recently came down in my State and filed a blanket condemnation proceeding against 700 farmers who were the owners of 56,000 acres of farm lands. The Government offered these landowners less than the real value of their farms and filed a declaration of taking, paying the amount it claims was the value of these lands into court. Juries of view were then appointed and a jury of view is composed of 5 in my State. That jury goes on the land, views the land and forms its own opinion as to the value, and also hears testimony of men who know about the value of land. Then the jury makes it report to the court. If it is not excepted to, by either the Government or the owner of the land, a judgment is pronounced by the court; but if either party is dissatisfied, and excepts to the findings of the jury of view, then there is a trial before a jury of 12 before the court.

This bill, if enacted, will not expedite anything. The court can appoint a jury of view immediately on the filing of a condemnation proceeding, and get

prompt action. The owner may be satisfied with what the jury of view says the land is worth, and accept the award. But under this bill, if the landowner is dissatisfied and desires to contest the award, he must wait until the regular term of court and then seek a jury trial. In many instances the dockets of the court are crowded and the landowner must, in many instances, wait for months and years before he can get a trial before the court and a jury. The cases to which I have referred have not all been tried yet.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. Yes.

Mr. KEEFE. In every case, with reference to this law of Tennessee under which that condemnation procedure is carried forward, does the law provide that the amount of money paid into court may be taken by the landowner, and then that he may contest for a larger amount?

Mr. JENNINGS. That is the practice.

Mr. KEEFE. That is true under Tennessee law?

Mr. JENNINGS. Yes.

Mr. KEEFE. That is true under the law of my State, and the landowner gets the amount that is paid into court immediately.

Mr. JENNINGS. Under the law as it now exists?

Mr. KEEFE. Yes.

Mr. JENNINGS. This bill is moribund. Its normal period of gestation has long since expired, it died "aborning," and I am ready to bury it.

Mr. CASE. Mr. Chairman, when legal questions come before this body, I feel very modest. I am not a lawyer, and I do not pretend to know the details of the condemnation law in my State. I have observed a few cases, however, and I know this situation obtains: Where the Government had condemned land for war purposes, when the individual owner was not satisfied with the price that was offered, he could ask that it be determined in the Federal court, and he was permitted to accept the amount of money the Government offered him without losing his right to proceed and ask for a better award in court. If this bill proposes that he should lose that right and wait until the matter has been determined in the Federal court before he gets any money, then instead of expediting payment it will delay the whole matter. That is one point.

Second, as I understand, from what the gentleman from Indiana [Mr. SPRINGER] said on conformity, the present law permits and requires recognition of the procedure prescribed by State statutes. It would appear, then, that if anyone be not satisfied with the method of condemnation followed at the present time, his proper remedy is to get his State law changed, so that it establishes the procedure that he wants, without destroying what other States have achieved.

On many questions that have come before this body, I have heard gentlemen, particularly those Members that come from the Southern States, object to any legislation which trys to force the will of the Federal Government on State procedure. That is true as to poll taxes and as to voting laws. Here, for some strange reason, we find these Members urging that instead of recognizing the State law in condemnation proceedings, we set up one pattern for the Federal Government and force it upon all States, at least where the Federal Government is taking the property.

The result would be that one method of condemnation proceedings and determination of award would be followed where the State is involved and another where the Federal Government is involved. You would have two different standards and procedures in the same State—one which the people of that State have developed either to protect or to expedite, and the other which would destroy those standards and force a uniform standard, in many States less satisfactory than what they may have developed in their own procedure.

That is the best reason, it seems to me, why the bill ought to be defeated.

As I have said, I do not pretend to know the details of the laws involved in this matter, but if I have been incorrect in stating these points I should like to be corrected.

Mr. Chairman, I yield back the balance of my time.

Mr. SUMNERS of Texas. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I cannot profess familiarity with the details of this bill such as is possessed by members of the subcommittee of the Committee on the Judiciary reporting it which, under our committee practice, is in first responsibility as to details, but it seems to me clearly that there is a situation here that ought to be corrected. I can appreciate the concern and apprehension of gentlemen who do not want the procedure in their respective States disturbed, and I think perhaps the friends of the bill must try to do something about that.

As I understand with reference to flood-control condemnation the procedure in the respective States does not now control as in other condemnations. With regard to flood control and rivers and harbors I understand condemnation by Federal statutes is taken out from under the general law which makes the procedure in the States control. In such condemnation jury trial is not allowed. We all want to do what is right about it. I suggest that the friends of the bill should consider, if they can do it, an amendment which will not disturb the procedure in the States generally with regard to condemnation procedure where, at least in most States, juries are allowed to pass on values and damages. As I understand it, the main objective of this bill is to give that right in flood-control condemnations. In the particular case mentioned by the gentleman from Mississippi the property of a private party was taken by the Government and about $6 an acre was allowed. It has been stated in your presence that after this land was taken the timber on the land was sold for twenty-odd dollars an acre. The original owner had no recourse—chance for a jury trial. As I understand it, the Members who are behind this bill want it to be possible in a situation like that for an aggrieved private citizen to have an opportunity of litigating the matter of damages or compensation in court where he can have a jury pass on the question. I believe everyone will agree that this ought to be done.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. HANCOCK. If the gentlemen concerned with the Mississippi River Flood Control Act are dissatisfied with the provisions of that act as they relate to taking land, should not that act be amended? Should it not be done separately? Why should the condemnation laws of every State in the Union be changed contrary to the wishes of the people merely to satisfy a few whose lands have been taken and whose compensation has been delayed under the Mississippi River Flood Control Act?

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

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

There was no objection.

Mr. MICHENER. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Michigan.

Mr. MICHENER. Inasmuch as the State law now obtains, what is to prevent any State in the Union making any changes it desires in the State law carrying out the wishes of the State as to compensation in condemnation cases? Why come in here with a Federal law which would change the laws of all the other States?

Mr. SUMNERS of Texas. We have been discussing that. It is my understanding that condemnations in flood-control matters and river and harbor matters are themselves out from under the control of State law and State procedure.

Mr. MICHENER. If that is true and there is objection, you want to correct that by carrying the same principle further.

Mr. SUMNERS of Texas. This is what I am trying to suggest.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. KEEFE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Tennessee.

Mr. Chairman, I would like the attention of the distinguished gentleman from Alabama who with his usual effusion of irony crowned me a few moments ago with an utter and rare distinction. May I ask the gentleman whether or not the questions that have just been propounded by the distinguished chairman of his committee, namely, that an act to facilitate the prosecution of works projected for the improvement of rivers and harbors and the act for control of floods on the Mississippi River and its tributaries in and of themselves by law heretofore enacted have eliminated State

procedure in the United States district courts so that a person whose lands are taken pursuant to the provisions of those two acts have no right to ask a jury to assess his damages?

Mr. HOBBS. I will be more than happy to and just as directly as the gentleman wishes. The answer is: Yes, sir.

Mr. KEEFE. Then have this question settled: So far as flood control on the Mississippi and its tributaries and so far as river and harbor improvements are concerned, the Federal Government can take property under those two acts and pursuant to the provisions of those two laws and the landowner whose land has thus been taken is not afforded a right to jury trial on the question of necessity for taking or the amount of damages.

It seems clear, therefore, that this legislation seeks to afford a jury trial among other things to those individuals who are denied that right, to determine the amount of the compensation to be awarded for land taken for Government use. Is that not the fundamental basis for bringing this legislation in here now?

Mr. HOBBS. No, sir; it is not; if the gentleman is asking me.

Mr. KEEFE. Yes; I am asking the chairman of the committee. It would seem to me that if there is any reason in the world for bringing this legislation here, that ought to be the reason. But so far as I am concerned, I am in total agreement with the ranking minority member of the Committee on the Judiciary when he states that if that is the objective which is sought, then the Congress ought to deal with the problem directly by seeking to amend the River and Harbor Act and amend the act for the control of floods on the Mississippi River and its tributaries, instead of passing this legislation which will change the entire condemnation procedure in every State of the Union from that which now exists.

The gentleman from Alabama said a few moments ago in answer to me that 90 percent of these cases in condemnation matters are settled without the necessity of resort to the courts. They are settled in the usual American way, he said, of give-and-take across the table. I am in agreement with that statement, and therefore this legislation is designed apparently to deal with the 10 percent where they are not able to deal across the table.

It seems to me that this bill would disrupt the entire condemnation procedure under State laws in order to deal with this 10 percent, and would say to those who cannot deal across the table that "everyone of you people in that 10-percent class must go to court and have a trial before a Federal judge."

May I ask the chairman this question? Was I not correct in my statement that as to the 10 percent where settlement across the board cannot be effected, every person in that class must go to the Federal court and have a trial before the court; is that not true?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman be given 5 additional minutes.

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

There was no objection.

Mr. HOBBS. That is true, sir, whereas now the requirement is that they do two things. They must submit to the commissioners, who sometimes draw their per diem for 2 and 3 years and eat up the substance, and more than the substance of the total cost, plus finally resorting to the courts.

Mr. KEEFE. Of course, there are situations that could be pointed to. Unfortunately there are no hearings available here. There is no testimony available for a Member to read. He must take the word of the gentleman upon that score, and I do. But the gentleman knows that as far as the legal procedure is concerned, the fact that the commissioners do take time and do eat up fees and do fail to report is a direct criticism of the activities and responsibilities of the judge in the district court who appointed those commissioners. It seems to me that if you have a situation as flagrant as the gentleman has described, where the commissioners have deliberately refused to perform their functions and have deliberately gone out and attempted to build up fees and build up great organizations in order to get fees rather than to perform their services, that a judge who refused to take action under those circumstances should be removed as a Federal district judge. I think the number of cases of the character that the gentleman describes would be very few and far between.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Indiana.

Mr. SPRINGER. May I say to the gentleman that in many condemnation proceedings, when I was serving on the bench I swore in the viewers, I fixed by order of court when they should meet and view the premises, and the date on which they would make their return in court.

Mr. KEEFE. As to the argument of the gentleman from Alabama that this is a bill to take care of the poor individual who cannot get his money under existing procedure, the evidence is clear from the arguments now presented on the floor that under existing State laws and in most of the States—there may be some where this does not exist—where the Government goes in and under the war powers, the power of condemnation, goes into possession of property and pays into court the amount of the award it makes, the land owner has the immediate benefit of the amount of money that is paid into court. He can put that money in his pocket. He is immediately paid the amount the Government contends he is entitled to for his property, and he has the right under State law then to go into court and contest for what he believes to be the proper amount in excess of the amount that has been paid into court by the Government.

If this situation is true—and 90 percent of them, the gentleman says, will agree without the necessity of condemnation—it seems to me that as to the 10 percent you are going to compel every one of them to go into court and be subjected to being dragged through the appeals through all the courts, and under this bill they would not have the benefit of a single dime paid under the award made by the United States Government as the amount the Government thought the land owner was entitled to.

It seems to me upon every basis of this argument the bill should be defeated and an attempt should be made to amend the Flood Control Act and the River and Harbor Act if, as a matter of fact, there are provisions in those laws that are discriminatory as against the right of the individual to get speedy and just compensation for the land taken for public purposes.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Alabama.

Mr. HOBBS. That is certainly very gracious of the gentleman. I just wanted to call attention to the fact that the hearings are here subject to the gentleman's inspection, the hearings held in the Senate; also, the statements I made are borne out by the letter of the Attorney General printed in the report on the bill which the gentleman has before him. The gentleman does not have to take my word for anything.

Mr. KEEFE. I thank the gentleman for that contribution. I am hesitant in voting for this or any other legislation upon a mere letter of the Attorney General, unless it is supported by further evidence.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes.

Mr. WHITTEN. Mr. Chairman, in order to clear up some of the misapprehension in regard to this matter, as I see it, insofar as the taking of land for flood-control purposes under the authority to take land for river and harbor improvements is concerned, the statute itself fixes the method and the practice and procedure by which this land is taken for Government usage. While it was stated by one or two Members here that this was a Mississippi problem and that we should change the law of the State of Mississippi, I say that the Federal statute fixed it so that under the practice and procedure in the States you are not entitled to a trial by jury in flood-control matters, either. The law states that in cases of property taken for flood control, regardless of the State law, these commissioners shall be appointed, and their decision insofar as the compensation is concerned is final when confirmed by the court. That is one thing. Now, insofar as our desire, or my own desire, is concerned, although I am not a member of the committee, the bill which is now under consideration does correct that

problem. That is a problem in which I am vitally interested. I desire to say to the House that for some time a bill which I have introduced, correcting that problem, has been pending before the Committee on Flood Control. I am hopeful that when I reintroduce it that committee of which the gentleman from Mississippi [Mr. WHITTINGTON] is chairman, will see fit to have hearings on it. As I understand the arguments of the gentlemen who have spoken today, they say if this bill passes it means that in every case in which the Government wants property, there has got to be litigation. In 99 percent of the cases, or more than that, the Department of Justice, representing the particular agency which is taking the land, will make an offer to the individual who owns the land. In most cases he signs an agreement. In many cases they go into court on condemnation proceedings in order to correct certain defects in title and even where there is some argument between the parties, that is, between the landowner and the Government, they can certainly enter into an agreement or on an agreed judgment, fixing or setting out the compensation. There is not any litigation in those cases. Men practicing law do it every day. For every case which is litigated there are literally hundreds of cases in which there is no litigation at all but an agreed sale or judgment. If there is to be a trial of an issue, as I see it under this bill, then the issues will be tried by the court unless the property owner asks for a jury. Insofar as the present law is concerned, insofar as I know, the only issues tried by any commissioners, is the issue of compensation, although I may be in error with respect to that. But any other issues involved in that case are not determined by the commissioners; is that not correct?

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. SPRINGER. Under your law, which I presume is identical with the law in my State, the question of the taking and the issues in the case, up to the question of damages is determined by the courts.

Mr. WHITTEN. That is right.

Mr. SPRINGER. And the question of damages is left to the jury.

Mr. WHITTEN. That is right. Under the terms of this bill that same procedure would prevail except that in the case of land taken for flood control and for rivers and harbors improvement, the individual citizen would have the same right to a trial by jury that a man would have if his property was taken for war purposes.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. JENNINGS. I can see your reason for wanting relief against what might appear to be and is a denial of the right of jury trial to the people whose lands are taken in Mississippi or elsewhere for flood-control purposes. But the trouble of it is that the relief you seek here amounts to just a destruction, for the time being, of the condemnation law of the 48 States.

Mr. WHITTEN. I might say to the gentleman I, too, regret this is the only way I have of correcting this matter; however, I have sent to the Clerk's desk an amendment which strikes out all provisions of this bill except that which have to do with flood control and rivers and harbors legislation. Now, if it is the desire of the Members of this House that those individuals who happen to have their property taken for flood control, are entitled to the same trial by jury as a man has when his land is taken for some war plant or something of that sort, by adopting this amendment, you leave the bill applicable only to those cases in which land is taken for flood control and for rivers and harbors improvements.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I see no objection to the passage of the bi'l recommended by the Attorney General. I assume that the committee will offer an amendment to provide that the bill shall continue in force for 1 year. Frankly, I hazard no statement as to what condemnations would be affected by the bill because I assume that most of the condemnations for war purposes have been made. I further understand that there will be no condemnations for rivers and harbors or for flood control until the cessation of hostilities. I am sure that the members of the committee will understand that I imply no criticism of the distinguished Committee on the Judiciary but I believe that much of the argument this afternoon could have been avoided if the committee had complied with the rules of the House in reporting this bill. This bill amends existing law and the report should have been complied with the Ramseyer rule, setting forth wherein existing laws are amended. I say that in no spirit of controversy and for this reason——

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. Yes.

Mr. HOBBS. To call attention to the fact that that omission was noted by the committee, and a supplementary report has been printed.

Mr. WHITTINGTON. I have not seen that supplementary report. The report that I have here does not comply with that rule. I am glad to look at the supplemental report just handed to me by the distinguished gentleman from Alabama [Mr. HOBBS]. That supplemental report seems to have been filed some months after the original. The rule not having been complied with in the original report, I undertook to refresh my memory as to existing law. However, I am obliged to my friend from Alabama for calling attention to the supplemental report. I observe that the acts amended are set forth but without showing the parts of the acts amended.

With respect to river and harbor acts, I am a member of the Committee on Flood Control and not the Committee on Rivers and Harbors, but generally the River and Harbor Act of 1888 and the act of July 18, 1918, not mentioned or amended in the pending bill, provide that property and material acquired may be condemned for rivers and harbors in conformity with the laws of the several States, with this variation or stipulation: That when an application for condemnation has been filed, there should be no delay in the construction of the work; the work shall proceed immediately. Under the Flood Control Act mentioned in this bill, of May 15, 1928, there is a provision for the appointment of commissioners by the United States district court, Those commissioners file their report. If their report is approved—confirmed—that is the end of the matter. If it is not approved then there shall be another adjudication or trial by the commissioners. When that act of 1928 was passed, it applied primarily to the Mississippi River, and in Mississippi along that river we have commissioners who determine the costs of the rights-of-way for levees. So that that was not a material departure from that practice of Mississippi law, with respect to condemnation rights-of-way for levees along the Mississippi River. I call the attention of the membership of the House to this fact, that since the act of 1928, we passed national bills for flood control in 1936, 1938, and in 1941, and we have made the provision of the act of May 15, 1938, for flood control condemnations along the Mississippi River applicable to every other flood-control act that has been passed since then. So that the provision for the appointment of commissioners to condemn lands now applies to every State in the Union where flood-control projects are authorized.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that his time be extended to 5 minutes.

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

There was no objection.

Mr. WHITTINGTON. I repeat. This act of 1928 now applies to every State in the Union where flood-control projects involving the construction of levees and reservoirs are authorized, and that applies to the State of Texas, to the State of Connecticut, to the State of Massachusetts, and every other State in the Union, so that if there is an amendment with respect to condemnation under the Flood Control Act of May 15, 1928, it will apply to every project whether it be a reservoir or be a project for rights-of-way for levees or flood walls in every State of the Union where these projects are authorized.

Mr. SUMNERS of Texas. The gentleman from Mississippi touches the very crux of this matter. He states that under the procedure applicable all over the United States now, when there is a condemnation for carrying out a flood-control project, for instance, commissioners are appointed and if the landowner does not agree, is not willing to accept the award of the commissioners, the matter

goes to the district judge and if the district judge confirms the determination of the commissioners there can be no jury trial. Is additional testimony taken?

Mr. WHITTINGTON. No; unless there there is a motion with testimony to reject the award.

Mr. SUMNERS of Texas. There is no jury, no additional testimony——

Mr. WHITTINGTON. Pardon me. I will say this, that the statute is set forth in the report—and I do not want to be understood as being critical of the way the report was gotten out—if the report of the commissioners is confirmed by the court that ends the matter. I assume that if the court felt the court should hear testimony at the time the report was submitted the court would take the additional testimony because, if the court were not satisfied with the commissioners' report then the additional testimony would be of assistance to the court in determining whether or not the report should be confirmed.

Mr. SUMNERS of Texas. Yes; but if the court confirms the determination of the commissioners, then without a trial by jury or any other proceedings the citizen's property is taken, and taken on the compensation allowed by the commissioners and the citizen has no other recourse.

Mr. WHITTINGTON. The gentleman is correct. If the person is not satisfied with the award of the commissioners he should have the right to present testimony to the court showing that the award is utterly insufficient and utterly contrary to the testimony. His only remedy would be an appeal from the district court, if the court confirms the report.

Mr. SUMNERS of Texas. What record would he go up on?

Mr. WHITTINGTON. The record on which any appellant would go up in taking a case from the district court.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. WHITTEN. The gentleman does know as a matter of practice that additional testimony is not taken as far as the district courts are concerned with which he and I have had experience.

Mr. WHITTINGTON. I do not recall where the district judge or court has declined to hear evidence that the report is contrary to, or not supported by the facts in Mississippi or elsewhere. I am not undertaking to answer it except as the matter has been brought to my attention. I wanted to make this statement: That the provision in the existing Flood Control Act for the appointment of commissioners is applicable to every State in the Union, including the State of New York, including the State of Texas, where flood-control projects have been authorized since the passage of that act under the acts of 1936, 1938, and 1941.

I extend by saying that while the original report of the Committee on the Judiciary, filed on November 30, 1943, did not literally comply with the so-called Ramseyer rule, the supplemental report, by indicating the parts of the statutes that would be amended, does set forth the statutes that are followed.

The Attorney General recommended the proposed bill and emphasized in his recommendation that it would remain in force and effect until December 31, 1944, or as the Committee on the Judiciary now proposes to amend, until December 31, 1945. Among other things, he stated that it would promote uniformity and reduce excessive costs of commissioners. I shall support the bill, but frankly, as I previously pointed out, I doubt if the bill will be effective inasmuch as lands acquired for military purposes have already been condemned, and inasmuch as substantially all flood-control works and river and harbor works have been suspended for the duration.

As shown by the supplemental report, the River and Harbor Act of April 24, 1888, provides for condemnation in accordance with laws relating to suits for condemnation of property in the States where the proceedings may be instituted. A similar provision applies in the act for acquiring lands for Federal buildings and in the act for acquiring lands for military purposes. In the River and Harbor Act, in connection with Federal buildings, and military installations, condemnations conform as nearly as may be possible to the practice in the States where the property is condemned. If the States have jury trials, jury trials will obtain. If the States provides for commissioners, commissioners will be appointed.

Under the Flood Control Act of May 15, 1928, at first applicable along the lower Mississippi River and now applicable to all of the States in the Union where flood-control works, whether for reservoirs, flood walls, or levees, have been authorized, the three commissioners must be appointed by the district judge, and their award, when confirmed by the court, is final. There is, therefore, no provision in flood-control works and in all projects for flood control for a jury trial in the first instance.

I regret that the committee did not include in the bill the River and Harbor Act of June 18, 1918, inasmuch as sections 5 and 6 of this act in the Flood Control Act of May 15, 1928, are made applicable. This provision of the River and Harbor Act authorizes the Government to enter upon the lands and make the improvements upon the filing of applications for condemnations.

At the time the flood-control bill was passed on May 15, 1928, careful consideration was given to the method of condemnation. The hearings are available. Generally, the method of trials that obtained in the States along the main stem of the Mississippi River were commissioners or appraisers. The term, "commissioner" or "appraiser" was used synonymously. No provision was made for a jury trial. Under the constitution and laws of Mississippi, commissioners to assess levee damages with the rights of appeal to the courts are authorized in the two levee districts in the State of Mississippi. The provision, therefore, for condemnation in the Flood Control Act of 1928 is substantially in accord with the provision for condemnations under the laws that obtain in the Yazoo-Mississippi Delta levee district and in the Mississippi River levee district, the only two districts along the Mississippi River in the State of Mississippi.

At the time of the passage of the act flood-control improvements were confined largely to the lower Mississippi River. A policy of national flood control was first adopted in 1936, and the provisions of the Flood Control Act of May 15, 1928, with respect to condemnation, are made applicable not only to the Flood Control Act of 1936 but to the Flood Control Acts of 1938 and 1941, and on yesterday to the Flood Control Act just passed by the Senate and House, which authorize flood-control improvements in substantially all of the States. Whatever amendment is made to the condemnation section of the Flood Control Act of May 15, 1928, would not only affect condemnation in Mississippi but in practically every State of the Union. In some States there are commissioners. In other States there are juries. My valued colleague the gentleman from Mississippi [Mr. WHITTEN] introduced a bill to provide for jury trials in condemnations under the Flood Control Act. The Committee on Flood Control was advised that both the Department of Justice and the Chief of Engineers preferred the pending bill. Without a favorable report from them, the House will appreciate that it would be difficult for the Committee on Flood Control to report the bill. Inasmuch as under the flood-control bill, since the national policy was adopted, there will be commissioners in all of the States and in all parts of the States, whether there are provisions for juries or commissioners in the first instance in those States, speaking personally, and while I cannot speak for the other members of the Committee on Flood Control, and while I cannot speak for the Committee on Rivers and Harbors, of which I am not a member, I believe that the Committee on Flood Control could well give consideration to amending the act of 1928 so as to provide that condemnations shall conform as nearly as may be to the forms and practices in the States where the lands are condemned.

Under a similar provision in the act of July 2, 1917, the Federal district courts of Mississippi, as I understand, have held that there may be jury trials in the first instance in all condemnations for lands acquired in Mississippi for camps and military purposes. If, in other States, commissioners without the intervention of juries are appointed, the procedure in those States would obtain. While I therefore personally favor condemnation upon the award of a jury, inasmuch as such a procedure would obtain in the condemnation for a reservoir, for either flood control or for the development of power in Mississippi, at the same time I concede that other States are entitled to have their condemnations under the proceedings of those States. I, therefore, believe that the Flood Control Committee would be warranted in amending existing law to make condemnation under flood control substantially as is now provided in all the States under the river and harbor acts. I repeat that the river and harbor acts provide that the condemnation shall be in conformity with the laws of the States

where the lands are condemned. Such a provision should obtain in the flood-control act to provide for jury trials for reservoirs and channelization, except channels and levees along the main stream of the Mississippi River. While not a member of the Committee on Rivers and Harbors, I believe there should be uniformity in the condemnation proceedings of both flood-control and river and harbor acts. There are many reservoirs authorized for construction under the river and harbor acts.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

The question is on the amendment offered by the gentleman from Tennessee [Mr. JENNINGS].

The amendment was agreed to.

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: On page 1, line 6, strike out all after the semicolon down to the semicolon in line 2; and on page 2, line 5, beginning with the comma strike out the words "or other provisions of law."

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes on his amendment.

Mr. WHITTEN. Mr. Chairman, we are getting to the point in this matter in which I have been chiefly interested from the beginning, and that is to give the American citizen, whose property is taken for flood control or for rivers and harbors improvement, the same right that is given to the citizen whose property is taken for other purposes. I should like to have the attention of the Members of this House because this is not a local proposition with me. You have just heard the statement of the chairman of the Committee on Flood Control. The law having to do with flood control applies to every State in this Union.

Under that law, in case they take a citizen's property the determination of the amount of compensation he will receive will be determined by three commissioners who are appointed by the court. If he is dissatisfied with the finding of those commissioners, all he can do is file an objection with the Federal district judge or any court. He has no right to trial by jury and the determination by those commissioners in every one of your States is final when confirmed by the Federal judge. These commissioners are three men who have been appointed by the Federal judge. They are folks in whom he has confidence. In my territory they are people who try one case after another and to date I am advised the findings of those commissioners have been confirmed in every case. That is the present situation that exists in all States in this Union. The Constitution, as I stated earlier, gives the right to a trial by jury in a suit between individuals where the rights of the parties are equal and they are entitled to have a trial by jury, if the amount in controversy is $20 or more. In criminal cases you have a right to trial by jury. But in a case where the Federal Government uses the strong arm of the law, at a time when they send out engineers trained as experts who can testify, when the Federal Government can send appraisers who will testify on the part of the Government, and they are trying these cases day after day, when the commissioner is drawing $25 a day from the Federal Government to determine the amount of compensation, there is no right to trial by jury, and when those findings are confirmed by the court it is final in my State and in your State. If you take that land for war purposes instead of taking it to benefit the man's property who lives below the dam, he is entitled to trial by jury.

I have sent an amendment to the desk striking out of this bill all application to every other law except that applying to river and harbor improvements and flood control. If the objections of you gentlemen on this side are really directed to that part of the bill which applies to other matters, I say my amendment leaves the act where it is today, with regard to those acts providing for condemnation of property for flood control and for the condemnation of property for the improvement of rivers and harbors. It will give to that man not necessarily a trial by jury but it gives him the right to it if he desires it.

When the strong arm of the Federal Government goes out and takes from a man his home and puts him out, every American citizen should have the right to a jury trial as to its value. A jury may not give him $1 more than he would get from the commissioners. Doubtlessly there will be many cases in which they will not. But he has had his right to a day in court. He has had a right to present his troubles and have it aired before a jury of his peers. That is better than for him to feel that the strong arm of the Government has taken his property without that right, while he was in the Army, for instance, serving his country. The commissioners tried his case and he could not get a chance to be heard by jurors from his section of the State.

This applies to your State when they start this increased flood-control program and I believe a lot of you are going to take more interest in it then than apparently you have in the consideration of this matter today.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REED of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I call the attention of the Committee to something I once mentioned before on this floor. Along in 1790, when James Wilson was lecturing before the law class of what is now the University of Pennsylvania—of course, you know what a remarkable series of lectures he delivered—Mr. Wilson called attention to one point that we can well afford to emphasize frequently when legislation of this character is before the House. He pointed out in those lectures that whenever the contest is between the United States and a citizen we should keep in mind the fact that the entire population and all its resources are directed against an individual. Of course, as time has gone on, the United States has become all-powerful. The United States can employ the finest and the greatest legal talent to be found anywhere in the country; it can reach out and get witnesses from every corner of the country and sometimes from foreign countries to bear down upon a lone individual who is trying to fight for his rights with, perhaps, an attorney from his local town; therefore, it seems to me that we should be very cautious in the enactment of legislation that does not give the citizen the right to a trial by jury, or if it be a case of the condemnation of a citizen's land then in accordance with the procedure of the State in which his land is located. Anglo-Saxon procedure is his last resort against the great power of the Government which naturally leads more and more toward tyranny. Power feeds on power.

Mr. HANCOCK. Mr. Chairman, I rise in opposition to the amendment in order to get further light from the gentleman who offers the amendment.

I understood the chairman of the Committee on Flood Control a few moments ago to say that the law now governing the condemnation of land for flood control purposes, and the amendments thereto, which makes that procedure applicable to flood lands all over the United States, was passed after consideration and recommendation by his committee. Does the gentleman think we ought to make a permanent change in that law adopted after hearings, after study, after consideration on the floor here, on the spur of the moment, without any action on the part of the Committee on Flood Control?

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I might say to the gentleman that I think his questions are misdirected. I think he means to direct them to the gentleman from Mississippi [Mr. WHITTINGTON], chairman of the Committee on Flood Control.

Mr. HANCOCK. I understood the chairman of the Committee on Flood Control to say a few moments ago that the law with respect to the condemnation of flood-control lands, and the amendments thereto, which now make that law applicable generally throughout the United States, was passed after consideration by his committee, after hearings, and after being fully considered on the floor of the House.

Mr. WHITTINGTON. That is right.

Mr. HANCOCK. If I understand the amendment offered by his colleague from Mississippi, we are asked to make the temporary emergency law now proposed by the bill before us a permanent change without any consideration on the part of his committee, and I merely ask the gentleman whether he is in favor of the amendment offered by his colleague the gentleman from Mississippi and the bypassing of his committee.

Mr. WHITTINGTON. I will say frankly that I have answered the gentleman's question in my initial statement on the recommendation of the Attorney General. I am willing to go along and support the bill for the period recommended by the committee. It is applicable not only to flood control, but to

all other condemnations. I will say this, too, that the provisions in this bill with respect to flood control in the act of May 15, 1928, were carefully considered by the Committee on Flood Control at the time the bill was passed and at the time subsequent bills were passed. I would also say that probably the amendment or pending bill would more likely affect rivers and harbors; but I am not a member of that committee, and I would not undertake to speak for the Committee on Rivers and Harbors.

Mr. HANCOCK. I do not wish to embarrass the gentleman, but does he favor the amendment offered by his colleague, which, as I understand, would exclude from the scope of the bill all types of land to be acquired by the Federal Government except lands needed for flood control and rivers and harbors?

Mr. WHITTINGTON. I have stated that I favor this bill for the reason given and that I would support the bill, but I am doubtful about the amendment, as it would affect all the States, and change existing laws in river and harbor works.

Mr. HANCOCK. Then the gentleman does not favor the amendment offered by his colleague from Mississippi? The amendment narrows the bill to flood control and rivers and harbors lands.

Mr. WHITTINGTON. I will say to the gentleman that I am not a member of the Committee on Rivers and Harbors, and this bill probably involves more legislation with respect to rivers and harbors than it does flood control. I do not undertake to speak with reference to rivers and harbors, but as to flood control, it is too broad, and as stated, I am doubtful about the amendment. It would satisfy Mississippi, but not satisfy many other States.

Mr. HANCOCK. Most of us are not thinking about rivers and harbors and flood control. We are thinking about the land acquired for airports, camp sites, and war ammunition plants, as well as housing and a thousand and one other things. That is what we are thinking about, and that is what the bill is intended to reach.

Mr. WHITTINGTON. I understand.

Mr. HANCOCK. There are many who seem to forget the rights of the citizens under their own State laws in order to get some advantage in the acquisition of land for flood control, which strikes me to be an unsound attitude.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. In condemnation proceedings for airports, and so forth, does not the citizen now have an opportunity to have a jury trial before his property is finally taken?

Mr. HANCOCK. The law is that the Federal Government must conform in condemnation proceedings to the laws of the States where the land to be taken is located, and that is the law which I wish to have continued. These laws vary from State to State. There are 48 different laws, and many more, because some States have special laws of condemnation for special purposes.

Mr. SUMNERS of Texas. Does not the gentleman believe that in regard to flood control there ought to be the same procedure. insofar as the rights of the individuals are concerned, as now obtains where you condemn land for an airport or anything else?

Mr. HANCOCK. I am very greatly in sympathy with the gentleman from Mississippi. His is a question I know nothing about. This bill covers much more ground than the procedure for condemning lands for flood control on rivers and harbors. If the latter is wrong, it should be corrected by a bill specifically dealing with that question.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and, the Chair being in doubt, the Committee divided; and there were—ayes 20, noes 53.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. This act shall take effect upon its approval and shall apply in all cases hereafter instituted and in all pending cases except those in which the commissioners or other persons by whom the amount of compensation is to be determined shall have been appointed and qualified and shall have entered upon the performance of their duties.

Mr. HOBBS. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. HOBBS: On page 2, lines 24 and 25, after the word "have", where it first occurs in line 24, strike out the remainder of line 24 and all of line 25 and insert "filed their report and hearings in court shall have begun."

The committee amendment was agreed to.

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: Amend section 2 by striking out the word "except", in line 22, and the remainder of the paragraph, and substituting the following: "or cases concluded where the time for appeal has not expired. In all cases where commissioners or other persons have fixed the award or compensation, the property owner shall be liable for all costs incident to such jury trial had in such cause unless the award of compensation fixed by such jury is more than the award or compensation theretofore fixed by such commissioners or other persons."

Mr. WHITTEN. Mr. Chairman, the amendment speaks for itself. It is only an effort to review in many instances the commissioner trial in which a citizen has no right to a review or a new trial by a jury. It just provides that in those cases where the commissioners have made their findings and the case is closed, then if the time for appeal has not expired, by taking the chance of being liable for the costs in the event the jury does not raise the amount, the property owner shall still have the right to a trial by jury.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

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

Mr. JENNINGS. Is it the gentleman's intention to assess the property owner with any costs in these proceedings? It sounds to me as if that is what the gentleman is doing.

Mr. WHITTEN. I am trying to be fair in an effort to get the votes of some of my colleagues here in the House. I may say to the gentleman that this amendment provides that after the commissioners have tried the issue under the present law and have found the compensation and completed their work, when the case has proceeded that far, the property can still get a jury trial.

Mr. JENNINGS. I am afraid you are again invading the States and undertaking to set aside the laws of the various States. In addition to that, here is a little fellow, say his property is worth $250 or $500; it may be all he has, it means everything in the world to him, and he fights because he thinks he has a right to fight. He did not start the fight. The Government started it. You are fixing a pitfall there for him that might wipe out everything he has on the face of the earth.

Mr. WHITTEN. I will say to the gentleman, when it comes to thinking about the little man in the country whose property may be worth $250, I have just offered an amendment which would have limited this bill to only those cases in which the land would be taken for flood control and rivers and harbors and to each man who did not vote for that amendment in this House, it means such Member is not really interested in the little man, the individual, because, by voting down that amendment, you say the Federal Government has the right to take his property and say to him, "We will send our own folks to determine what your property is worth, and you have no right to a day in court to be heard by a jury of your area, to show them what your property is worth, and have them determine its value."

Mr. JENNINGS. Will the gentleman yield further?

Mr. WHITTEN. I yield.

Mr. JENNINGS. Why do you not bring a bill in here? I think I will support a bill if you come in here with a bill remedying this condition which you are complaining about and not something to get us all into a whirlpool of confusion about it. Bring that bill in.

Mr. WHITTEN. I might say to the gentleman, I did not bring in the bill which is presently before us. I do not happen to be on the Judiciary Committee. I introduced such a bill and the gentleman from my State [Mr. WHITTINGTON] has it now before his committee. I very closely followed his statement a while ago, to find out what statement he would make to the House as to whether he was in favor of it or not. To date we have been unable to get his committee to conduct hearings on my bill correcting this situation. I did learn he was in favor of trial by jury at the time the flood-control law was first passed, but he has not yet had any hearings on my bill, because I understand the Department of Justice and the War Department have refused to give the green light on the bill to the committee. I am hoping in the future when I introduce

such bill the committee, of which the gentleman from Mississippi [Mr. WHITTINGTON] is chairman, will proceed with the measure regardless of the attitude of the War Department.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. HANCOCK. The effect of the gentleman's amendment in my State and in many others, would be to invite a new trial under a new practice and a brand new procedure, after the commissioners have awarded damages and the court has fixed the award and approved it, and it would cause interminable delay and expense.

Mr. WHITTEN. I will say to the gentleman with reference to the bill now pending that at all points I am able, I will offer an amendment which I think will take care of the general condition in this country which should be corrected. Such amendments should be adopted. Now on the question of whether there is any chance for this bill to be passed, I doubt whether the gentleman and I have any difference of opinion.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

The amendment was rejected.

The Clerk read as follows:

SEC. 3. The provisions of this act shall remain in force and effect only until December 31, 1944.

Committee amendment:

Amendment offered by Mr. HOBBS: On page 3, line 2, strike out "1944" and insert in lieu thereof "1945."

The committee amendment was agreed to.

Mr. WHITTEN. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: On page 3, line 2, strike out the period and substitute a comma and add the following: "Except as to land or property condemned under the provisions of the act of May 15, 1928, entitled 'An act for the control of floods on the Mississippi River and its tributaries and for other purposes (45 Stat. 536, 33 U. S. C., sec. 702 (d)' and the provisions of the act of April 24, 1888, entitled 'An act to facilitate the prosecution of works projected for the improvement of rivers and harbors (25 Stat. 94, 33 U. S. C., sec. 591).'"

Mr. HANCOCK. Mr. Chairman, I make the point of order against the amendment. This bill by its terms is temporary. The amendment of the gentleman from Mississippi [Mr. WHITTEN] would affect one small section of the bill and make it permanent, without consideration by the committee having jurisdiction thereof.

The CHAIRMAN. The Chair feels that the amendment offered by the gentleman from Mississippi is germane. It properly refers to the section of the bill referred to in the amendment. The Chair overrules the point of order.

Mr. WHITTEN. Mr. Chairman, I do not want to be in the attitude of taking up the time of the House, but I think it is clear what my interest in this bill is, since my interest and belief is that the person whose property is taken for flood control and river and harbor improvements is entitled to a trial by jury and should be granted that trial. This amendment merely provides in the event it becomes a law it shall be permanent insofar as creating a right of trial by jury for those persons whose property is taken for flood control and river and harbor improvements.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was rejected.

Mr. HALE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HALE: Page 3, line 1, strike out all of section 3.

Mr. HALE. Mr. Chairman, I simply desire to make the point which I have already stated in interrogating a previous speaker. If this is really a salutary piece of legislation, making procedure simpler and more expeditious without prejudicing any right that any party in a suit brought by the United States may have, then there is no reason why the benefits of this legislation should be withdrawn at the end of the calendar year 1945. If it is not a salutary piece of legislation, then it should not be passed at all. If I correctly grasp the purport of this debate, there is only one single Member of the House who exhibits any enthusiasm for the bill in its present form.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word, to say that in my previous statement I said that I favored the bill as reported by the committee with the committee amendment. I should like to say this: That legislation for condemnation where the property cannot be obtained by purchase under the river and harbor acts is applicable to all the States of the Union, and that existing legislation provides generally, as set forth in the supplemental report of the committee, that the laws of the States shall be applicable. I think where the State laws provide for trial by jury in the first instance the law should apply, and where the State law provides for commissioners that such provision should apply. As previously stated, the Flood Control Act provides for only commissioners. I say to the gentleman from New York [Mr. HANCOCK] and my colleague the gentleman from Mississippi [Mr. WHITTEN] that in my judgment there should be careful consideration given to a revision of the flood-control acts in that regard. I am speaking personally, without undertaking to bind the Committee on Flood Control, and certainly not the Committee on Rivers and Harbors. I think it would be sound legislation to amend existing law so as to make the condemnation comply with the laws of the State, as in the case of the River and Harbor Act, so that if under a project for the construction of a flood-control improvement a jury in the first instance is provided in the State, that law may be applicable to that State; and if commissioners are provided in the first instance, then they should be applicable in such States. In other words, I think the proposition is sound that the condemnation laws of the States with respect to the condemnation of property generally in those States—although I know that in specific instances there are variations and that laws are not uniform in the State—should obtain in both flood-control and river-and-harbor projects.

Mr. HOBBS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have no particular zeal about this matter except, as stated before in the argument, this bill would abandon every rule and set aside that practice, which is prevalent in 20 States, of appointing commissioners to fix the value of property taken by condemnation. I think we ought very seriously to consider if we wish to make that permanent law. I know that personally I do not. I do not feel we ought to intrude upon the prerogatives of the States in any such way as this would and make it permanent legislation when there is no need for it as permanent legislation. There are other arguments along the same line that might be made in opposition to this amendment but I submit that that in itself is abundantly sufficient and that there is no justification for making permanent this intrusion into the realm of law covered now by 20 State statutes.

I ask for the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine.

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COFFEE, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill (S. 919) to expedite the payment for land acquired during the war period, pursuant to House Resolution 565, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

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

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. HOBBS) there were—yeas 35, nays 97.

So the bill was rejected.

EXTENSION OF REMARKS

Mr. THOMASON. Mr. Speaker, I ask unanimous consent that my colleague from Texas [Mr. PATMAN], who is out of the city on official business, may have permission to extend his own remarks in the RECORD and include an address made by him on the subject of small business.

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

There was no objection.

SAFEGUARDING THE ADMISSION OF EVIDENCE IN CERTAIN CASES

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up for immediate consideration House Resolution 662.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to 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. 3690) to safeguard the admission of evidence in certain cases; that after general debate, which shall be confined to the bill and shall be continued not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendments, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. COX. Mr. Speaker, this is a proposal on which there should not develop, I take it, such wide division of opinion as was the case in the bill just disposed of. It is an extraordinary sort of suggestion or proposal because, frankly, it is an attempt on the part of the Congress to override an indefensible decision recently rendered by the Supreme Court.

There was a time when no one questioned the fidelity of this Court to the Constitution and certainly no one questioned its integrity in administering the laws of the country. That was a time when the Court was looked upon as a group of great lawyers who had won their high recognition through long service at the bar. The Court then enjoyed public confidence. But now the Court is looked upon as a group of left-wing reformers, of slight legal experience, who no longer pretend to confine themselves to the interpretation of law but have gone into the business of making law themselves. The result has been that few have confidence in the Court and few respect its decisions.

Your Committee on the Judiciary brings in here a bill to override or set aside one of the bad decisions of that Court. Personally, I want to commend the committee. I hope it will move in this same direction frequently because on numerous occasions we have had bad decisions by this Court that was set up to interpret laws rather than make them.

Mr. Speaker, I now yield 30 minues to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, the gentleman from Georgia, a member of the Rules Committee, has explained what this bill is in a general way.

The bill is an important one and, in my judgment, it is urgent. It deals with a very serious problem which all Members can thoroughly understand and I hope the argument under general debate will not be clothed in too much legal language; because this is a bill that does not require that kind of explanation in order that all may understand it. The committee report explains the necessity for this legislation, the purpose of the proposal, and its effect on the recent Supreme Court decision, which prompts this emergency bill. As a member of the Judiciary Committee, I have given much study to this whole subject and my views are well expressed in the following report:

THE NEED FOR SUCH LEGISLATION

The Supreme Court of the United States handed down a decision in the case of *McNabb* v. *United States* (318 U. S. 332), on March 1, 1943. That decision established, without constitutional or legislative authority, a rule of evidence utterly new and variant from the standard set up by the Constitution of the United States in the Bill of Rights. In that part of the Bill of Rights known as the fifth amendment there is the familiar guaranty that no person shall "be compelled in any criminal case to be a witness against himself." Since the Bill of Rights became fully ratified as a part of the Constitution on December 15, 1791, this has been recognized as the supreme law of the land on this subject. Such recognition has been accorded by repeated decisions of the Supreme Court of the United States, and prior to the McNabb decision, it had become well settled that the sole test of admissibility of statements made by persons accused of crime while in custody was whether they were "made freely, voluntarily, and without compulsion or inducement of any sort" (*Wilson* v. *U. S.* ((1896), 162 U. S. 613, 623); see also *Lisenba* v. *California* ((1943), 314 U. S. 219, 239)).

Whether an individual in custody had or had not been arraigned prior to the obtaining of a confession from him, was never before considered a determining factor in considering its admissibility.

For the first time in legal history, in the McNabb case, the Supreme Court used section 595, title 18, of the United States Code as a factor in determining the admissibility of confessions. This section provides that it shall be the duty of the marshal * * * or other officer who may arrest a person charged with any crime or offense, to take the defendant before the United States commissioner or the nearest judicial officer having jurisdiction under existing laws, for a hearing, commitment, or take bail for trial * * *." A similar statute is found in 5 United States Code, section 300a; requiring agents of the Federal Bureau of Investigation to take arrested persons immediately before a committing officer.

Thus, the Supreme Court has substituted a rule or law of evidence, written and adopted by a majority of the Court, for and instead of the Constitution. The Constitution says that involuntary confessions must not be admitted as evidence in any criminal case. Therefore, by plain implication and on ample authority, voluntary confessions should be admitted as evidence. Yet, in the McNabb case, the Supreme Court says:

"Quite apart from the Constitution, therefore, we are constrained to hold that the evidence elicited from the petitioners in the circumstances disclosed here must be excluded. For in their treatment of the petitioners the arresting officers assumed functions which Congress has explicitly denied them."

The Supreme Court does not say that the confessions of the McNabbs were involuntary, but "quite apart from the Constitution," and although "Congress has not explicitly forbidden the use of evidence so procured," because the arresting officers failed to comply with the requirement that defendants should be promptly arraigned—no matter how voluntary the confessions may have been, no matter that the trial judge, jury, and the Supreme Court of Tennessee had held them to be voluntary, no matter that Congress had not forbidden, and no matter what the Constitution provides—the confessions were inadmissible as evidence.

"Mr. Justice Rutledge took no part in the consideration or decision of this case."

Mr. Justice Reed dissented, as follows:

"I find myself unable to agree with the opinion of the Court in this case. An officer of the United States was killed while in the performance of his duties. From the circumstances detailed in the Court's opinion, there was obvious reason to suspect that the petitioners here were implicated in firing the fatal shot from the dark. The arrests followed. As the guilty parties were known only to the McNabbs who took part in the assault at the burying ground, it was natural and proper that the officers would question them as to their actions.

"The cases just cited show that statements made while under interrogation may be used at a trial if it may fairly be said that the information was given voluntarily. A frank and free confession of crime by the culprit affords testimony of the highest credibility and of a character which may be verified easily. Equally frank responses to officers by innocent people arrested under misapprehension give the best basis for prompt discharge from custody. The realization of the convincing quality of a confession tempts officials to press suspects unduly for such statements. To guard accused persons against the danger of being forced to confess, the law admits confession of guilt only when they are voluntarily made. While the connotation of voluntary is indefinite, it affords an understandable label under which can be readily classified the various acts of terrorism, promises, trickery, and threats which have led this and other courts to refuse admission as evidence to confessions. The cases cited in the Court's opinion show the broad coverage of this rule of law. Through it those coerced into confession have found a ready defense from injustice.

"Were the Court today saying merely that in its judgment the confessions of the McNabbs were not voluntary, there would be no occasion for this single protest. A notation of dissent would suffice. The opinion, however, does more. Involuntary confessions are not constitutionally admissible because violative of the provision of self-incrimination in the Bill of Rights. Now the Court leaves undecided whether the present confessions are voluntary or involuntary and declares that the confession must be excluded because in addition to questioning the petitioners, the arresting officers failed promptly to take them before a committing magistrate. The Court finds a basis for the declaration of this new rule of evidence in its supervisory authority over the administration of criminal justice. I question whether this offers to the trial courts and the peace officers a rule of admissibility as clear as the test of the voluntary character of the confession. I am opposed to broadening the possibilities of defendants escaping punishment by these more rigorous technical requirements in the administration of justice. If these confessions are otherwise voluntary, civilized standards, in my opinion, are not advanced by setting aside these judgments because of acts of omission which are not shown to have tended toward coercing the admissions.

"Our police officers occasionally overstep legal bounds. This record does not show when the petitioners were taken before a committing magistrate. No point was made of the failure to commit by defendant or counsel. No opportunity was given to the officers to explain. Objection to the introduction of the confession was made only on the ground that they were obtained through coercion. This was determined against the accused both by the court, when it appraised the fact as to the voluntary character of the confession, preliminarily to determining the

legal question of its admissibility, and by the jury. The court saw and heard witnesses for the prosecution and the defense. The defendants did not take the stand before the jury. The uncontradicted evidence does not require a different conclusion. The officers of the Alcohol Tax Unit should not be disciplined by overturning this conviction."

It is most interesting to note, in connection with the McNabb decision, that no point was made by the defendants nor by their counsel of any failure on the part of the arresting officers to arraign the defendants promptly. The decision is grounded solely upon the assumption indulged by the court that the petitioners had not been promptly arraigned. The record was silent on this most important point. The petitioners and their counsel did not claim that the petitioners had not been promptly arraigned. The truth is that the petitioners had been promptly arraigned. The prisoners were arrested early Thursday morning on the charge of operating an illicit still. They were properly and promptly arraigned and committed on that charge between 8:30 and 10:30 the same morning. During the raid on the distillery, or shortly thereafter, the murder had been committed in an adjacent cemetery in the darkness of night. No one had been seen, nor apprehended. There was no clue to the identity of the murderer or murderers. There was a strong suspicion that the McNabbs, who had been operating the illicit distillery, or some of them, were also guilty of the murder. However, there was no evidence sufficient to justify a committing magistrate in binding them over on the murder charge. So there was no arraignment on the murder charge until after three of them had confessed; but every question put to any one of the prisoners was put after they had been promptly arraigned, and committed.

Almost immediately after the decision in the McNabb case was handed down, the administration of justice in criminal courts was thrown into confusion because of the McNabb decision, and in case after case defendants were, solely because of the rule promulgated in the McNabb case, freed by orders of the courts nolle prossing, or reversing, or directing verdicts, in pending cases. Many of such cases are cited in the hearings on H. R. 3690, pages 21 (cited by the author of the bill), 31, 32, 33 (cited by the Attorney General), and 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, and 60 (cited by members of the Metropolitan Police Department of Washington).

In one of these cases, *Mitchell* v. *United States*, the Court of Appeals of the District of Columbia (138 Fed. 2d 426), reversed convictions and upon certiorari granted by the Supreme Court the decision of the court of appeals was reversed by the Supreme Court, April 24, 1944, although the Supreme Court said in part: "We adhere to that decision and to the views on which it was based" (*McNabb* v. *United States*).

The history of the Mitchell case is bad enough, but that of the Wilborn case is infinitely worse. While the convictions of Mitchell were reversed by the court of appeals, yet this reversal has now been reversed by the Supreme Court, so Mitchell may now be punished. In the Wilborn case, however, Judge Pine is quoted as having stated from the bench on the trial, that, although his acquittal would constitute a "miscarriage of justice," nevertheless he must be acquitted because of the Supreme Court's decision in the McNabb case. So, Judge Pine directed a verdict of acquittal, and Wilborn walked out of the court a free man. The Constitution prohibits another trial, because a second trial would constitute double jeopardy, so he is as free and clear as anyone could be. What was his self-confessed crime? About 1 a. m. of March 18, 1943, he broke into the apartment occupied by three girls, where he assaulted one of them, inflicting lacerations requiring 11 stitches, though he did not complete the rape because of the screams of the other girls. He was arrested about 2 a. m. on the same night. About 4 a. m. he confessed. About 5 a. m., in the presence of the arresting officers and his victim, he reenacted the circumstances. About 11:30 of the same day he signed a written confession, and was arraigned about 3 o'clock that afternoon. But the McNabb decision held that no confession could be used as evidence if the self-confessed criminal had not been arraigned promptly, and the judge construed this to mean just that. So, Wilborn, not having been arraigned for several hours after he might have been, was freed by a reluctant jury, because of the court's direction, made solely because of the McNabb decision. Is this only a "miscarriage of justice" or is it a license to rape?

WHAT H. R. 3690 WOULD DO

It would merely nullify the new rule of the McNabb decision.

It would declare that no such policy as that indicated in the McNabb decision underlies the laws Congress passed requiring prompt arraignment.

It would leave the law exactly as it was before the turmoil and confusion caused by the McNabb decision, and wipe out the attempt to bypass and ignore the Bill of Rights, restoring to the full the protective guaranty that no person shall "be compelled in any criminal case to be a witness against himself."

MERELY A TEMPORARY EMERGENCY MEASURE

The bill (H. R. 3690) is not designed to be a complete nor permanent solution of the problems involved in arrest, detention, and interrogation of criminal suspects. These problems are many, varied, and important. They cry for adequate remedies—for full, painstaking study and solution.

All of us favor prompt arraignment. Failure to observe the legal requirement thereof should be punished. The punishment, however, should be inflicted upon the guilty—not the innocent. The arresting officers are the guilty when they fail to see to it that prisoners are promptly arraigned. The public—"We, the people"—are the innocent. Yet, under the McNabb decision only the law-abiding, innocent citizens, whose safety is jeopardized by turning self-confessed criminals loose, are punished.

A part of the solution should be the enactment into law of the requirement that all arresting officers be bonded, so that any failure on their part to observe the law would make them not only subject to suit, as they are now, but also able to respond in damages.

THE UNIFORM ARREST ACT

The Uniform Arrest Act, by Hon. Sam B. Warner, is a suggested solution that should have careful study.

The suggestion given by the Attorney General of the United States (see his testimony in the hearings, pp. 35, 36, and 37) that the arraignment statutes should be made uniform and should have but one requirement as to time, to wit: "within a reasonable time," also demands full consideration.

As suggested in the McNabb decision, the English rules for the interrogation of prisoners while in custody prescribed by the judges of the King's Bench should also be studied diligently and constructively with a view to seeing how they may be adapted to the administration of the criminal law in the United States. As so adapted, similar rules should be made by law a part of the solution of this problem.

The bill-of-rights committee of the American Bar Association, under date of May 15, 1944, has furnished the subcommittee that held the hearings on H. R. 3690 with a splendid brief showing clearly and fully the need for protracted and indefatigable study of this whole problem and for the enactment into law of its proper solution. They very kindly offer the services of this committee in collaboration toward these objectives.

CONCLUSION

Therefore, it is manifest that this bill is but an emergency measure, the sole purpose of which is to stop immediately the wrecking of our law-enforcement machinery resulting from the McNabb decision.

The enactment of this bill would do this and give your Committee on the Judiciary time, without the pressure and penalty of suspended law enforcement, within which to study these delicate and difficult problems, and for the preparation of such a bill as may be then agreed upon.

Mr. Speaker, I am not going to take any more time now, and I yield 5 minutes to the gentleman from Iowa [Mr. GWYNNE], a member of the Committee on the Judiciary.

Mr. GWYNNE. Mr. Speaker, this is one of the difficult problems that has troubled the courts ever since there have been courts. It is hard to explain the situation in 5 minutes, and I am taking this time only because I expect, when we reach the bill for amendment, to offer an amendment which I desire to call to your attention.

Of course, we all know that under our Constitution no defendant may be required to give evidence against himself. Therefore a confession or admission made by a defendant can be used in court against him only if the confession is voluntary. That is law to which everyone agrees.

We also have provisions in the codes, the Federal Code and the various State codes, that require a prisoner, who has been arrested without a warrant, to be taken before some committing magistrate or commissioner for arraignment. Unfortunately, the Federal statutes require that the prisoner must be taken immediately or forthwith. Most of these States have a more liberal provision.

Prior to the McNabb decision it had been held that the failure to comply with those laws as to immediate arraignment did not affect the confession, if otherwise admissible; that is, if it was voluntary. In the McNabb case the Court made what seems to me a very unfortunate decision. They held in substance that the failure to comply with the statute, and to arraign the prisoner immediately or forthwith, would render inadmissible any confession, even though the confession may have been voluntary.

The purpose of the bill is to put the law back where it was prior to that decision. As between the McNabb decision and the Hobbs bill, I am for the Hobbs bill. Yet I would suggest an amendment to it, because I do think prisoners are entitled to some protection, and I think the amendment I am going to suggest would protect the prisoner and the Government.

If you have the bill before you, you will notice it reads:

That the failure to observe the requirement of law as to the time within which a person under arrest must be brought before a magistrate, commissioner, or court shall not render inadmissible any evidence that is otherwise admissible.

I would add to that the following:

But the failure to bring such prisoner before a magistrate, commissioner, or court,

within a reasonable time as defined by the trial court, shall be prima facie evidence that any admission or confession made by such person during the time he was so unreasonably detained, is inadmissible.

The effect of that amendment would be this, at least, as I mean it: The law in regard to arraignment remains the same. It would still be necessary for an officer to take the prisoner immediately or forthwith before a commissioner; and if he failed to do so, he would be subject to whatever discipline is now provided. However, if he did not do that, and the prisoner made a confession, when he was being tried before the district court and the confession was offered in evidence, the trial court would then determine two questions: First, regardless of the statute on arraignment, was he taken before the committing magistrate or commissioner in a reasonable time under all the circumstances?

If the trial court would hold that the defendant had been taken within a reasonable time, that would end it. The confession would be admissible, if otherwise proper; I mean if voluntarily made. If he should find, however, that the prisoner had been detained an unreasonable length of time, that would be prima facie evidence that the admission or confession was not admissible, and it would then be up to the policeman, the officer making the arrest, to show that the defendant's rights were not prejudiced by the fact that he had been detained an unreasonable length of time.

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

Mr. GWYNNE. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. Would the determination of reasonable time be fixed by the court on a voir dire examination?

Mr. GWYNNE. That is my plan; as it is done at the present time.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. MICHENER. Mr. Speaker, I yield 5 additional minutes to the gentleman from Iowa.

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

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

Mr. JENNINGS. Would it not more nearly accomplish what the gentleman has in mind if, instead of that amendment, where it was found that the arraignment had not been within a reasonable time, then, if the trial court so found, the burden of proof would rest upon the Government to show that there was no coercion?

Mr. GWYNNE. Of course, the Government must show that all the way along the line. When he offers the confession, the prosecuting attorney must show that it is a voluntary confession. The present statutes, if we follow the McNabb decision, put upon the officers a burden that they can hardly bear. You cannot follow the practice apparently required by the Federal statutes unwittingly, I think, that a prisoner must be taken immediately, or forthwith, before a committing magistrate. Many times that cannot be done. Many times the magistrate is not available, and many, many times it is not desirable to do it for reasons that every prosecutor knows, because you have not yet picked up certain accomplices, for example.

What I have in mind is simply this: I do not want to make it possible, as the McNabb decision does, to let a defendant who is certainly guilty and who has admitted it, later on get out of it by virtue of this technicality, nor do I think that his confession should be inadmissible in every case where he was not taken before the court in a reasonable time.

I have an illustration in a case I happen to know about. A man broke into a building and stole a lot of intoxicating liquor. He went down to the river and proceeded to get very intoxicated. He was arrested in the daytime. He could have been taken before a committing magistrate as far as the court was concerned, but he was not taken in for a day, that is, until the following day. The reason was that he was too intoxicated to appear in court. A court could say that he had not been arraigned within a reasonable time, perhaps, and there would be a prima facie case built up for him when that showing was made; yet a further showing could be made by the Government or by the State that the reason for the unreasonable delay was that the man himself was intoxicated, and it had no connection with any attempt to coerce the defendant into making a confession. That is the general purpose I have in mind.

Mr. GRAHAM. If the gentleman will yield further, does the gentleman contemplate a waiver of arraignment by this amendment?

Mr. GWYNNE. No; not at all.

Mr. GRAHAM. So that in the event there would later be a repudiation of the confession, that would not affect it in any way?

Mr. GWYNNE. This would be the situation: A man is on trial, John Doe is on trial, and the Government offers a confession. The question before the court would be, Was he arraigned within a reasonable time? If the court determines that he was arraigned within a reasonable time the confession is admissible if voluntary. If he was not arraigned within a reasonable time, the confession may still be admissible if the Government can show that no harm came to the defendant.

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

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

Mr. VORYS of Ohio. Under the committee's view and under the gentleman's view, the sole purpose in attaching any significance to the speed of arraignment is as to whether the confession is voluntary; is that not right?

Mr. GWYNNE. The McNabb decision virtually says this, as I understand the decision, regardless of the voluntary character of the confession, if the defendant was not arraigned forthwith, it could not be used. That is what I understand from the decision.

Mr. VORYS of Ohio. And the purpose of the committee is to overrule that, with respect to the McNabb case?

Mr. GWYNNE. That is correct.

Mr. VORYS of Ohio. My sole question was why would not the gentleman in his amendment use the word "involuntary" rather than "inadmissible."

The SPEAKER. The time of the gentleman has again expired.

Mr. MICHENER. Mr. Speaker, I am not going to use any more time but I ask unanimous consent to extend the remarks I made by including the committee report. The report is complete and presents the case exactly and should be in the RECORD.

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

There was no objection.

Mr. COX. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

RESIGNATION FROM THE HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following resignation from the House:

DECEMBER 13, 1944.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: I beg leave to inform you that I have this day, transmitted to the Governor of Washington, my resignation as a Representative in the Congress of the United States, from the First District of Washington.

My resignation is to be effective as of this date.

Very truly yours,
WARREN G. MAGNUSON,
Member of Congress.

SAFEGUARDING ADMISSION OF EVIDENCE IN CERTAIN CASES

Mr. HOBBS. 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. 3690) to safeguard the admission of evidence in certain cases.

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. 3690, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HANCOCK. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the bill we are now considering is of far-reaching importance. I regret very much it is being brought up in these closing days of the Seventy-eighth Congress. It is entitled to a great deal more study and consideration than we are going to give it at this late hour.

The whole Nation was shocked by the decision of the Supreme Court not long ago, the prevailing opinion written by Mr. Justice Frankfurter, which was a radical departure from the law of evidence which has existed for many, many years. As Mr. Justice Stephens, of the Court of Appeals of the District of Columbia, said to our committee, "it is judicial legislation."

The decision held, in effect, that the voluntary confession of a murderer cannot be admitted as evidence unless he is immediately arraigned before a committing officer. I think the law ought to be, and always has been until that amazing decision, as stated well by Mr. Justice Reed in these words:

Mr. Justice REED. In my view, detention without commitment is only one factor for consideration in reaching a conclusion as to whether or not a confession is voluntary. The juristic theory under which a confession should be admitted or barred is bottomed on the testimonial trustworthiness of the confession. If the confession is freely made without inducement or menace, it is admissible. If otherwise made, it is not; for if brought about by false promises or real threats, it has no weight as proper proof of guilt (322 U. S. 65, decided April 24, 1944).

That I believe correctly states the rule of evidence with respect to the admissibility of confessions. It should be sustained until this Congress, after full consideration of the whole question, including the time of arraignment, decides otherwise. The Hobbs bill merely restores the law as it was before the decision in the McNabb case.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Chairman, I am one of the signers of a minority report in connection with this legislation. The McNabb case arose in my district. I am very frank to say I think the decision of the court in the McNabb case went too far. There may have been some circumstances which showed that the confessions were secured by duress or improper means, but the decision of the court struck out the confessions and made them inadmissible purely on the ground that the defendants were not arraigned before the confessions were given. If you examine the evidence in the case, you will observe, as I say, that there may have been some evidence to the effect that there were other elements which made the confessions inadmissible, but, as I say, the decision of the court was based solely on the ground that the defendants had not been arraigned. After this decision was handed down there were some miscarriages of justice in this country in the lower courts as a result of it. In one case, Judge Pine ruled out a confession which certainly allowed a man who appeared to be guilty to escape without punishment.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. Yes.

Mr. WALTER. Was there an appeal taken by the United States in the case in which Judge Pine handed down that strange interpretation of the law?

Mr. KEFAUVER. Apparently there was no appeal. I am not fully advised, but I do not think there was. After the McNabb decision was rendered, Judge HOBBS, in his usual desire of wanting to have something done to remedy an improper situation, introduced this bill, and I say that it is with a great deal of hesitation that I appear here to take an opposite position from that presented by my eminent colleague on the Judiciary Committee. He introduced this bill which makes confessions admissible regardless of the time of the arraignment, if it is otherwise admissible. In other words, under the legislation proposed by the gentleman from Alabama, and approved by a majority of the committee, an accused might be taken into a cave by the arresting officers and kept 6 or 8 months, he might be kept in jail without the benefit of counsel or arraignment for a tremendously long period of time, and if a confession came forth during that time, if there were no elements of duress other than the long detention, then his confession would be admissible. But I think it is a part of our Constitution or at least a part of the spirit of the Constitution that anyone who is arrested should be arraigned within a reasonable time, that there should be no undue keeping him from the privileges and rights he has under the law of arraignment and of counsel. Somebody before the Committee on Rules observed and stated in substance that—

The Hobbs bill not only repeals the rule in the McNabb case but it comes near to repealing certain intentions or spirit of the Constitution which were given by the Constitution in order to insure that there shall be proper and just treatment under the law to persons accused of crimes.

After the McNabb decision the Supreme Court had the matter before it again in the Mitchell case. In the Mitchell case the Court said:

Inexcusable detention for the purpose of illegally extracting evidence from an accused, and the successful extraction of such inculpatory statements or continuous questioning for many hours under psychological pressure were the decisive features in the McNabb case that led to the holding that the adoption of such evidence should not stand.

In other words, in the Mitchell case where a confession was made before arraignment the Supreme Court held that notwithstanding the fact the evidence was admissible, and the Supreme Court interpreted the McNabb decision to mean what we always thought the rule was, that in the event of psychological pressure, high-handed methods or third degree tactics the confession should not be admissible, but that the mere fact that arraignment had not been carried out before the confession was made should not in and of itself, as we had thought was the case by virtue of the McNabb decision, render the confession inadmissible. The law of the Mitchell case when you consider the facts of the case is fairly satisfactory. The old rule in effect is restated.

So now we have this rule of law enunciated by the Supreme Court in the Mitchell case that if the accused is in fact arraigned within a reasonable time considering all the circumstances, the fact that a confession is made before arraignment shall not make the confession inadmissible. That is the rule of law by virtue of the Mitchell case. I think that is a sound rule of law; that is the rule we always thought was in effect in this country.

Personally I do not see any need for this legislation at this time. There may have been a need for some legislation at the time the bill was filed and at the time the hearings were had, but now that the Supreme Court has restated the rule I cannot see any real urgency for bringing this Hobbs bill out. But since it has been reported and since it is before the House for consideration I think we might render a worth-while service by adopting an amendment which would clarify several divergent provisions in the present arraignment statutes. For instance, there are four statutes which deal with the time in which a person must be arraigned: There is the statute which has to do with bringing a person before a United States commissioner. The Supreme Court has interpreted that statute to mean that they must be brought before the United States commissioner and arraigned without unnecessary delay. In the act having to do with the Federal Bureau of Investigation a person arrested must be brought before a committing officer for arraignment immediately. In the statute having to do with illicit distilleries it is required that a person arrested be brought before a committing officer forthwith; and in section 4 of 140 of the District Code of the District of Columbia a member of the police force is required to bring an arrested person before a committing officer immediately and without delay. Now, there is no reason why in one case a person arrested must be brought in without unnecessary delay, in another case forthwith, and in another case immediately.

I submit that in all of these instances dealing with the arraignment of suspected violators of criminal law we should have a uniform rule, and that that uniform rule should be that they be brought in for arraignment within a reasonable time. That has been the rule all through our judicial history. That is what we have contended for and that is what we thought the rule was. So at the proper time I am going to offer an amendment to amend these four statutes I have referred to dealing with the arraignment of people who have been arrested.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. KEFAUVER. Mr. Chairman, I also have an amendment to make all of these statutes uniform to require arraignment within a reasonable time and to protect the Government in any cases that might now be pending where the contention may be made that the confession is not admissible. I have another amendment, section 5, which is as follows:

SEC. 5. Failure to observe the requirement heretofore prescribed by law as to the time within which a person under arrest must be brought before a committing officer shall not render inadmissible any evidence that is otherwise admissible, if the person was in fact brought before such officer within a reasonable time.

I hope my amendment will be adopted by the Committee.

Mr. SUMNERS of Texas. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I take this time in order to bring before the committee the issue here involved, and that is whether or not noncompliance with the law by an arresting officer as to time for arraignment shall deprive the Government of the benefit of evidence otherwise admissible, necessary to convict a person charged with crime.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. The bill is directed against confessions. That is the only type of evidence that this bill affects; is it not?

Mr. SUMNERS of Texas. Confessions; yes.

Mr. ZIMMERMAN. Or seeks to affect?

Mr. SUMNERS of Texas. That is right and it provides that the delay in bringing a prisoner to arraignment shall not by reason of that delay deprive the Government of the benefit of his confession if it is voluntary.

Mr. ZIMMERMAN. In other words, if an arresting officer puts handcuffs on a man, deprives him of his liberty, takes him off to a room somewhere and holds him for 48 hours while he is questioned and they get a confession from him when he is in that helpless condition, the gentleman says the Government should have the benefit of it?

Mr. SUMNERS of Texas. I do not say that at all. Here is what I say: The court would pass on the question of whether or not duress had been used and if duress had been used it would make the testimony not the sort of testimony that should be admitted against him under any circumstances. This proposed legislation is here to correct a condition created by a decision of the Supreme Court and subsequent constructions over the country to the effect that if an arresting officer, in the judgment of the Supreme Court, does not bring a man an opportunity to plead within the time its justices think he ought to be arraigned even though there may not have been any actual duress, the testimony is not admissible. That is the point. It is, I believe, generally agreed that later decisions have modified at least the effect of the first decision discussed in the report on this bill and during this debate, but the subcommittee of the Committee on the Judiciary which had first responsibility for this proposed legislation felt that such legislation as is proposed by this bill is needed, and the full committee concurred in that conclusion.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from North Carolina.

Mr. FOLGER. Would the gentleman inform me whether the words "must be brought before" have any particular legal significance? Does that mean for arraignment or for hearing?

Mr. SUMNERS of Texas. For arraignment.

Mr. FOLGER. A hearing had?

Mr. SUMNERS of Texas. For arraignment.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Idaho.

Mr. WHITE. Is this bill not a direct infringement on the constitutional rights of a citizen of the United States?

Mr. SUMNERS of Texas. I do not think so.

Mr. RAMEY. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Ohio.

Mr. RAMEY. I believe the gentleman meant "prisoners" when he said "criminals" in the first part of his statement.

Mr. SUMNERS of Texas. Yes; I meant prisoners. Thank you.

Mr. SPRINGER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill now before the House is intended to clarify and make certain the question of the admissibility of evidence in criminal cases, especially where an arrangement has not been had immediately upon arrest. May I say that it is unfortunate that we have written into existing law a provision that upon arrest the accused shall be immediately, or promptly, or within a reasonable time, arraigned. It was never the intention of the Congress, I am confident, that the accused person should be arraigned immediately upon his arrest, but in my humble opinion it was the intent of the Congress, at the time of the passage of that legislation, that the arraignment should be had within a reasonable time.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS. The language of the statute as passed by the Congress is to the contrary. It says "immediately" does it not?

Mr. SPRINGER. It says "immediately," in one act; in another the language is "promptly," and in another "within a reasonable time."

Mr. LEWIS. Then on what theory does the gentleman base his statement that that was not the intention of the Congress?

Mr. SPRINGER. In the first place it would be absolutely impossible to have an immediate arraignment in many, many cases. Take, for instance, the McNabbs, who were arrested about 3 o'clock in the morning. There was no committing magistrate available. There was no court available. There was no court in session, and it would have been impossible to arraign the men immediately under those circumstances. In view of the situation which we have before us, in many, many cases, and especially in this particular matter which we are speaking of at the present moment, it would be impossible to have had an immediate arraignment if that language was to be literally and strictly construed. But my interpretation of that statute is that the intent of the Congress was that arraignment should be had within any reasonable length of time, and that should be determined by the circumstances in each case.

These men were arraigned the next morning after the magistrates were in their offices. One of them confessed early in the morning. The others confessed later. They confessed to the murder of a Federal officer in a cemetery where they were trying to deliver liquor from an illicit still which they were operating. They admitted that they fired the shots and that they killed the officer. The case was tried. The court held that the confessions made by the McNabbs were voluntarily made. The jury heard the case. The jury found and so held that the confessions made by the McNabbs were voluntarily made.

Then the case went to the Circuit Court of Appeals for the Sixth Circuit. The Circuit Court considered that question and held, like the trial court and like the jury had found and determined, that the confessions made by the McNabbs were voluntarily made. Heretofore the only question involved in the admissibility of confessions has been, first, whether or not the confession was voluntarily obtained and, second, whether or not the confession was involuntarily obtained by duress, force, or coercion. If the confession was voluntarily made, then it has ever been held to be admissible in evidence.

But in these cases all the courts up to the Supreme Court of the United States have held that these confessions were voluntarily made. There has never been any case which has been decided on the question of the admissibility of a confession, or the admissibility of evidence, based upon the time when the arraignment of the accused was had. Regardless of when the arraignment was had, the evidence is still admissible. The time of arraignment certainly has no bearing upon the admissibility of a confession, or an admission by the accused.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. GRAHAM. Mr. Chairman, I yield 2 additional minutes to the gentleman from Indiana.

Mr. SPRINGER. That question of the admissibility of a confession was never considered by the Supreme Court of the United States, and was never decided as it was decided in this case until the decision was rendered in the McNabb case. It startled the judiciary of the country. It confused the lawyers of the Nation. The court held that because the McNabbs were not arraigned immediately, the voluntary confession they made, that they had killed a Federal officer in cold blood, was not admissible. Since that decision, there has been confusion in the courts. Many cases were pending where there had not been an immediate arraignment, although there was no doubt about the guilt of the accused persons, and the courts have been permitting such defendants to go without day. This decision has created confusion and consternation among our courts, which should not obtain.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Michigan.

Mr. HOFFMAN. If I understood the gentleman correctly, he just said that where there was no doubt that a defendant had murdered someone, because of

this decision the accused was discharged. How could that be if there was no doubt aside from the confession?

Mr. SPRINGER. There was no doubt because the three McNabbs confessed they had fired the shots and killed the officer.

Mr. HOFFMAN. I understood the gentleman to say that where there was no doubt as to the guilt of the defendant aside from the confession, because of this decision the defendant was discharged.

Mr. SPRINGER. I did not make that statement, or, at least, I did not so intend. The defendants in this case, because of the holding of the Supreme Court, were permitted to go free and without delay. Such a travesty upon justice should never obtain, and this bill is intended to correct that situation, and I am confident it will correct this rule announced by the Supreme Court which is now creating confusion.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Chairman, I am not going to make a speech at this time because I made one of an hour's length on Monday on this same subject and asked you to read it in the RECORD. I hope some of you did. So I have covered every conceivable point I could think of with regard to this matter except those points that are coming up by way of amendment, and any who are interested may read my discussion of any point at issue on pages 9197 to 9206 of December 11.

The gentleman from Tennessee [Mr. KEFAUVER] is offering an amendment out of the goodness of his heart. He believes in it. I do not, and I will tell you why, because we ought to give a reason for the faith that is in us. He would follow the Attorney General of the United States in his testimony before our committee. I have the highest regard for the gentleman from Tennessee and for the Attorney General and I am in hearty accord with the proposition that there should be not four standards of admeasurement for prompt arraignment but that there should be one. But when law is being written it should be made clear, and the words used should eliminate the need of interpretation. Only so can the law be made certain. There are several reasons why the amendment should be defeated, but the one I gave the committee on the day of the Attorney General's suggestion is, to my mind, sufficient:

> The pending bill would immediately upon becoming law do away with the rule of evidence promulgated by the McNabb decision and thereby stop the flood of acquittals caused by the McNabb decision, while leaving the law exactly as it was before that decision, with its ample safeguards of all rights of every prisoner.
>
> The enactment of the bill proposed by the Attorney General would make necessary years of interpretation by the courts, in many different cases, to reach a working conclusion as to what would constitute reasonable time, since each court decision would depend upon the facts of the particular case, and would apply only to the case in which the decision was rendered.
>
> After all, the Constitution says that no person shall be compelled in any criminal case to be a witness against himself, so no involuntary confession can be admitted in evidence, and this stands as the supreme law of the land no matter what statute Congress might enact.

Now, may I answer the question the gentleman from Michigan [Mr. HOFFMAN] propounded to the distinguished gentleman who preceded me? It happened right here in Washington, almost within the shadow of the Capitol dome. There were two ladies living in Washington who were said to have been raped within 24 hours by the same man. He was arrested at 1:30 o'clock in the morning and taken out, and there he reenacted the crime in the presence of three ladies who occupied the apartment where the second rape is said to have occurred. He confessed on his way out there; a perfectly voluntary confession. But after he signed his written confession, about 5 o'clock in the morning, and claiming to be a juvenile delinquent, only 17 years of age, there was no juvenile court open until 3 o'clock that afternoon. So the horrible detention was until court opened at 3 o'clock that afternoon, the same afternoon of the day of his arrest. In due time he was put to trial in a court of justice presided over by a fine, upstanding judge, Judge Pine. He was tried before a jury in the city of Washington, the Capital of this Nation. When the trial was over, Judge Pine turned to the jury and said, "Gentlemen of the jury, I charge you if you believe the evidence in this case, you must find the defendant not guilty." Of course, the charge had to be obeyed, and so, very reluctantly, the jury returned a verdict of not guilty. That defendant walked out just as free as a bird. That has been the story ever since the McNabb decision in hundreds of cases the Nation over. Justice Pine, in ordering the jury to turn that self-confessed rapist loose, called it a miscarriage of justice, but cited the McNabb decision of the Supreme Court, which, as a judge of a subordinate court, he was bound to follow.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Of course, sir; I am glad to yield.

Mr. HOFFMAN. What is the requirement here in the District as to when they must be arraigned?

Mr. HOBBS. There are four statutes, and I am glad the gentleman asked that question. There are three or four statutes; one requiring immediate arraignment, another requiring arraignment forthwith, another arraignment without delay, and so forth. But in the McNabb decision these statutes are treated as meaning the same requirement: That persons charged with crime should be arraigned with "reasonable promptness."

Mr. HOFFMAN. If the gentleman is trying to explain some difficulty of mine, he has already explained it. Will the gentleman yield?

Mr. HOBBS. Yes, sir.

Mr. HOFFMAN. Under our State practice defendants have to be arraigned within a reasonable time. That may mean 48 hours or 3 or 4 days, according to circumstances. The fault the gentleman speaks of lies with the different enactments, in the different States, and not with the Supreme Court decision. Why do they not change this District rule as to when prisoners should be arraigned?

Mr. HOBBS. In the McNabb case, decided by the Supreme Court, it is said that they all mean "with reasonable promptness."

Mr. HOFFMAN. Those statutes all mean that, but why not change the statutes and say that they must be arraigned within a reasonable time or within so many days?

Mr. HOBBS. There is such an amendment pending. I am against it because it would take years of construction by the courts to determine in each case what "within a reasonable time" means.

Mr. JENNINGS. This McNabb decision was based upon the Tennessee statute that requires prompt arraignment. That was also held in the Anderson case in my State, in the Transmission Line case.

Mr. HOBBS. In the Anderson case, it was Tennessee officers who were involved.

Mr. MICHENFR. Is not that one of the troubles, that the McNabb case goes so far as to place an interpretation by the highest court of the land on the words of all those statutes, "immediately," "forthwith," "within a reasonable time," et cetera, and all the rest, and that the purpose of this bill is merely temporary, as shown by page 5 of the report, to take care of the matter until the statutes suggested by the gentleman from Michigan [Mr. HOFFMAN] might be brought into play.

Mr. HOBBS. I thank the gentleman for that contribution. That is exactly the situation. This bill, if and when it becomes law, will annul the rule made by the Supreme Court and leave the law just as it was from 1791 up to the McNabb decision; then we could study the whole subject and pass such legislation as we find to be warranted and necessary. But in the meantime the awful results of the McNabb decision will have been stopped.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. HANCOCK. Mr. Chairman, I yield myself 1 minute in which to introduce the next speaker, the gentleman from Pennsylvania [Mr. GRAHAM], who has devoted his adult life to the study of criminal procedure. He was district attorney in Pennsylvania, deputy attorney general of the State, assistant United States district attorney, United States district attorney in the Pittsburgh district, and has been special prosecutor for Federal cases in many, many important cases.

Mr. MICHENER. Employed under a Democratic administration.

Mr. HANCOCK. As the gentleman from Michigan suggests, he was employed under a Democratic administration, to prosecute serious crimes in Pennsylvania. There is no Member of the House so well qualified to discuss the questions involved

in this legislation as the gentleman from Pennsylvania. I venture to say that he knows more about the criminal law than any member of the Supreme Court, and I say that without disparagement to the members of the Supreme Court.

I yield the remainder of my time to the gentleman from Pennsylvania [Mr. GRAHAM].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 19 minutes.

Mr. GRAHAM. Mr. Chairman, really, I am overcome by the introduction of the gentleman from New York, the ranking minority member of the Committee. But may I say to you in all sobriety and earnestness that I have had a long experience in the preparation and trial of criminal cases. Some of the new Members are not familiar with our background. A few years ago in the discussion of a bill then before the House I made the statement that I had made a survey of the membership of the House and at that time found that of the 435 Members 235 were members of the bar, and, of course, the remainder were from other walks of life.

In his opening remarks in this debate the gentleman from Michigan [Mr. MICHENER] stated that he hoped the discussion would be in plain terms without undue emphasis on legal parlance and phraseology. With that in mind I should like to proceed first of all to tell you that when I try one more murder case I will have tried exactly 300 murder cases. My present record is 299. I have been on both sides of the counsel table: I have prosecuted, and I have defended. As to the experience mentioned by the gentleman from New York [Mr. HANCOCK] in the preparation, in the actual trial and handling of cases in the various offices in which I have served, I have been connected directly and indirectly with approximately 38,800 cases. I have taken hundreds of statements, confessions, death-bed statements, and the like. You can therefore imagine my amazement as a practicing lawyer of almost 40 years' experience to read the McNabb decision; and I wondered, in all frankness, and with all due respect to the members of that august court, how many of them had ever taken part in the preparation and trial of a criminal case and knew from actual experience the difficulties attendant upon the procuring of evidence and the preparation and presentation of it, the interrogation of witnesses, and the final summing up of the case in court. In a criminal case you have many things to contend with. At the very outset, crime today is highly specialized and well organized; it is not a haphazard thing. Police efficiency, on the other hand, has been brought up to meet this condition. The modus operandi of the police is not only the immediate arrest of the person charged with crime but to deal with every bit of evidence and the testimony marks that enter into that crime. Upon learning that a crime has been committed and the accused has been apprehended, the experienced officer immediately goes to his files to seek similar cases and compare the evidence of those cases with that of the current one to see if this particular individual has figured in other cases of a like nature, and whether the telltale identical markings appear. So you see, at the very start, the police officer must go to his files to check other similar cases and see if any of the facts of those cases coincide with the facts in the immediate case. In the meantime the prisoner is under arrest. Having done that, the next step of the police is to recognize in the particular case similar features that have entered into another case but which are not yet fully disclosed in the immediate case. In consequence they will have this man placed in a line-up for the purpose of identification. Arrested persons are lined up in front of a screen and witnesses in other cases of a similar nature are called to see if they can identify the individual as the person who assaulted or raped or robbed them; or committed the offense charged. All this is proceeding along in a cumulative chain working up to the actual arraignment of the prisoner, and it requires time. In the State courts and the Federal courts there is a marked similarity in the course of procedure. You have a justice of the peace in the State court, an alderman, or a committing magistrate. In the Federal court you have the United States commissioner. And now, if Members will pardon a personal allusion, in the Pittsburgh district we have a very fine United States commissioner, but while he maintains his office in the same place where the office of the United States attorney is located, he is also a practicing attorney and is frequently absent on necessary business. Some days we were compelled to wait until we could reach him, particularly if he was out of town or ill, and that is an element of time that the Supreme Court has utterly ignored in its decision. Your committing magistrate may not be available at the moment and the accused cannot be arraigned at once, or within a short time.

After the commissioner is located, the next step is this: The accused is arraigned and given a preliminary hearing. In many, many cases, the prisoner will immediately say in substance, "You have the goods on me, I am guilty. I am ready to enter a plea right now, I am willing to waive the finding of an indictment by the grand jury and go before the court and enter my plea." But he may be doing that for several reasons. First, to get it over with quickly, this in good faith and in good conscience; secondly, he may be a member of a group or gang and his purpose being to shield the others not yet apprehended. Nearly all crime today is carried on by groups and gangs. It is not the work of an individual alone. If the McNabb rule were to be enforced strictly, and it must be under the decision, and you have four men in a gang, if one is arrested and he is immediately discharged because of insufficient evidence, it is entirely probable you will never arrest the other three or succeed in getting a conviction because they will have disappeared or have had time to destroy the evidences of the crime. These cases have actually been tried where it was found that the alibi was set up and prepared beforehand in robberies and the like, where hospital records had been prepared, where men had entered alleged hospitals and produced doctors and nurses to prove an alibi, all this done in advance of the commission of the crime. I am stating this to illustrate and show you that crime today is not a child's play or anything of the kind. It is a very well-planned, well-determined, well-scheduled scheme with a predetermined method of carrying out the plans of the conspirators or those who enter into the crime.

Your next step is this: If a confession has been taken, particularly in Federal courts, and that confession is challenged before it can be admitted and read, the court will exclude the jury; then, with counsel on each side, representing the Government and the defense, in this examination the court will take testimony as to the reasonableness of the confession and whether it was given voluntarily or involuntarily, and also inquire into all the circumstances surrounding its taking. The rule has always been that the confession must be free, it must be voluntary, without coercion, compulsion, or any inducement of any kind. After the court has heard these facts and determined from their reasonableness, including the time element and all the factors that entered into it, the jury is called back; then the court very carefully outlines to the jury the conditions under which it must accept that confession, giving it such weight as they shall see fit under all the facts and circumstances, and the law as laid down by the court.

A transcript of the testimony as offered in court, including all offers and objections, and the court's ruling thereon, together with the exhibits and the charge of the court is prepared. This concludes the trial in the district court.

If the accused is convicted and sentenced, and an appeal taken, a record must be prepared and this includes all of the foregoing, together with all motions made, the sentence of the court, and all papers, including the indictment, which have been used in the case.

He is now in position to take his appeal to the circuit court of appeals. After the case reaches the circuit court of appeals and has been decided by that court, he still has another opportunity, and that is to have his case brought up on a writ of certiorari to the Supreme Court of the United States, and if his petition is granted the Supreme Court will then review the whole transaction. If the petition is denied the opinion of the circuit court of appeals stands and the sentence is carried into effect.

Do you not see the important steps that have been taken? First, the finding of the committing magistrate or United States commissioner, next the presentation of the case to the grand jury, the hearing before the court on the question of the reasonableness or unreasonableness of the taking of the confession, the actual trial in the United States district court, the appeal to the circuit court of appeals, and finally an appeal to the Supreme Court of the United States. All of those steps must be carried out. I say, Mr. Chairman, that in all my experience I have seen few miscarriages of justice,

very few, because there are so many safeguards thrown about a prisoner.

In addition to the above, there is available to the accused the writ of habeas corpus, the return of which must be made promptly; the petition to the district court for a bill of particulars, which if granted directs the United States attorney to furnish the information requested.

Under the rules of criminal procedure after a plea of guilty or verdict or finding of guilt the rights of the convicted person are completely safeguarded.

If this ruling is applied, the next thing is how the lower courts will handle the matter, and they have indicated that they intend to follow strictly the ruling of the Supreme Court, and that is, unless the prisoner has been immediately arraigned, to throw out the element of the reasonableness of the securing of the confession, utterly disregarding the fact as to whether it was voluntary or involuntary, and determining its admission solely on the question or elements of the time elapsing from the time of arrest until the prisoner is arraigned before the United States commissioner.

A prosecuting attorney, either State or Federal, is confronted with many perplexing problems. I am not speaking of the arresting officer at all, but I am speaking of the man charged with the presentation of the case, the adducing of all the testimony and submitting it to the court and the jury for final determination.

May I speak of another phase for just a moment? Your arresting officer is a sworn man. He has raised his hand to uphold the Constitution. Your prisoner may be of any type or walk of life. He is not a sworn man. His only concern in the Constitution is to invoke its safeguards for his own protection. You immediately look to the arresting officer for your protection. If your home is robbed, your wife is assaulted or your daughter attacked, you want immediate and quick action, and you turn at once to the officer. You want all technicalities brushed aside. You want speedy action in the arrest and prompt justice.

I grant you at this point that too many officers are only concerned with the immediate arrest. They do not see the case through to the presentation in court, on through the grand jury and the successive stages. But I do say to you that the distinguishing criterion there is that the officer is under oath, doing his duty, which he has sworn to do and which you expect him to do, and in the performance of which his life is often imperiled.

I can tell you this, that in my public career either 10 or 11 men, peace officers who were associated with me, have been shot down in the performance of their duties. I have stood at some of their open graves, seen their bodies lowered, just as any other body is lowered, and I often thought how little sympathy there was for those men. They went out in the performance of their duties. They performed their duties to the best of their ability. They were shot down in protecting their fellow citizens.

Often there are attempts made to delay the trial of the case and have it continued, this done in the hope that the witnesses will disappear. Nobody ever stands and speaks for the departed officer. It is always a plea for the accused, working on the sympathy of the jury to prevent an alleged miscarriage of justice, using the oft-repeated phrase that it is better that 99 guilty men go free than for one innocent man to be convicted. Under the influence of this plea many a guilty man has gone free.

With all that in mind, let us come down now to the actual application of this opinion. Whether it be immediate, whether it be within a reasonable time, or without a delay, or what, the circumstances of the case govern. You cannot escape that. Sometimes an hour might be an unreasonable delay, and in other cases a delay of weeks might be reasonable.

The next thing is this. I refer to what I said a moment ago, that the courts are bound to accept this opinion of the Supreme Court. That is the binding law, not only here in the District but all over the United States. Here in the District your police force is confronted by a very difficult situation, for in most instances, locally, after the officer has made the arrest and a confession has been secured, he can place the individual arrested in a county jail, and if the prisoner is willing have access to him, check with him, take him out to the scene of the crime and re-enact it, and supply the missing links and gradually build up his case. In the jurisdiction here, the prisoner is turned over to another branch of the Department of Justice, passing out of the control of the police officer. As a matter of fact, the activities of the arresting officer are practically ended at that point.

That is the story I bring to you with no hardness of heart, with no thought of a prosecutor making a record, for probably my days as a prosecutor are over. I simply speak out of a wealth of experience to you men who are laymen and not familiar with criminal procedure. I heard the gentleman from Missouri this afternoon speak of a handcuffed prisoner making a statement. I can say to you that in my 27 years of experience as a prosecuting officer I never saw such a thing. I never saw third-degree methods resorted to to secure a confession.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Did the gentleman ever read the Supreme Court decision about the Chinaman who was placed under a light and held there?

Mr. GRAHAM. I did.

Mr. HOFFMAN. That is an illustration of a confession obtained under coercion, under brutality.

Mr. GRAHAM. Yes; and on the other hand I cite the gentleman nearly 38,000 cases that I have known where it was never done, and the gentleman cites me one case where it was done.

Mr. HOFFMAN. Does the gentleman believe in that maxim of law that it were better that 99 guilty go free than that one innocent man be convicted?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

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

Mr. GWYNNE. While I disagree with the McNabb decision, does not the gentleman think that the prisoner should have some protection, and there should be some method whereby this requirement of immediate arraignment or arraignment within a reasonable time can be enforced? Can that be safely ignored?

Mr. GRAHAM. May I answer in this way. In Great Britain the judges of the King's Bench have laid down a rule for the guidance of officers in interrogation of accused persons. Those rules were first promulgated in the year 1912. Later, in 1918, they were amended, and again in 1926. Those rules, of course, do not have the binding force of an opinion of the Supreme Court. But under those rules they anticipated situations which would arise under the gentleman's question by fixing a reasonable time, varying, of course, according to the circumstances. But my recollection is it runs about two or three days in the particular instance. I think I am correct in that statement, although I am not too certain.

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield gladly.

Mr. KEFAUVER. Does not the gentleman feel if this bill were amended so as to, in the first place, make uniform these four arraignment statutes and, in the second place, to provide that the evidence shall be admissible if in fact the arraignments were made in a reasonable time, that would pretty well satisfy the situation and clarify the matter for the benefit of courts that might go off on a tangent?

Mr. GRAHAM. Frankly, I do not agree with the gentleman.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield.

Mr. ROBSION of Kentucky. If we pass this bill it will not repeal the different statutes which the gentleman and others have mentioned; would it?

Mr. GRAHAM. It is not my thought that they will be repealed by the passage of this bill.

Mr. ROBSION of Kentucky. Then I oppose the passage of this bill if it will not affect these statutes on which the Supreme Court apparently based their opinions in the McNabb case. I think the decision in that case is bad and that there is too much consideration being given to criminals.

Mr. GRAHAM. The gentleman, of course, realizes this is only a temporary measure so that further thought and study might be had on this problem. It is very involved. The question of waiver enters into it, as to whether the accused can waive arraignment. Many factors enter into it. As I understand this bill,

it is simply a temporary bill until further thought and study can be had on this very difficult problem.

Mr. ROBSION of Kentucky. I am opposed to the ruling in the McNabb case. I think it is bad. I think this bill is too broad. I would certainly not vote to pass it. It seems to me we ought to go along and bring in a bill repealing those other acts and adopt such amendments as will be helpful in expressing the views of the gentleman and the others here. We must protect our citizens against third degree and other abuses.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield to the distinguished chairman of the committee.

Mr. SUMNERS of Texas. Is this not the situation, more or less? The question is as to whether or not, if the arraignment is not made within what is in the judgment of the reviewing court, a reasonable time, and if there is no duress, whether or not in such a situation the Government should be deprived of the opportunity to put in testimony not procured by duress.

Mr. GRAHAM. That seems to be the question. I think you have expressed it exactly right. That is my opinion of it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield the remaining time of 1 minute to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Chairman, I have asked for this minute in order to clear up a question that is bothering the Members who have asked me about it. They are asking me why there was no arraignment in the McNabb case. There was an arraignment in that case. There was an absolutely prompt and proper arraignment and the records of the United States commissioners at Chattanooga, Tenn., so show. They were arraigned between 8:30 and 10 o'clock on the morning of the murder. They were arraigned then on the distilling charge. They were bound over and committed to jail in default of furnishing a bail bond. But the next morning the arraignment was on the murder charge. Three McNabbs were then arraigned and pled guilty. They were then committed to jail without bail, of course. Both arraignments were within 48 hours and were before the confession. Therefore, the assertion that in the McNabb case there was no arraignment is absolutely untrue.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The Clerk read as follows:

Be it enacted, etc., That no failure to observe the requirement of law as to the time within which a person under arrest must be brought before a magistrate, commissioner, or court, shall render inadmissible any evidence that is otherwise admissible.

With the following committee amendments:

Line 3, strike out the word "no" and insert in lieu thereof "the."

Line 5, strike out the word "not."

The CHAIRMAN. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. KEFAUVER. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. KEFAUVER: Strike out all after the enacting clause and insert the following:

"That the act of August 18, 1894 (ch. 301, sec. 1, 28 Stat. 416), as amended (U. S. C., title 18, sec. 595), is amended to read as follows:

" 'It shall be the duty of the marshal, his deputy, or other officer who may arrest a person charged with any crime or offense, to take the defendant within a reasonable time before the nearest United States Commissioner or other nearby judicial officer having jurisdiction under existing laws for a hearing, commitment, or taking bail for trial, and the officer or magistrate issuing the warrant shall attach thereto a certified copy of the complaint, and upon the arrest of the accused, the return of the warrant, with a copy of the complaint attached, shall confer jurisdiction upon such officer as fully as if the complaint had originally been made before him, and no mileage shall be allowed any officer violating the provisions hereof.'

"SEC. 2. The act of March 1, 1879, chapter 125, section 9, 20 Statutes 341 (U. S. C., title 18, sec 593) is amended to read as follows:

" 'Where any marshal or deputy marshal of the United States within the district for which he shall be appointed shall find any person or persons in the act of operating an illicit distillery, it shall be lawful for such marshal or deputy marshal to arrest such person or persons, and take him or them within a reasonable time before some judicial officer named in section 591 of this title, who may reside in the county of arrest or if none, in that nearest to the place of arrest, to be dealt with according to the provisions of sections 591, 596, and 597 of this title.'

"SEC. 3. The act of June 18, 1934, chapter 595, as amended by the act of March 22, 1935, chapter 39, title 2 (49 Stat. 77, U. S. C., title 5, sec 300 (A)), is amended to read as follows:

" 'The Director, Assistant Directors, agents, and inspectors of the Federal Bureau of Investigation of the Department of Justice are empowered to serve warrants and subpenas issued under the authority of the United States; to make seizures under warrant for violation of the laws of the United States; to make arrests without warrant for felonies which have been committed and which are cognizable under the laws of the United States, in cases where the person making the arrest has reasonable grounds to believe that the person may escape before a warrant can be obtained for his arrest, but the person arrested shall be within a reasonable time taken before a committing officer. Such members of the Federal Bureau of Investigation of the Department of Justice are authorized and empowered to carry firearms.'

"SEC. 4. Section 397 of the Revised Statutes of the District of Columbia (D. C. Code, title 4, sec. 4-140) is amended to read as follows:

" 'The several members of the police force shall have power and authority to immediately arrest, without warrant, and to take into custody any person who shall commit, or threaten or attempt to commit, in the presence of such member, or within his view, any breach of the peace or offense directly prohibited by act of Congress, or by any law or ordinance in force in the District, but such member of the police force shall, within a reasonable time, upon such arrest, convey in person such offender before the proper court, that he may be dealt with according to law.'

"SEC. 5. Failure to observe the requirement heretofore prescribed by law as to the time within which a person under arrest must be brought before a committing officer shall not render inadmissible any evidence that is otherwise admissible, if the person was in fact brought before such officer within a reasonable time."

Mr. KEFAUVER. Mr. Chairman, the first four sections of this proposed amendment merely make uniform all of these four arraignment statutes. In the case of the F. B. I., as I previously said before, the accused must be brought before the committing officer immediately. In the case of illicit distilleries, the defendant must be brought before the committing officer "forthwith." Marshals are under duty to arraign an accused "without unnecessary delay." This is by court interpretation, and in the case of the District of Columbia they must be brought in for arraignment "immediately and without delay." The courts of the United States, prior to the decision in the McNabb case, and all of the State courts have generally ruled that an arraignment must be within a reasonable time. That has always been the rule. That is the rule under common law. So, the first four provisions of my amendment simply make all of the statutes uniform. This should be done to avoid confusion and differences of interpretation.

Section 5, as will be observed, provides that the evidence shall not be inadmissible if in fact the arraignment was within a reasonable time. I do not feel that we ought to open the door and possibly encourage arresting officers to detain accused persons a long time, treat them badly, with knowledge of the law that no matter what they do in the matter of detention, it will have no effect on the question of whether their confession is admissible or not. That is not in keeping with the spirit of the Constitution. Men arrested are entitled to be arraigned within a reasonable time considering all of the circumstances. That is part of the Constitutional protection they are given. If we pass this rigid rule saying no matter how long they may be detained it does not affect the admission of their confession, we are liable to encourage officers of the law to keep them away from counsel and hide them out and use third-degree methods. I think we would do that if we pass the bill as it is.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. Yes.

Mr. MICHENER. That is, if all those facts are admitted by the court to the jury, then the jury will be permitted to pass on the question of whether or not this undue influence has been used?

Mr. KEFAUVER. The court will pass on whether the accused was arraigned within a reasonable time. That is the rule that we ought to have. It takes into consideration all the facts and circumstances. In conclusion, when this McNabb decision was first rendered the Washington Post editorially was one of the most vigorous proponents of doing something about it. They advocated passage of a bill to remedy the rule of the McNabb case. I notice in the hearings we have an editorial from the Washington Post.

The other day an editorial appeared in the Washington Post in which it was stated that the Mitchell case seems to

have remedied the situation and therefore they doubted the necessity of any legislation other than to make these statutes uniform. The editorial concluded with this statement:

The Hobbs bill would write into the law a rigid declaration that failure to arraign an accused person promptly shall not render inadmissible any evidence that is otherwise admissible. Its enactment might encourage law-enforcement officers to disregard the statutes which require them to take an arrested person promptly before a magistrate or court. The committee might well exert itself in ironing out the discrepancies in the present laws as to the time of arraignment. The enactment of the Hobbs bill in its present form would be a step backward.

Mr. BRYSON. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. BRYSON. Does the gentleman hold that the Mitchell case overrules the McNabb case?

Mr. KEFAUVER. I believe that in the Mitchell case the arraignment was not until 8 days after the confessions were made; yet notwithstanding the fact of those 8 days the court held they were admissible. The lower court held that the confessions were inadmissible, but the Supreme Court applying the usual rules as to whether or not there was psychological influence used in obtaining the confessions held that the confessions in that case were admissible and that the lower court had erred in holding otherwise. So the Mitchell case leaves the law about where it was in the beginning.

Mr. GWYNNE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GWYNNE to the amendment offered by Mr. KEFAUVER: On page 3, line 4, after the word "admissible" in section 5 of the Kefauver amendment, strike the balance of the section and add the following: "But the failure to bring such person before a magistrate, commissioner, or court within a reasonable time, as determined by the trial court, shall be prima facie evidence that the admission or confession made by such person during the time he was so unreasonably detained is inadmissible."

Mr. GWYNNE. Mr. Chairman, we have several situations before us. First, the McNabb case. I do not approve of that decision and realize that something must be done about it. The Hobbs bill is suggested. Let me call your attention to the fact that some very distinguished lawyers in the country do not think the Hobbs bill is adequate. For example, here is a statement from a report of the committee on civil rights of the New York State Bar Asscciation:

Resolved, That the committee on civil rights of this association be and it is hereby authorized to oppose the Hobbs bill (H. R. 2690) or any other measure of similar import.

Here is a statement by the committee on the bill of rights of the American Bar Association of which the chairman is Mr. Burton W. Musser and the other members very well-known, distinguished lawyers. They go over this whole problem and, talking about the various solutions, have this to say as to what Congress could do:

First, Congress may enact H. R. 3690. All that we have previously said shows why we consider this bill an inadequate way out of the existing difficulties.

We can say what we like—and we are all for enforcement of the law—nevertheless I do not think we should invite the police officers, virtually tell them that if they fail to make this arraignment nevertheless the case will not be interfered with; or on the other hand that we should say to the prisoner: "You may take advantage of some technicality which did not prejudice your rights."

I think the amendment offered by the gentleman from Tennessee [Mr. KEFAUVER], together with this addition I suggest, would protect both the Government and the defendant. My objection to the Kefauver amendment is this: Take the situation where the trial court decides that the arraignment was not made within a reasonable time, therefore the confession is ruled out, whereas the unreasonable time the prisoner was held may have had nothing to do with the confession. Or take this case:

Here was an inexperienced officer who picked up a prisoner and held him for several days, not knowing really what should be done. The prisoner made no objection. The officer never talked to him even and just as soon as the officer had a chance to talk to the prisoner he confessed. Under the amendment offered by the gentleman from Tennessee [Mr. KEFAUVER] that probably could not be used because he was not arraigned within a reasonable time.

As I stated, my objection to the bill of the gentleman from Alabama [Mr. HOBBS] is simply that it affords no protection and no safeguard for the public against the third degree business that has been going on and which the Wickersham Commission has denounced. I do not think this Congress ought to go on record as saying, "We will have none of it. We will put the law back where it was." As much as we disapprove of the McNabb decision, nevertheless it did call the attention of the country and I hope the Congress to a problem that we have to solve.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Indiana.

Mr. SPRINGER. Under the amendment which the gentleman has offered to the amendment offered by the gentleman from Tennessee, the real test is whether or not the confession has been voluntarily or involuntarily made?

Mr. GWYNNE. That is correct and the fact he has not been arraigned is prima facie evidence that it was not properly secured.

Mr. KEFAUVER. Will the gentleman yield?

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

Mr. KEFAUVER. I think the gentleman and I have pretty much the same aim in mind. I have studied the gentleman's amendment and as far as I am concerned I am willing to accept his amendment to my amendment.

The CHAIRMAN. Does the gentleman desire to ask unanimous consent that the amendment offered by the gentleman from Iowa [Mr. GWYNNE] to his amendment be incorporated in his amendment so that the amendment will read with the amendment offered by the gentleman from Iowa?

Mr. KEFAUVER. Mr. Chairman, I ask unanimous consent that the gentleman's amendment be included as a part of mine.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Iowa will be included as a part of the amendment offered by the gentleman from Tennessee.

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent that the amendment as amended, assuming that the Gwynne amendment is accepted as an amendment to the Kefauver amendment, be read as amended.

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

There was no objection.

The Clerk read the revised amendment.

Mr. JENNINGS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the impression might be gathered from the trend of some of the remarks made here on this bill that the real enemies of society in this country are the law-enforcement officers. I know there have been instances where law-enforcement officers in their zeal, or in their ignorance, and some of them out of sheer brutality, have imposed upon prisoners, but in the great majority of cases an officer of the law is about the only guardian of society that we have to protect the law-abiding people of this country. And as a rule they treat prisoners in a humane manner and observe their rights under the law. That has been my experience.

I am also wedded to the idea that justice to the guilty is mercy to the innocent. The supreme purpose of the criminal laws of this country is to protect the decent citizen against criminals. Something was said here today about it being better for 99 guilty men to escape than for 1 innocent man to be punished. We might observe with respect to that statement that most likely 90 to 99 percent of the guilty have already escaped. Let us just take the kind of crime in which confessions are of invaluable aid in obtaining a conviction of a guilty man. Naturally, the rapist does not commit rape in public. He goes out in the darkness of the night. He catches the woman out in Rock Creek Park. He catches her where her outcry cannot be heard so he may outrage her unmolested by anyone who could come to her rescue. The perpetrator of this crime knows he is guilty. The officers catch him. They may not immediately take him before a magistrate. They may not arraign him immediately. They may be collecting evidence of his guilt. As was the case in the Wilburn affair, where Wilburn attempted the crime but did not consummate it, but he terribly wounded the woman and she had to have a number of stitches taken to close the wounds she suffered. Wilburn when arrested by the officers was taken to the scene of the crime and showed and told in detail how he committed the crime. He confessed. But under the holding of the Supreme

Court of the United States he walked out of the court, guilty but free.

Take the McNabb case. I have read the facts of that case. Those fellows were well known moonshiners, and they killed an officer from ambush, shooting him from a cemetery. They were arraigned on the moonshining charge and they confessed the next day. The conviction, based on that confession, was set aside by the highest court of the land. The next time they were tried they got off with a light sentence.

I propose for my people to know, and so far as I am concerned, I want everybody to know that I am on record in this Congress as against the assassin and against the rapist and on the side of womanhood and the law-abiding people of this country.

The first question always to be determined is whether or not the trial judge will treat the confession as admissible. He first determines the admissibility of the confession. He hears testimony with respect to the question in the absence of the jury. Even if he admits it and allows it to be heard by the jury, any claim on the part of the defendant that there was coercion, that he was intimidated, that he was browbeaten, can be made known to the jury and then weighed along with all the other testimony. When you weigh this question in the light of what is best for the public, the decent people of this country, we ought to outlaw this McNabb decision, and we ought to do it now.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. ROBSION of Kentucky. Mr. Chairman, I ask unanimous consent that the gentleman be given one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield to the gentleman from Kentucky.

Mr. ROESION of Kentucky. I agree with the gentleman. I think the McNabb decision is very bad, and something ought to be done about it. But does not the gentleman believe that the persons arrested, whether innocent or guilty, should be arraigned within a reasonable time, considering all the circumstances?

Mr. JENNINGS. The law requires it. We are not repealing these statutes, requiring arraignment, but we are saying that even though he should not be immediately arraigned, yet if his confession is otherwise admissible, the violation of these statutes by the arresting officer shall not deprive the Government or the State of the benefit of the confession.

Mr. ROBSION of Kentucky. I think the gentleman from Tennessee is hitting at the root of the evil and modifying and making uniform all these statutes.

Mr. JENNINGS. I think the bill as sought to be amended should have been brought in here from the committee. The real test of the admissibility of the confession is whether or not it was voluntarily made. And that is a question to be determined in the first instance by the trial judge and finally by the jury under proper instructions from the court.

Mr. Chairman, there is too much maudlin sympathy with crime in this country. The concern of large numbers of people readily turns from the victim to the perpetrator of the offenses. They want to fondle and some of them fawn over the enemies of society. They tell us that—

When the burglar is not occupied with his burgling,
And the cutthroat is not busy with his crimes,
They love to watch the little brook agurgling
And listen to the merry village chimes.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

We all agree with the judge, the gentleman from Tennessee [Mr. JENNINGS]. We are all against crime and criminals and want to see the guilty punished. The judge merely states the position of each of us when he says he wants to go on record as being on the side of law and order, but some do not believe this bill is the answer to the McNabb decision. No one is on the side of crime. I agree, too, with the gentleman who said a while ago that we do not want any criminals to escape. Neither do we want the innocent coerced into false confessions. The criminals who are escaping punishment are those who are gangsters, and those who have money and influence. It is the poor devil down at the bottom who may be unjustly accused, unjustly confined until he signs a false confession. What this bill does is to invite the officers to keep the poor man, the man who has neither gangster connections, political influence, nor money, in custody, away from his family and friends and his counsel, until the officers get the desired confession.

I cannot speak with the wisdom and from the experience of the gentleman from Pennsylvania. I cannot speak as an ex-United States district attorney. I did have 4 years as a prosecuting attorney, in a community where we did not have gangsters nor organized crime except violators of the liquor laws, hence my experience may not justify the expression of an opinion contrary to the one he gave. Never in my life did I find it necessary as a prosecuting officer to use a confession. A prosecuting official, whether county, State, or Federal, has back of him the power of the municipality, the sheriff's force, and all the power of the State; the aid of the judge in the court where the case is tried, and the presumption is contrary to law in almost every trial that the man accused is guilty until he proves his innocence. I say, we should not take from the innocent the safeguards the law has thrown around him and which experience has shown to be necessary. The fact that these statutes requiring prompt arraignment are on the books is evidence that persons accused of crime were unjustly confined, that officers were abusing their power.

When the gentleman from Pennsylvania says he can cite 38,000 cases, where there was no abuse of power by prosecuting officials, I call his attention to the Wickersham report, which sets forth in detail the facts showing that prosecuting officials do take unlawful advantage of their official position and their authority.

This bill provides that the failure to observe the requirement of law as to the time within which the accused should be brought before a magistrate should not make a confession inadmissible. How long will it be before the committee brings in a bill saying that the failure to observe proper treatment of the prisoner does not bar a confession? That the officers may use a little force to obtain a confession? A lack of ability or perseverance on the part of an official is no excuse for denying a constitutional right which was guaranteed an accused because it was found necessary for the protection of the innocent. The Supreme Court put on record the case where the officer had a Chinaman in and used all sorts of cruelty to make him confess, and he finally did confess to a crime of which he was not guilty. The Supreme Court said, "You cannot do that here in America."

This bill is not the proper solution of the wrong result which has followed the Supreme Court decision. The proper solution is the repeal of the law, the nonobservance of which brought about that decision or the amendment offered by the gentleman from Tennessee as amended by the amendment of the gentleman from Iowa [Mr. GWYNNE] which leaves it to the trial judge or jury to determine whether the prisoner has been detained an unreasonable length of time. Remember, if that is written into the law, the court, the judges, determine whether the confession was obtained properly or improperly. Can we not trust the judges?

Now something about confessions. Let me read you from yesterday's issue of a newspaper from Detroit. I read:

Joyce Raulston was killed the night of last March 27 on a city dump on West Warren near Telegraph. She had left her home at 12204 Monica on the preceding Friday morning, March 24, apparently to go to the Durfee Intermediate School where she was a student. But the following morning her schoolbooks were found on the front porch of her home.

Subsequent investigation revealed that the girl, exceptionally mature for her age, had spent the ensuing week end in a tourist camp hardly a half block from where she was slain. Her companion, police said, was Edward Golema, a IV-F war worker.

The early investigation centered on this camp and particularly on an attendant, Richard Vincent, 23, who admitted renting a cabin to Joyce and Golema. On April 4 Vincent confessed that he killed the girl but later repudiated this confession, claiming it had been made under duress.

He was brought to trial, however, and his trial was in progress when on June 27 Mrs. Zella Gross, of 734 Junction, found Joyce's purse in a suitcase owned by one of her roomers, Robert Turner.

Then Vincent, whose confession was false, whose confession had been ob-

tained by duress, was released. Turner was put on trial.

Again I read:

MURDERER COLLAPSES AT VERDICT

Robert William Turner, 19, was found guilty of first-degree murder Monday night by a jury in Judge Vincent M. Brennan's court. He was convicted of the slaying on March 27 of Joyce Raulston, 14.

But the murderer was William Turner, not Richard Vincent, who, under police urging and coercion had made a false confession. There they had the confession, but it was not true, yet Vincent was on his way to a mandatory life sentence in the State prison when they found the girl's purse in the suitcase of the guilty man.

I think the amendment offered by the gentleman from Tennessee as amended by the amendment of the gentleman from Iowa should be adopted. It gives the court the opportunity and imposes upon the court the duty of saying whether under all the circumstances the confession, offered as evidence, was properly obtained. We should either adopt that amendment or defeat the bill and then amend the District statutes and fix a definite time, 24 hours, 48 hours, 3 days, or 5 days, but some period, circumstances permitting, within which the accused must be brought before a magistrate. Do not give an invitation to the investigating enforcing officers to lock a man in solitary confinement until they get from him a confession which, true or false, can be used to convict him.

Miss SUMNER of Illinois. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I do not think we ought to rush into this amendment here, which many of our abler Members consider reprehensible. We ought to consider that we are here in the law-making business. We do not have to take some rule that some judge wiggled around to get so that it would effect some result that he wants. In this case he wants to stop arraignments, and he cannot figure out any other penalty within his grasp, so Frankfurter says, "You cannot bring in a confession unless you arraign the man in time."

This is a lawmaking body. We are in the lawmaking business, and this is no place to bring in an amendment like this, which, as you know, says that a good, legal, true confession can be thrown out of court, unless a man has his trial in time. The law covering crime and the punishment therefor must not be destroyed because of the reprehensible action of some public officer or of some State district attorney. You should not punish the people of the United States and destroy their law and order because some little officer, way down in some district, did not bring a man to trial in time.

Mr. GWYNNE. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. GWYNNE. That is the very purpose of the amendment I offered. The purpose of it is to bring the man to trial in time.

Miss SUMNER of Illinois. No; your amendment, as all of us back here understand it, puts a relation between confessions and arraignments. If you want to stop police officers from delaying trials, you should bring in a bill here, imposing a penalty on officers, or in some similar way penalize them for delaying the trial of the defendant.

Mr. GWYNNE. I am sure that is not what my amendment means.

Miss SUMNER of Illinois. Then I have thoroughly misunderstood it and many of us here have misunderstood what your amendment does.

Mr. GWYNNE. This is what my amendment means: If an arraignment is within a reasonable time, then that ends it and the confession is admissible. But if the arraignment was within an unreasonable time, then that is only prima facie evidence that the confession is bad.

Miss SUMNER of Illinois. Yes.

Mr. GWYNNE. And that can be offset by telling the truth, if the truth will make the confession admissible. What is wrong about that?

Miss SUMNER of Illinois. Then it is a difference of degree. You throw the burden on the defendant. You make it prima facie evidence that the confession is no good.

Mr. GWYNNE. That the confession is bad: that is right.

Mr. KEFAUVER. That shifts the burden of proof.

Miss SUMNER of Illinois. It shifts the burden of proof.

Mr. GWYNNE. The burden is on the Government to show the confession is good.

Miss SUMNER of Illinois. But it is not with your amendment.

Mr. GWYNNE. Yes it is.

Miss SUMNER of Illinois. Then why bring in your amendment?

Mr. GWYNNE. Because it spots him so much, so to speak. It gives the defendant that much of a break. It gives him a certain amount of evidence. But the burden is always on the Government to prove the confession was voluntary. I offered my amendment so that the Kefauver amendment would go further than it does, so that it would go nearer the Hobbs bill.

Miss SUMNER of Illinois. You say in the case where the arraignment was within an unreasonable time that that is prima facie evidence of a bad confession?

Mr. GWYNNE. That is prima facie evidence.

Miss SUMNER of Illinois. Even in the case where it would be true; is that not right?

Mr. GWYNNE. That is correct. All the Government needs to do then is to bring in the evidence that no force and no promises were made and then the prima facie case would then be overcome.

Miss SUMNER of Illinois. I think when you sit in a place like this, and since we are hearing two stories, I will say this: One of my brothers was shot by a man who had murdered another man. Another of my brothers was kidnaped. And I have sat beside a State's attorney, trying to get convictions so that they would not harm other people. I think it is wrong to throw unnecessary shackles around the officers by this law. I agree thoroughly with the gentleman from Pennsylvania, Judge GRAHAM, and I will not just stand by silent.

Mr. MICHENER. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. MICHENER. As I see this matter, the amendment of the gentleman from Iowa does not mean a thing.

Miss SUMNER of Illinois. It destroys the law.

Mr. MICHENER. I am saying in my judgment it does not mean a thing because in the final analysis the jury must say whether this is a voluntary confession. The only thing it attempts to do is to shift the burden of proof in the first instance from the defendant to the prosecuting attorney. That is all it possibly can do. It does not affect the thing one scintilla, so far as the facts are concerned.

Mr. WHITE. Mr. Chairman, I move to strike out the last word. I hesitate to detain the House at this very late hour and to take issue with the eminent lawyers of the membership of the Judiciary Committee. I think the whole principle of the bill before the House is contrary to the Constitution and the principles of our Government. In the first place on the face of the bill itself it proposes to sanction a violation of law, for it reads:

That the failure to observe the requirements of law—

That is, a failure to observe the requirements of the law by a peace officer is surely a violation of the law. The issue in this legislation seems to be whether a man shall have the safeguards of liberty guaranteed by the Constitution about him, or whether those safeguards shall be denied. The question is, Shall a man charged with a crime have the right to be brought immediately before a judge for arraignment, or shall the law be changed to permit the police to hold a man indefinitely under the pretext of reasonable time? Let me tell you something. Down in Mexico an American railroad engineer running an engine may happen to run over a drunken Mexican; that engineer can be charged for murder and put in prison incommunicado, and the judge can take a reasonable time to bring the man to trial; at the judge's discretion, a reasonable time may run for as long as 6 months or a year. While the gentleman here has been talking about crime he does not seem to be familiar with what has happened in Harlan County, W. Va., or over in Herrin in the coal-mining districts of Illinois, when the machinery of the law was in the hands of the oppressors.

Washington said, "Guard well the Constitution." We must continue to safeguard the liberty of our citizens, safeguards which go back to the Magna Carta and the Bill of Rights guaranteed to us by the Constitution. This whole thing is contrary to the Bill of Rights. When a man is arrested for an offense no police officer should be given the right

to say what a reasonable time for his arraignment is. If you want to violate the Constitution and repeal the Bill of Rights, this is a good way to do it. I am opposed to the bill and to the amendments. Surely we have the responsibility to uphold the Constitution and protect the liberty and freedom of our citizens.

Mr. CURTIS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. Yes.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CURTIS. Mr. Chairman, I think we have an eminent and an able Committee on the Judiciary. In fact, I think so much of them that I think they ought to study this bill a little longer and that the bill should be recommitted. The innocent can be convicted in this country, and sometimes they are convicted. This bill cannot become law this session. The Senate has not passed upon it. This very committee is divided upon it, and I don't think it ought to pass the House. Unless the Kefauver amendment is adopted as amended, I shall vote to recommit the bill.

The CHAIRMAN. The question is on the Kefauver amendment as amended by the Gwynne amendment.

The amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Acccordingly the Committee rose; and the Speaker having resumed the chair, Mr. WRIGHT, 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. 3690) to safeguard the admission of evidence in certain cases, pursuant to House Resolution 662, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

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.

The bill was passed and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MERROW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech on treaty ratification delivered by the gentleman from Tennessee [Mr. KEFAUVER] over the Columbia Broadcasting System on December 12, 1944.

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

There was no objection.

(Mr. WHITE asked and was given permission to revise and extend his remarks.)

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill (S. 1159) creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.

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

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that in revising and extending the remarks I made on a bill today I may include a newspaper article.

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

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from Illinois [Mr. DAY] is recognized for 1 hour.

WE FACE A GREAT DECISION

Mr. DAY. Mr. Speaker, I present to you today a state of facts which challenges the very foundation of representative government. In the United States we hold what are known as free elections to choose every 2 years the 435 Members of this House. The integrity and the worth of the Congress of the United States depend upon the purity of this freedom of choice.

We are all familiar with legitimate criticism and readily recognize that as Members of Congress we are rightfully subject to fair and honest attacks upon our records. We are also familiar with the decisions of our courts, that so far as libel is actionable as it affects a Member of Congress, there can be no recovery if the plaintiff Member of Congress be not charged with a crime or gross immorality. This lays us wide open to a vast amount of political attack. If the state of facts which I am about to reveal were limited to this species of political attack, I would not be here today addressing you.

I have refrained from rising on a point of personal privilege in spite of all the vicious and malevolent attacks that have been made upon me from coast to coast, extending for a period of over 3 years. It is only because I am convinced that there is a thoroughly organized and powerfully financed group of character assassins in the United States, determined to destroy the confidence of the people in patriotic Americans who have opposed them, that I take your time today. This group knows no party lines and has no regard for the Congress of the United States and the Constitution under which it was established.

This group is sometimes characterized as "Communist," but it is more than that. A man need not be a Communist to become a member of this group. This is a band of character assassins and I sometimes feel that we give them an undue advantage when we refer to them as Communists. The American people are not ready to believe that there are a great many in the United States who believe in the doctrines of Lenin. The Moscow variety of communism is too pagan and oriental to ever take deep root in American soil. I think it was a mistake in the last campaign to speak of Sidney Hillman as a foreign-born Communist and certainly it was equally a mistake to charge that Earl Browder is a foreign-born Communist, when as a matter of fact he was born in Kansas.

At the outset I want to make it perfectly clear that I am a true friend of all good Americans no matter what may be their origin. I have voted to sustain my opposition to discrimination against any man or woman because of their race, creed, color, or national origin. I am not and never have been anti-Semitic. As a firm believer in our Bill of Rights, I accord to all the full protection that is guaranteed by our Bill of Rights. Freedom of religion, freedom of speech, freedom of the press, freedom of petition, and freedom of assembly are forever guaranteed by our written Constitution and safeguarded from defilement or abuse by any branch of our Government, whether it be legislative, executive, or judicial. These great enduring covenants are engraved upon tablets of stone far beyond the reach of anyone no matter how powerful he may be.

The vicious group in our midst to which I have referred will stop at nothing to gain its ends. Fortified by the tremendous power of the Government itself, they use the radio and the printed word with millions upon millions of pamphlets to create in the minds of the people the impression which they want to sell. They have borrowed from the despised Hitler the very technique which he advocates. Hitler stated that a lie should be a big lie, not a little one, and if this lie be repeated often enough, more and more people will begin to believe it. Under the guise of aiding the war effort, the brain power of hundreds of able writers have been gathered together with Government sanction to carry on a vicious and malevolent attack on Members of Congress designated for the purge. A common scheme runs through all these attacks. The method utilized is to seize upon some act or statement of a Member of Congress, innocent standing by itself, and then by association and the utilization of half-truths, to create an atmosphere of suspicion preparatory to the labeling of the accused Member of Congress as a Nazi or Fascist or even as a traitor to his country.

Character assassination cannot be successful without the cultivation of class hatred and class antagonism. The man attacked would be inconsequential if he could not be connected with someone or something that was already an object of hatred. All good Americans hate Hitler. This group knows that if their object of attack can be associated in the public mind with Hitler then their job is half done and thereafter their object of attack will share a part of the hatred which we all have for Hitler. With this definite objective in mind, the clever brains of this group search out and try to find some act or statement of the Member of Congress which can be distorted to the point where they can say that the object of their attack is a stooge for Hitler.

This method of approach was rendered quite simple because of the known opposition of many Members of Congress to the involvement of the United States in the present World War. Quite naturally, Hitler, for reasons of his own, was also opposed to the entrance of the United States into the present war. Thus this group immediately made an alinement, joining these patriotic Members of Congress and Hitler. They claimed that such Members of Congress and Hitler were fighting for the same ends and that they were pals and associates. Prior to Pearl Harbor, 80 percent of the American people were opposed to our entrance into the present World War and, quite naturally, when meetings of America First were held to protest against our involvement in war, many persons of all descriptions attended these meetings.

It is also quite natural that various publications and writers, who may have been actually friendly to Hitler as opposed to Britain, would speak in praise of the patriotic speakers appearing on the platforms over the country to protest against our entrance into the present war. But can anyone honestly say that there was any association or confederation between the speaker on the platform and those in his audience who might have a different reason for approving the object of the meeting? Can it be possible that we have reached the point where a Member of Congress must engage a detective bureau to weed out of his audience all those who cannot qualify as 100-percent Americans? Can it be possible that we have reached the point where a Member of Congress is himself rightfully charged with being a subversive if some subversive element in our complex society shall take it upon itself to speak or write approvingly of the utterances of the Member of Congress who is honestly doing his best to keep his pledge to his constituents and honestly trying to keep his Nation out of war when he feels, and has the right to feel, that it is for the best interests of his Nation to keep out of foreign wars? No honest Americans can differ on these points and they do not differ. There are legitimate differences of opinion among right thinking people and these differences create issues which can be justly settled in an election.

The point I am making is simply this: Free elections are destroyed when the minds of the voters are poisoned with vicious attacks of character assassins that place the Member of Congress at such a great disadvantage that he cannot successfully defend himself because he does not possess the opportunity of meeting the attacks. Congress wrote into the law governing radio broadcasting the provision that equal time must be afforded to the candidates of both political parties, thus recognizing the fairness and justice of the principle for which I am contending. But, what can we say of a campaign where independent groups of character assassins are organized, having no affiliation, at least openly, with an established political party, and this independent group purchases radio time running into thousands of dollars and fills the air waves from morning to night with abusive statements that reflect upon the integrity and even the patriotism of the Member of Congress under attack?

In the campaign in Illinois, where I was running for reelection as Congressman-at-large from that great State, there was an organization known as Independent Voters of Illinois, Inc., who spent thousands upon thousands of dollars for vicious radio attacks and newspaper advertising directed against me, and neither my opponent nor this group have filed one cent of these expenses with the Clerk of the House. They issued a pamphlet maliciously attributing to me statements which I have never made. On page 4, of a pamphlet issued by that organization on September 20, 1944, it is charged that the following is an excerpt from a speech which I delivered on September 4, 1941, at Detroit, Mich. This so-called excerpt is absolutely untrue and cannot be found in the speech which I actually delivered and which was placed by me in the CONGRESSIONAL RECORD on September 8, 1941, appearing in the Appendix, volume 87, part 13, page A4175, Seventy-seventh Congress, first session. So that you can appreciate how malicious this so-called excerpt actually is, I quote the following words from the pamphlet issued by the Independent Voters of Illinois, Inc., on September 20, 1944:

> Have we the simon-pure progeny of the founding fathers in sufficient numbers to support these two documents (the Declaration of Independence and the Constitution) with their blood if need be, assuring the permanence of the system of government which British Jews would destroy? The evidence of America is that we have.

Bearing in mind that this pamphlet was widely circulated in my district, which is the State of Illinois, I leave it for you to determine the unjust nature of this attack. The words which I have just quoted clearly imply that I have been guilty of inciting armed rebellion and that I am guilty of gross religious prejudices. I have never made a speech in my life where I ever mentioned the word "Jew" and I have never in the remotest degree ever even insinuated that British Jews were seeking to destroy our system of government. This is a damnable and foul lie and known to be such when uttered.

This same pamphlet of the Independent Voters of Illinois, Inc., also refers to several maliciously false charges against me, including an alleged cablegram that I sent to Hitler. Throughout the State of Illinois, these character assassins asserted that I congratulated Hitler on his accession to power, leaving the impression and I favored Hitler's methods and was a Nazi sympathizer. This is a foul example of the poisonous method which I have above outlined. The truth of the matter is that I was the president of a patriotic society organized not for profit in Illinois, in May, 1930, and known as the Lincoln Jefferson Liberty League; that two of the three incorporators thereof were fine Americans of the Jewish faith; that the organization was organized to fight communism and intolerance and that the cablegram to which reference was made was one of similar messages sent to various foreign nations, protesting against the recognition of the Soviet Union. Two days after the sending of these messages on April 8, 1933, there appeared in a Chicago newspaper an article reading as follows:

STEPHEN A. DAY FIGHTS MOVE FOR SOVIET UNION

In a letter yesterday sent to Secretary of State Cordell Hull, Attorney STEPHEN A. DAY, son of a former Secretary of State, urged continuation of the policy of nonrecognition of Soviet Russia. Mr. DAY signed the letter as president of the Lincoln Jefferson Liberty League, a patriotic organization.

Word has come to the league that the Government is contemplating a trade treaty with the Soviets, the lawyer wrote. He then quoted from a report submitted to the Senate in 1924 by Charles Evans Hughes, now Chief Justice of the Supreme Court, who had investigated the activities of the Communist Party in this country. Mr. Hughes found "the existence of a disciplined party equipped with a program aiming at the overthrow of the institutions of this country by force and violence."

Mr. DAY next called attention to the investigation of a congressional commitee, headed by HAMILTON FISH, of New York, which "upheld" the position of Mr. Hughes. "Events subsequent to this report," wrote Mr. DAY, "have only served to emphasize the correctness of the findings and recommendations."

I come now to the real reasons why I have been an object of attack by the President and his entire battery of new dealers, character assassins, and Communists. For many years I have been an outspoken foe of communism and have never been one of those who consider the cruel dictatorship of Josef Stalin a democracy. I have been a student of communism since the time of Kerensky and have carefully analyzed the progress of communism from November 7, 1917, until the present time.

In March, 1917, Czar Nicholas II renounced the throne in favor of his brother, the Grand Duke Michael. The latter issued a statement declaring that he would accept the crown only if this were the will of the Russian people expressed through the medium of a freely elected all-Russian constitutional assembly. This cleared the way for a most advanced democratic republic which actually was proclaimed in the summer of 1917, by the provisional government. This move furnished the opportunity for Lenin and Trotzky to organize an intensive, vicious propaganda throughout

the country and in the active army, calling the soldiers to disobey their officers, and to desert the front in order to conquer the land from the landlords and the factories from their owners. The treacherous ones deserted the front and about 100,000 of them gathered in Petrograd and probably as many in Moscow. Of these deserters, as well as of the idealistic but deceived young workingmen, the Bolsheviks organized their original Red Guard and with its help succeeded in overthrowing, in October, 1917, the inactive democratic provisional government headed by Kerensky. Meanwhile, the elections were completed and the members of the constitutional assembly arrived in Petrograd to begin the sessions. The assembly was overwhelmingly liberal and radical, but the majority belonged to the party of the socialist revolutionaries which had more support from the peasants, while the Bolsheviks were supported mainly by the extreme radical labor groups and were in the minority. The sessions of the constitutional assembly were started and continued a few days until the Bolsheviks ordered their Red Guard to disperse the constitutional assembly.

It was the dispersal of the constitutional assembly which destroyed the chances of democracy in Russia, and sent the unfortunate nation on the road to oppression, violence, terror, and immense suffering. We are familiar with the horrible cruelty that followed, and running through it all was the scheme that one-tenth of the people should be given all rights, liberty, and unbounded power over the remaining nine-tenths. This nine-tenths was compelled to work and it was determined that the program of action should make use of slander, spying, and the stifling of every genius in its infancy. These Bolsheviks had one aspiration—the murder of human personality. There was an insatiable lust for power. There followed a wave of immorality that destroyed the family with widespread vice, sexual immoderation, self-will, and lawlessness. A determined fight was made against religion and there existed a most intense hatred against the clergy and the fundamental principles of Christianity. To make the work successful there came a flood of mockery and a tremendous number of periodicals and books were printed at Government expense. In numerous societies, subsidized by the Government, atheism was energetically introduced and spread among school children. Under the Communist dictatorship, mass murder and torture were the normal methods of administration introduced and applied by the ruling class of Marxian Communists, who were neither poor nor illiterate, but were godless, immoral, and inhuman. If the United States should become an active partner of the Soviet Union, we would be parties to all of these outrages against Christian civilization.

Several years ago I made the prediction that the military success of the Soviet Union would result in the reoccupation and sovietization of several small, mostly democratic countries, namely, Latvia, Estonia, Finland, Poland, and Bessarabia; that cruel mass murders would follow these reoccupations and that thereafter the Soviet Union would move further into Europe, probably into the Balkans and Scandinavia, organizing and utilizing the scum of the local populations to set up governments friendly to Stalin.

Josef Stalin took an active part in the recent campaign and made it perfectly clear that he preferred the reelection of President Roosevelt and did not want Governor Dewey. Much of the New Deal propaganda was devoted to the selling of the proposition that only President Roosevelt could do business with Stalin. By a strange coincidence, the twenty-seventh anniversary of the "red" revolution in Russia and our national election fell on November 7, 1944. Stalin took this occasion to indicate his strong preference for President Roosevelt. In his speech at Boston on November 1, Governor Dewey had this to say of communism and doubtless his words were not pleasing to Josef Stalin:

> Throughout the ages man's greatest struggle is the struggle to be free—free to worship God; to have a family and family life; free to educate his children; to live in economic security in his own home; to be able to have work of his own choosing; and to have a government which is a servant, not a master.
>
> Our Nation was founded by men and women who came here to achieve those things. They built their institutions in a deeply religious pattern and, by the Bill of Rights, they bound their Government to respect freedom of religion and the dignity of the individual. Because of what they did, we call America "the land of the free and the home of the brave," but we cannot take our freedom for granted, nor can we afford to stop being brave. There always have been and always will be those who seek to destroy our freedoms.
>
> Nazi-ism and fascism are dying in the world. But the totalitarian idea is very much alive and we must not slip to its other form—communism.
>
> All of these concepts are enemies of freedom and we must equally reject all of them. They would make the state supreme, give political power only to those who deny the supremacy of God and use that power to force all men to become cogs in a great materialistic machine.
>
> Under these systems, the individual cannot worship, vote, or think as he would, or conduct his life as his own. Slavish obedience to the will of the state is the first great command and the price of nonconformity is liquidation, either through violence or slow economic strangulation.
>
> Today that pagan philosophy is sweeping through much of the world. As we look abroad we see that in country after country its advocates are making a bid for power. We would be fools not to look for that same danger here. We have not far to look. Even Mr. Roosevelt has felt he must say that he does not welcome the support of any person or group committed to communism.
>
> This is as may be. The important facts are, first, that Mr. Roosevelt has so weakened and corrupted the Democratic Party that it is readily subject to capture and, second, that the forces of communism are, in fact, now engaged in capturing it.
>
> That danger can be surely met only by ending a situation which leaves vast power in tired hands. The Republican Party is not perfect. But one thing, at least, is sure: Neither the Communist group which Mr. Roosevelt professes to repudiate nor any other totalitarian group is making an effort to capture the Republican Party. They know how useless it would be.

To show how closely Governor Dewey was calling a spade a spade, let me quote in this connection from the speech of Winston Churchill delivered on December 8, 1944, in the British Parliament:

> Certainly the British Government would be unworthy of confidence if His Majesty's forces were being used by them to disarm the friends of democracy in Greece and other parts of Europe.
>
> The question, however, arises, and one may be permitted to dwell on it for a moment: Who are the friends of democracy, and also how is the word democracy to be interpreted?
>
> My idea of it is that the plain, humble, common man—just the ordinary man who keeps a wife and family; who goes off to fight for his country when it is in trouble, and goes to the poll at the appropriate time and puts his cross on the ballot paper showing the candidate he wishes to be elected to Parliament—that is the foundation of democracy * * *.
>
> We stand upon the foundation of fair, free elections based on universal service and suffrage. That is what we consider the foundation of democracy. I feel quite different about a swindle democracy—a democracy which calls itself a democracy, because it is left wing. * * * The last thing that represents democracy is mob law that attempts to introduce a totalitarian regime and clamors to shoot everyone who is politically inconvenient as part of a purge of those who are very often said to be—but often have not been—collaborators with the Germans during the occupation.
>
> Do not let us rate democracy so low as if it were merely grabbing power and shooting those who do not agree with us. That is not democracy. That is the antithesis of democracy. * * * Democracy is not a harlot to be picked up in the street by a man with a tommygun.

In the United States we have not yet reached the point of actual shooting. We use the smear as a substitute for bullets. If this sort of thing be not stopped as so eloquently expressed by Governor Dewey and Winston Churchill, the day is not far distant when democracy will have totally failed in the United States.

I was marked by my political enemies soon after I came to Congress. Shortly after I entered the House there was introduced on February 3, 1941, the Lend-Lease bill, H. R. 1776, reportedly to promote the defense of the United States but which was in reality and has since been recognized by many as a bill to declare war. This violent departure from thoroughly established constitutional law was labeled by its proponents as a measure short of war. On the first day of the debate I took the floor to make the following comments:

> The Constitution has vested the Congress with specific powers to provide for the common defense and general welfare by way of taxation, to declare war, to raise and support armies, to provide and maintain a navy, and to make rules for the government and regulation of the land and naval forces. If the additional powers be granted to the President, the Congress would clearly be guilty of the abdication of these powers in favor of the President and to have delegated them to him. Both of these steps are clearly unconstitutional. * * *
>
> Is it not clear, then, that we must approach the consideration of this bill as though it were an act to declare war? The people will hold each and every Member of Congress responsible for his vote in this critical time. How many are ready to vote

favorably on a declaration of war, knowing its consequences? * * *

A fair reading of the provisions of H. R. 1776 forces the conclusion to any open mind that the President realizes that in this bill he can carry the Nation no further into the international war without the sanction of the Congress. He has already carried on his negotiations with foreign nations, he has been advised by our diplomatic representatives in foreign nations, and he has in his own mind determined what course this Nation should pursue. In fact, he has exhausted the exercise of his power over our external relations, no matter how plenary and exclusive they may be. To reach the ultimate goal of his desire, he must have now the grant of further power.

Ordained by the Constitution to declare and wage war, the Congress at this hour is now acting within the sphere of those powers where the Congress is given powers which are plenary and exclusive. We must, then, exercise our own discretion and determine when and how this Nation will be plunged into the international conflict. In making this decision we act entirely independently of the President, and he has no more right to interfere with or influence our judgment within the sphere of our constitutional powers than we have the right to interfere with the exercise of his judgment within the sphere of his constitutional powers.

This clears the atmosphere, and let no one misapprehend the consequences of our action or underestimate the responsibility which each Member of the Congress owes to the American people.

After that speech I was a marked man. The truth of the matter is, as future events have vindicated my estimate of the true situation, the adoption of H. R. 1776 was the actual entrance of the United States into the international conflict of the present World War.

I am satisfied that we would never have been involved in the present World War if President Roosevelt had met me halfway. I have long had a bone to pick with President Roosevelt concerning the message which he sent to the Congress on August 21, 1941, and still have, for he never answered the letter which I wrote him on August 22, 1941, the day after he delivered his message outlining the result of his conferences at sea with the British Prime Minister, Winston Churchill. This message presented to the Congress the historic document which has become known as the Atlantic Charter.

In his message, after quoting the eight points of the Atlantic Charter, the President stated in part, as follows:

The Congress and the President having heretofore determined, through the Lend-Lease Act, on the national policy of American aid to the democracies which, east and west, are waging war against dictatorship, the military and naval conversations at these meetings made clear gains in furthering the effectiveness of this aid.

Furthermore, the Prime Minister and I are arranging for conferences with the Soviet Union to aid it in its defense against the attack made by the principal aggressor of the modern world—Germany.

The eloquent statements of Winston Churchill quite recently made in the British Parliament questioning the application of the word "democracy" to totalitarian and Communist governments makes me now confident that if President Roosevelt had answered my letter to him of August 22, 1941, in the spirit in which it was written this great Nation would never have become involved in the present World War.

In all sincerity and fired with an intense patriotic desire to keep our beloved Nation out of war, I sent the following communication to the President, which he did not answer, but instead ordered the squirt-gun battalion to increase the outpouring of their poisonous venom:

Hon. FRANKLIN DELANO ROOSEVELT,
President of the United States,
Executive Mansion,
Washington, D. C.

DEAR MR. PRESIDENT: Yesterday you submitted to the Congress a message outlining the result of several important conferences at sea with the British Prime Minister, including the substance in terms of a joint declaration containing eight points which was signed by you and Winston S. Churchill.

For the information of the Congress and the American people, may I ask you to answer the following inquiries directly bearing upon the subject-matter of your message and said joint declaration:

First. Calling your attention to section 4 of the Lend-Lease Act, which specifically provides that all contracts or agreements made for the disposition of any defense article or defense information pursuant to section 3, shall contain a clause by which the foreign government undertakes that it will not, without the consent of the President, transfer title to or possession of such defense article or defense information by gift, sale, or otherwise, or permit its use by anyone not an officer, employee, or agent of such foreign government, did you consent to the transfer by the British Government of any defense article or defense information to the Soviet Union?

Second. Inasmuch as you state that the declaration of principles includes of necessity the world need for freedom of religion and freedom of information, do you not think that it will require a supplemental agreement by you and Winston S. Churchill so that the freedom of religion and freedom of information may actually be included in the declaration of principles?

Third. Inasmuch as you state that the Congress and yourself have heretofore determined through the Lend-Lease Act that it is a national policy to give American aid to the democracies which east and west are waging war against dictatorship, do you consider that the Soviet Union is a democracy and not a dictatorship?

Fourth. When you speak in the sixth point of the declaration of principles of the final destruction of the Nazi tyranny, do you mean that the Nazi government can be overthrown on land without an American expeditionary force?

Fifth. When you state that the Lend-Lease Act has established the national policy of American aid to the democracies which east and west are waging war against dictatorships, what effect do you give to section 10 of the Lend-Lease Act, which provides that nothing in the act shall be construed to change existing law relating to the use of the land and naval forces of the United States, except insofar as such use relates to the manufacture, procurement, and repair of defense articles, the communication of information and other noncombatant purposes enumerated in this act?

Sixth. Inasmuch as you state that the British Prime Minister and yourself are arranging for conferences with the Soviet Union to aid it in its defense against the attack made by the German Government, do you intend to enter into a declaration of principles similar to the one you have signed with Winston S. Churchill, and if so, do you intend to submit such an agreement to the Senate of the United States?

Seventh. When you stated in the eighth point of the declaration of principles that no future peace can be maintained if land, sea, or air armaments continue to be employed by nations which threaten, or may threaten, aggression outside of their frontiers and that pending the establishment of a wider and permanent system of general security, the disarmament of such nations is essential, what part will the Government of the United States play in compelling such disarmament?

Please be assured, Mr. President, that I am asking you these questions to protect the constitutional authority of the Congress of the United States which alone has the power to declare war and to obtain a clarification of the said declaration of principles so that we may have sincere national unity in the defense of our beloved Nation.

We are great admirers of Abraham Lincoln and may I call your attention to the attitude of the Great Emancipator in the historical debates with Stephen A. Douglas when he questioned the Dred Scott decision as not foreclosing all discussion that such decision had forever settled the national policy of the United States. The Lend-Lease Act, in my opinion, was only permissive in character, and the specific reservations contained in the act itself prevented it from establishing a national policy. A joint agreement by the Government of the United States and the Soviet Union at this time will so divide our people in this crisis that it will destroy national unity under your leadership as the President of the United States and the Commander in Chief of our Army and Navy.

With great respect,
Sincerely yours,

STEPHEN A. DAY.

In connection with the so-called Atlantic Charter the President in his message of August 21, 1941, made this statement:

The Congress and the President having heretofore determined, through the Lend-Lease Act on the national policy of American aid to the democracies which, east and west, are waging war against dictatorship, the military and naval conversations at these meetings made clear gains in furthering the effectiveness of this aid.

We must bear in mind that we were not at war with Germany at this time. It is also equally clear that the Soviet Union had never been regarded as a democracy and in the debate preceding the passage of the Lend-Lease Act there was no thought of aiding the Soviet Union, much less that any such aid was to be other than short of war. I recall vividly the words of Senator BARKLEY in the United States Senate on February 17, 1941:

We do not want war. We hate war. Most of us here have seen the ravages of war, and we have seen the devastation and the suffering which it has always entailed. We do not want these ravages and this suffering to come to our shores. We believe that this measure (the Lend-Lease Act) offers the surest method by which we can avoid participation actively in this war and at the same time help those nations which are heroically grappling with a universal enemy to preserve the doctrines of our fathers and the aspiration of our own hearts.

The national policy declared by Senator BARKLEY and the national policy declared by President Roosevelt are plainly not the same. Senator BARKLEY speaks of avoiding active participation in the war. President Roosevelt in his message to the Congress states that—

The military and naval conversations at these meetings made clear gains in furthering the effectiveness of this aid.

The President did not stop there. He states that the British Prime Minister

and himself "are arranging for conferences with the Soviet Union to aid in its defense."

Can anyone doubt what was in the President's mind when he made these statements? Why did he not answer my letter and inform the Congress and the American people what he was doing? If we were merely the arsenal of democracy and furnishing the tools and not the men, why did not the President take us into his confidence?

It is perfectly plain that the President had decided to ignore the Congress. We must bear in mind that the Axis Powers consisted of Germany, Italy, and Japan. When the President made it known that he was aiding the Soviet Union, in conjunction with Britain, the war must pass to the Pacific and that it was only a question of time until we would be involved in a war with both Germany and Japan. It has been written in a recent book that following the conferences at sea in August, 1941, the President felt that he could baby Japan along for 3 or 4 months. The result of such a course was the attack on Pearl Harbor on December 7, 1941. It has recently been stated that Secretary of War Stimson and Secretary of the Navy Knox protested to the President against the ultimatum that was delivered to Japan on November 27, 1941, because we were not prepared. I have no means of knowing that this is so. But I do know that if the President had answered my letter in the spirit in which it was written, the Congress would never have permitted the dastardly sneak attack on Pearl Harbor to occur.

The smear artists have taken a great deal of satisfaction in charging that a great many Members of Congress were "dunderheads" because they did not know what was going on in the mind of the President. He did not take the Congress and the American people into his confidence, so we were working in the dark. With what fairness then can these smear artists refer to our speeches and utterances before Pearl Harbor to lay the foundation of the charge that we were ostriches?

The old arguments—the ones we heard at the time of the passage of the Lend-Lease Act, became badly shop-worn and obviously threadbare. New arguments must be contrived. Senator BARKLEY, who had assured us on February 17, 1941, that the Lend-Lease Act was a measure to avoid participation in war, said:

> This measure does not surrender the right of Congress to declare war. It not only preserves that constitutional right, which cannot be abrogated, but it requires the President to come to Congress for the appropriation necessary to administer it, and also the authority to make contracts for future execution. This measure does not confer upon the President the right to convoy ships across the ocean. It does not confer upon him the right to send American troops to Europe.

Thereafter, the Senator came to Philadelphia and speaks of "a little coterie of American ostriches." He has taken upon himself the task of preparing the American people for a close alliance with the Soviet Union, while he pauses to state:

> Neither the United States nor Great Britain thereby espouses the internal policies or the political philosophy which since the World War has guided the Soviet Republic.

In answer to Senator BARKLEY, I delivered a radio address in which I stated:

> Exercising this type of sincerity and frankness, I state with confidence that when the permanent record of history is written of the period through which we are now passing, it will be stated that Hitler misjudged the strength of the Soviet armed forces, and the world underestimated the power of communism. It is now 11 weeks since Hitler invaded the land of the Soviets, and it will be many long months before he can expect anything approaching a victory. The siege of Leningrad resembles the siege of Madrid. With winter months approaching, his panzer units must be supplanted by heavy artillery to lay siege to what was once the mighty city of St. Petersburg. The front is 1,800 miles in length and no part of this vast line dare be unprotected against a counterattack from the Soviet forces. This means that the whole stage of the war has been altered. The threat of an invasion by Hitler of our own soil or any part of the Western Hemisphere has vanished into thin air.

What then could we expect? Hitler has been made to realize that he has a tremendous if not insurmountable task before him. He must now call upon his ally in the Pacific to cripple the United States of America, which through President Roosevelt, is furnishing vast aid to the Soviet Union. If the United States can become involved in a terrible war in the Pacific, then the chances of victory for the Axis Powers grows brighter. Hitler pursues his attack against the Soviet forces up to the very gates of Moscow where cruel and unrelenting winter freezes his mechanized units still short of their goal.

Can anyone doubt that we have been edged into war? Can anyone doubt that Hitler long before Pearl Harbor had passed the word to Japan to attack us?

The Lend-Lease Act did not justify the President of the United States in his refusal to take the American people and the Congress into his confidence. You will note that I stated in my letter to the President under date of August 22, 1941, that the Lend-Lease Act was only permissive in character and that its specific reservations prevented it from establishing a national policy.

In my opinion, all of the future tragedy and suffering which will come to the world by the tremendous building of the power of the Soviet Union could have been avoided had the President taken the American people into his confidence. The words of Winston Churchill so recently uttered indicate the course of coming events. The dictatorship of the Soviet Union, with all of its class antagonism and with all of its atheism, is on the march. Forces have been developed that perhaps cannot be controlled and none of this need have happened had the President taken the American people and the Congress into his confidence. In my opinion, Hitler would never have attacked the Soviet Union if he had not persuaded himself that we were not prepared to fight on two oceans. I opposed our entrance into the World War with all the power at my command but I am frank to say that had the President, in answer to my letter, called me to the White House and told me just what he had been doing and intended to do, I would have been the first one to have advocated an aggressive program of such magnitude that Hitler would have been stopped in his tracks.

At this hour, we find our boys bearing the brunt of the war on the western front with a terrific struggle ahead for the complete defeat of Hitler. Britain and the Soviet Union are solidifying their gains for future exploitation. The Atlantic Charter is forgotten and the small nations are becoming the battlegrounds of guerrilla warfare. It is not difficult to conjecture how our boys will feel when they return. The United States alone fights for a great ideal and the slaughter must not be in vain. Constantine Brown writing in the Sunday Star, Washington, summarized the present situation:

> Our major allies, it is obvious to all except those who want to blind themselves, have definite political reasons in this war. Hence, their desire and pressure to organize the peace of the world by zones of influence. The United States, having no such objectives in mind as far as Europe is concerned, alone has made the fighting itself—that is to say, the military defeat of Germany—its sole war objective. The major objective, the establishment of a durable peace in Europe based on justice and high principles, has been lost in the shuffles which have come about since the Moscow and Teheran parleys.
>
> The latent conflict of interests between the U. S. S. R. and Great Britain in Iran, Greece, and Italy apparently has been so unexpected by the policy framers of this country that they have given up if not officially, at least in fact, the charter which guaranteed full sovereignty to all the oppressed nations.

The recent clashes in Europe, and especially in Greece and Italy, convince us that the time has come for the United States to make a decision on the paramount issue as to whether capitalism or communism is going to be dominant in the world of the future. Wendell Willkie gave us his endorsement of One World, but he assumed that there could be a friendly basis of cooperation and that there would be no clash between nations or peoples. It is now quite evident that Winston Churchill is determined to do his utmost to see that it will not be a Communist One World. Mr. Willkie was disappointed when Winston Churchill firmly announced that he did not intend to liquidate the British Empire. In his book One World, Mr. Willkie wrote:

> That was one of the reasons why I was so greatly distressed when Mr. Churchill subsequently made his world-disturbing remark, "We mean to hold our own. I did not become His Majesty's first Minister in order to preside over the liquidation of the British Empire."

The internal ferment and open violence attending the removal of the Nazi hold on the peoples of the small nations call for quick action and there is no time for idealistic plans. We are all forced to admit that our failure to demand the kind of a world we desired, before we got into the war up to our necks and gave away billions upon billions of dollars, render it impossible to obtain many of the idealistic objectives that have been cherished by so many internationally minded Americans.

It has become increasingly evident that the Soviet Union unaided lacks the power to deliver the knock-out blow to Germany on the eastern front. It is equally evident that Britain unaided is unable to deliver the knock-out on the western front. It thus becomes necessary for the United States to bear the brunt of the terrific losses that must be sustained in defeating Hitler. Of course, the defeat of Japan is entirely our job, except as we may be aided by some portion of the British Navy. We must continue to help the Soviet Union and we all applaud the tremendous fight Stalin has made to defend his people against Hitler. But we have reached a new phase in this gigantic struggle which cannot be avoided.

We entered the war as the arsenal of democracy furnishing the tools and vast supplies; the Pacific war was thrust upon us by the attack at Pearl Harbor; now we have the gigantic task of furnishing both the men and the supplies to win two wars. Does anyone know what the President intends to do about it? As near as I can discover the President intends to have something to say about the shape of the world when the time comes for the granting of enormous foreign loans to rebuild the world. What kind of a world will we be financing? Are we complacent when we contemplate that it may be a Communist world? The air waves are filled with bitter criticism of Winston Churchill. The program of General Smuts for a British-controlled grouping of nations in western Europe is already seriously threatened by the alliance just made between Stalin and De Gaulle. Do we expect Churchill to withdraw from Continental Europe and leave it to the Communists? We can readily see why President Roosevelt delays his conference with Stalin and Churchill—the President will be forced to decide between the two. What was the actual agreement at Teheran?

All of these considerations bring us back to the paramount issue: What kind of a world are we fighting for? We still have the opportunity to do something about it before it is too late. It is becoming evident that if we decide in favor of Stalin, it will be a Communist world. Can it be possible that we are ready to embrace American imperialism?

My opposition to our entrance into the present World War was based largely upon my vision of the situation in which we are now involved, and especially because of the inevitable effect it would have in vastly increasing the power of the Soviet Union.

On July 31, 1941, I delivered a national radio broadcast in wh'ch I said in part as follows:

Some may say that after Stalin, with our aid, has overthrown Hitler, Stalin will reform and proclaim, as has the President, the "four freedoms." Have we any evidence of this? Does anyone believe that Stalin will turn Christian and bow on bended knee and ask forgiveness for the 2,000,000 men and women that he has murdered?

Men and women of America, this thing has gone far enough. We have been patient, but we are not fools. The last 9 years have been full of pain and suffering, but we are not ready to admit that all of our history, our great traditions, and our great institutions, shall be surrendered to the domination of Stalin. I may be wrong, but I want to go on record now that I shall resist this sell-out of America to Britain and Soviet Russia just as strongly as I shall resist the successful overthrow of this country by Hitler or the Axis Powers.

These words may be found in the Appendix of the CONGRESSIONAL RECORD, volume 87, part 13, page A3710, Seventy-seventh Congress, first session.

That is why I wrote the letter to President Roosevelt on August 22, 1941, which I have above discussed. He did not see fit to answer it and ignored the Congress and the American people. The responsibility is solely his, but there is small comfort in that conclusion.

We can no longer delay a firm statement of America's position. Our first interest is to guarantee and protect, in the spirit of the Monroe Doctrine, American solidarity in the Western Hemisphere—and we must do that before it is too late. We must resolve that we do not favor a Communist world—and we must do that before it is too late. We are wasting time when we expect Stalin to accept a plan of collective security requiring a surrender of sovereignty and no power of veto. Who ever heard of a dictator sharing his sovereignty? It just is not done. If he did, he would no longer be a dictator.

The robot bomb and the other mechanically improved instruments of destruction have indeed brought all nations within the range of sudden attack. But are we so impotent that we can no longer control our destiny? Poison gas has been outlawed by common acceptance. Can there be genuine peace if we rely only on force and refrain from outlawing the devilishly contrived automatons that mock man's right to live?

Machine-driven forces and cruel pagan mandates challenge our statesmanship. Too much internationalism weakens our loyalty and devotion to fundamental Americanism. Let us pause and deeply reflect before it is too late. Now we face the future and patriotic love of country calls for a strong American position.

Let it never be said that we builded here a great Republic that could not live because men were engulfed in selfish ambition and gainful desire that lured them into strange and unknown paths. Let us salute the Stars and Stripes, flying high in the free air of this glorious constitutional Republic, and join ranks for the preservation of liberty regulated by law, on this anniversary of the adoption of our Bill of Rights, 153 years ago.

Oft to every man and nation
Comes the moment to decide,
In the strife of Truth with falsehood,
For the good or evil side.
A great cause, God's new Messiah,
Shows to each the bloom or blight,
So can choice be made by all men
'Twixt the darkness and the light.

New occasions teach new duties,
Time makes ancient creeds uncouth;
They must upward still and onward
Who would keep abreast of Truth,
And serenely down the future
See the thought of men incline
To the side of perfect justice
And to God's supreme design.

Though the cause of evil prosper,
Yet 'tis Truth alone is strong;
Though her portion be the scaffold,
And upon the throne be wrong,
Yet that scaffold sways the future,
And behind the dim unkown
Standeth God within the shadow
Keeping watch above His own.

ENROLLED BILLS SIGNED

Mr. KLEIN, 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. 1033. An act to suspend the effectiveness during the existing national emergency of the tariff duty on coconuts;

H. R. 2344. An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes;

H. R. 4327. An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes;

H. R. 4867. An act to extend the health regulations of the District of Columbia to Government restaurants within the District of Columbia;

H. R. 5408. An act to amend the Mustering-out Payment Act of 1944, to provide a method for accomplishing certain mustering-out payments on behalf of mentally disabled veterans, and for other purposes; and

H. R. 5543. An act extending the time for the release of appointment for the purposes of certain provisions of the Internal Revenue Code, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 209. An act authorizing the conveyance of certain property to the State of North Dakota;

S. 1571. An act to provide that the transmountain tunnel in connection with the Colorado-Big Thompson project shall be known as the "Alva B. Adams tunnel";

S. 1580. An act to authorize the Secretary of the Interior to dispose of certain lands heretofore acquired for the nonreservation Indian boarding school known as Sherman Institute, California;

S. 1597. An act to amend section 1, act of June 29, 1940 (54 Stat. 703), for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes;

S. 1688. An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes;

S. 1801. An act to authorize the Secretary of the Navy to convey to the Virginian Railway Co., a corporation, for railroad-yard-enlargement purposes, a parcel of land of the Camp Allen Reservation, at Norfolk, Va.;

S. 1898. An act to amend section 99 of the Judicial Code, as amended, so as to change the term of the District Court for the District of North Dakota at Minot, N. Dak.;

S. 1979. An act to regulate in the District of Columbia the transfer of shares of stock in corporations and to make uniform the law with reference thereto;

S. 2019. An act to establish the grade of Fleet Admiral of the United States Navy; to establish the grade of General of the Army, and for other purposes;

S. 2105. An act to amend and supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, to authorize appropriations for the post-war construction of highways and bridges, to eliminate hazards at railroad-grade crossings, to provide for the immediate preparation of plans, and for other purposes; and

S. 2205. An act to authorize the dissolution of the Women's Christian Association of

the District of Columbia and the transfer of its assets.

BILLS PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1033. An act to suspend the effectiveness during the existing national emergency of the tariff duty on coconuts;

H. R. 2644. An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes;

H. R. 4327. An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes;

H. R. 4867. An act to extend the health regulations of the District of Columbia to Government restaurants within the District of Columbia;

H. R. 5408. An act to amend the Mustering-Out Payment Act of 1944, to provide a method for accomplishing certain mustering-out payments on behalf of mentally disabled veterans, and for other purposes; and

H. R. 5543. An act extending the time for the release of appointment for the purposes of certain provisions of the Internal Revenue Code, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

Accordingly (at 5 o'clock and 38 minutes p. m.) the House adjourned until tomorrow, Thursday, December 14, 1944, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2096. A letter from the Acting Chairman, Civil Aeronautics Board, transmitting a request that the time limit provided for by Public Law No. 416 of the Seventy-eighth Congress be extended to December 30, 1944; to the Committee on Interstate and Foreign Commerce.

2097. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 11, 1944, submitting a report, together with accompanying papers and illustrations, on a review of reports on Agate Bay Harbor, Minn., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on August 8, 1941 (H. Doc. No. 805); to the Committee on Rivers and Harbors and ordered to be printed with three illustrations.

2098. A letter from the Deputy Director, Office of Contract Settlement, transmitting an estimate of personnel requirements for the quarter ending March 31, 1945; to the Committee on the Civil Service.

2099. A letter from the Director, Office of Economic Stabilization, transmitting a copy of the quarterly estimate of personnel requirements for the Office of Economic Stabilization for the quarter ending March 31, 1945; to the Committee on the Civil Service.

2100. A letter from the Director, Office of Defense Transportation, transmitting a copy of the quarterly estimate of personnel requirements during the quarter ending March 31, 1945; to the Committee on the Civil Service.

2101. A letter from the Secretary of War, transmitting a copy of the quarterly estimate of personnel requirements, setting forth the estimate of the number of employees required for the proper and efficient exercise of the functions of the War Department, for the quarter ending March 31, 1945; to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JARMAN: Committee on Printing. House Resolution 676. Resolution authorizing the printing of additional copies of House Report No. 1855, current session, entitled "Economic Problems of the Reconversion Period," for the use of the Special Committee on Post-war Economic Policy and Planning; without amendment (Rept. No. 2058). Referred to the House Calendar.

Mr. WALTER: Committee on the Judiciary. House Joint Resolution 194. Joint resolution designating November 19, the anniversary of Lincoln's Gettysburg Address, as Dedication Day; without amendment (Rept. No. 2059). Referred to the House Calendar.

Mr. PETERSON of Florida: Committee on the Public Lands. S. 1819. An act to repeal the acts of August 15, 1935, and January 29, 1940, relating to the establishment of the Patrick Henry National Monument and the acquisition of the estate of Patrick Henry, in Charlotte County, Va.; without amendment (Rept. No. 2060). Referred to the Committee of the Whole House on the state of the Union.

Mr. KEFAUVER: Committee on the Judiciary. House Joint Resolution 320. Joint resolution proposing an amendment to the Constitution of the United States relative to the making of treaties; without amendment (Rept. No. 2061). Referred to the House Calendar.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2062. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2063. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. HOWELL: Committee on Interstate and Foreign Commerce. S. 1159. An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.; without amendment (Rept. No. 2064). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. BOLTON:

H. R. 5618. A bill to provide additional pay for enlisted men of the Army assigned to the Medical Corps who are awarded the Medical Corps valor badge; to the Committee on Military Affairs.

By Mr. CANNON of Missouri:

H. R. 5619. A bill to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes, approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943; to the Committee on Roads.

By Mr. DIRKSEN:

H. Con. Res. 104. Concurrent resolution expressing the thanks of Congress for the contribution to the victory effort being made by the Nation's children; to the Committee on the Library.

By Mr. O'TOOLE:

H. Res. 677. Resolution to investigate the meat situation in the city of New York; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorials of the Legislature of the Dominican Republic reaffirming the solidarity of the Dominican Republic with the United States of America; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of Alabama:

H. R. 5620. A bill for the relief of Mrs. Clara M. Fortner; to the Committee on Claims.

By Mr. HERTER:

H. R. 5621. A bill for the relief of Oscar S. Reed; to the Committee on Claims.

PETITIONS, ETC.

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

6245. By Mr. BARRETT: Petition of Edna Bondurant and 24 other citizens of Torrington, Fort Laramie, and Yoder, Wyo., urging support of the Bryson dry enabling amendment, House Joint Resolution 143; to the Committee on the Judiciary.

6246. By Mr. GWYNNE: Petition signed by 66 residents of Marshall County, Iowa, urging the enactment of House bill 2052 to prohibit the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

6247. By Mr. ROLPH: Resolution of California Society, Sons of the American Revolution, dated November 13, 1944, endorsing House bill 5081; to the Committee on the Judiciary.

6248 By the SPEAKER: Petition of various employees of Grand Central Annex post office, New York, N. Y., petitioning consideration of their resolution with reference to urging immediate passage of House bill 4715; to the Committee on the Post Office and Post Roads.

SENATE

THURSDAY, DECEMBER 14, 1944

(Legislative day of Tuesday, November 21, 1944)

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

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in bewilderment and deep need we come, bitterly conscious that what the world prepares to celebrate with merriment and light is so largely as yet a memory and a hope. We confess that this birthday of the Child finds more children orphaned and home-