continued in all stages under the direct supervision of the United States Bureau of Reclamation; to the Committee on Appropriations.

185. Also, memorial of the Twenty-eighth Legislature of the State of Wyoming, memorializing the Congress of the United States of America to enact legislation relating to employers' sinking funds and reserves and taxability thereof; to the Committee on Ways and Means.

186. Also, memorial of the Senate of the Twenty-eighth Legislature of the State of Wyoming, relating to public lands in, and funds and other relief due, the State of Wyoming from the United States of America; to the Committee on the Public Lands.

187. Also, memorial of the House of Representatives of the Twenty-eighth Legislature of the State of Wyoming, memorializing the President of the United States, the Secretary of State, and the Congress of the United States to take appropriate measures to open Palestine to free immigration and colonization by the Jewish people; to the Committee on Foreign Affairs.

188. By Mr. BRYSON: Petition of Nellie E. Carter and 50 other citizens of Cleveland, Ohio, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

189. Also, memorial of the South Carolina State Senate, urging Congress to provide the necessary funds for the research program of the United States Forest Service, Department of Agriculture, to establish (1) a regional forest utilization unit in the southern Appalachians; and (2) an active forest research program at the Santee Experiment Station, Berkeley County, S. C.; to the Committee on Agriculture.

190. Also, memorial of South Carolina State Legislature, memorializing Congress to pass the McCarran-Sumners bill; to the Committee on the Judiciary.

191. By Mr. LUTHER A. JOHNSON: Petition of Board of Supervisors, Navarro Hill Conservation District, Corsicana, Tex., favoring House bill 538; to the Committee on Agriculture.

192. By Mr. LANE: Petition of the County Commissioners of Essex County, Commonwealth of Massachusetts, at a meeting held at Salem, March 6, 1945, protesting the seizure by the Federal Government in said county of certain land for the Parker River National Wildlife Refuge; to the Committee on Agriculture.

193. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, urging relief for producers of dairy products in the State of Massachusetts; to the Committee on Agriculture.

SENATE

WEDNESDAY, MARCH 14, 1945

(Legislative day of Monday, March 12, 1945)

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

His Excellency Edwin V. O'Hara, bishop of Kansas City, Mo., offered the following prayer:

We will place ourselves consciously and reverently in the presence of God, in whose hands are all the counsels of men.

Direct, we beseech Thee, O Lord, all our actions by Thy holy inspiration, and carry them on by Thy gracious assistance, that all our deliberations and labors may begin from Thee and by Thee be happily ended. Through Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the proceedings of the calendar day Tuesday, March 13, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on March 13, 1945, the President had approved and signed the following acts:

S. 214. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the naval mine depot, Yorktown, Va., on November 16, 1943;

S. 217. An act to authorize an exchange of lands between the city of Eastport, Maine, and the United States, and the conveyance of a roadway easement to the city of Eastport, Maine;

S. 222. An act to authorize the Secretary of War to grant to the Duke Power Co. a 180-foot perpetual easement across Camp Croft, in the State of South Carolina; and

S. 290. An act to authorize the Secretary of War to grant to the Orange and Rockland Electric Co. a 150-foot perpetual easement across the West Point Military Reservation in the State of New York.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 2013) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, as amended, in which it requested the concurrence of the Senate.

NOTICE OF HEARING ON NOMINATION OF ALBERT A. RIDGE TO BE UNITED STATES DISTRICT JUDGE, WESTERN DISTRICT OF MISSOURI

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, the 21st day of March 1945, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of Albert A. Ridge, of Missouri, to be United States district judge for the western district of Missouri, vice Merrill E. Otis, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee in charge consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Wisconsin [Mr. WILEY].

NOTICE OF HEARING ON NOMINATION OF ROBERT LEWIS BROWN TO BE UNITED STATES DISTRICT JUDGE, DISTRICT OF MONTANA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, the 21st day of March 1945, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of Robert Lewis Brown, of Montana, to be United States district judge for the district of Montana, vice James H. Baldwin, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee in charge consists of the Senator from Montana [Mr. WHEELER], chairman, the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New Jersey [Mr. SMITH].

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	O'Mahoney
Austin	Hart	Overton
Bailey	Hatch	Pepper
Ball	Hawkes	Radcliffe
Bankhead	Hayden	Reed
Barkley	Hickenlooper	Revercomb
Bilbo	Hill	Robertson
Brewster	Hoey	Russell
Bridges	Johnson, Calif.	Saltonstall
Briggs	Johnson, Colo.	Shipstead
Buck	Johnston, S. C.	Smith
Burton	La Follette	Stewart
Bushfield	Langer	Taft
Butler	Lucas	Taylor
Byrd	McCarran	Thomas, Okla.
Capehart	McClellan	Thomas, Utah
Capper	McFarland	Tobey
Chandler	McKellar	Tunnell
Chavez	McMahon	Tydings
Connally	Magnuson	Vandenberg
Cordon	Maybank	Wagner
Donnell	Mead	Walsh
Downey	Millikin	Wheeler
Eastland	Mitchell	Wherry
Ellender	Moore	White
Ferguson	Morse	Wiley
Fulbright	Murdock	Willis
George	Murray	Wilson
Gerry	Myers	
Green	O'Daniel	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

The Senator from Virginia [Mr. GLASS] is absent from the Senate on account of illness.

The Senator from West Virginia [Mr. KILGORE] is absent on public business.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] and the Senator from Idaho [Mr. THOMAS] are necessarily absent.

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

PERSONNEL REQUIREMENTS

The VICE PRESIDENT laid before the Senate letters from the Administrative Assistant to the Secretary of Commerce, the Director of the Division of Administrative Management of the National War Labor Board, and the Chairman of the National Labor Relations Board, transmitting, pursuant to law, estimates of personnel requirements for their respective department and offices for the quarter ending June 30, 1945, which, with the

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

accompanying papers, were referred to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint memorial of the Legislature of the State of Idaho; to the Committee on Finance:

"Senate Joint Memorial 1

"Joint memorial to His Excellency, Franklin D. Roosevelt, President of the United States, and the honorable Senate and House of Representatives of the United States of America in Congress assembled, urging the Congress of the United States to make an appropriation, and Gen. Frank T. Hines, Administrator of United States Veterans' Affairs, for the immediate construction of additional United States veterans' hospital facilities in Boise, Idaho

"We, your memorialists, the Legislature of the State of Idaho, respectfully represent that—

"Whereas the war veteran population in the State of Idaho has greatly increased since September 16, 1940, as a result of the present war emergency and world conflict and will be increased by approximately 400 percent; and

"Whereas the United States Veterans' Administration maintains in the city of Boise, State of Idaho, a United States veterans' hospital of a 350-bed capacity, which bed capacity has not been increased since 1936; that according to information available no steps as yet have been taken to have said veterans' hospital at Boise, Idaho, enlarged to care for the Idaho war veterans who are daily being discharged from the military service and returning to Idaho, their home State; and

"Whereas at the termination of hostilities every veteran now in active military service will be entitled to United States veterans' hospital care; and

"Whereas the National Congress, under Public Law No. 346 authorized the appropriation of $500,000,000 for the construction of additional Government hospital facilities; and

"Whereas Idaho veterans should be able to receive hospital care in their own State instead of having to leave their homes and families to obtain hospital care outside of the State of Idaho: Now, therefore, be it

"Resolved by the Senate of the State of Idaho (and the House of Representatives concurring), That we, your memorialists, urge upon the Congress of the United States of America and respectfully request that appropriate action be taken for the immediate construction of an addition to the present United States veterans' hospital situated at Boise, Idaho, to the extent of not less than 350 beds; be it further

"Resolved, That the secretary of state of the State of Idaho be authorized and is hereby directed to furnish and forward to the President of the United States, the Senate and House of Representatives of the United States of America, Gen. Frank T. Hines, Administrator of United States Veterans' Affairs, and to each of the Senators and Representatives in Congress from the State of Idaho, copies of this memorial."

A joint memorial of the Legislature of the State of Idaho; to the Committee on Public Lands and Surveys:

"House Joint Memorial 3

"Whereas upon the economic welfare of the several States, depends the stability of the Nation as a whole; and

"Whereas the safeguarding of each State's individual welfare is of vital concern to all; and

"Whereas the setting aside or withdrawal of any part or parcel of the areas within the State's borders to establish special privileged areas excluding all other use, or the establishment by proclamation, of parks, monuments, reserves, or wilderness areas is a grave injury to the economic soundness of a State whose industries depend upon the common and multiple usage of such federally owned lands; and

"Whereas removal of these lands vitally affects sportsmen in restricting the limited area in which they have to hunt, in that reserves and parks are usually restricted concerning hunting, and the harvest of timber is diminished as an asset in the State of Idaho, by the restriction of logging in these nonuse areas, and the farmers who contribute greatly to Idaho's social and economic welfare lose valuable territory by the setting aside of these monuments, parks, and nonuse areas, which are valuable to them in the construction of reservoirs, flumes, and other necessary construction to get water to the arid lands; and

"Whereas 69 percent of the State of Idaho is federally owned; and

"Whereas the members of the Legislature of the State of Idaho believe that Congress recognizes the rights, interests and estate which each sovereign State holds in the conservation, constructive use of Federal lands within its borders: Therefore be it

"Resolved by the House of Representatives and the Senate of the State of Idaho (jointly), That the Congress of the United States be memorialized to enact such legislation as is necessary to safeguard the areas within the State's borders from being named as prohibited, nonuse areas, without first gaining the approval of the State legislature of the State concerned; be it further

"Resolved, That the Secretary of the State of Idaho be hereby authorized and directed to send copies of this joint memorial to the President of the United States, to the Senate and House of Representatives of the United States of America, and to the Senators and Representatives of Idaho in the two Houses of Congress."

By Mr. TYDINGS:

A resolution of the Senate of the State of Maryland; to the Committee on Agriculture and Forestry:

"Resolution requesting the United States Fish and Wildlife Service to extend the wild game season for a period of 90 days

"Whereas due to the large increase of wild water fowl as reported by the United States Fish and Wildlife Service; and

"Whereas this increase would seem to justify the taking of a reasonable number of wild waterfowl for food and sport; and

"Whereas the number of persons who are in a position to shoot wild water fowl has been very much reduced: Therefore be it

"Resolved by the Senate of Maryland, That the United States Fish and Wildlife Service be and it is hereby requested to extend the open season for killing wild waterfowl for a period of 90 days; and be it further

"Resolved, That the secretary of the senate be and he is hereby directed to send copies of this resolution to the Secretary of the Interior, the chairmen of the United States Senate and House committees on wildlife and Members of the United States Senate and House of Representatives from Maryland.

"Read and adopted February 20, 1945."

A petition, numerously signed, of sundry citizens of Villa Palmeras, Santurce, P. R., praying for the enactment of Senate bill 227, providing for the independence of Puerto Rico; to the Committee on Territories and Insular Affairs.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

S. 194. A bill for the relief of Mrs. Glenn T. Boylston; with an amendment (Rept. No. 91); and

H. R. 687. A bill for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions; without amendment (Rept. No. 92).

By Mr. CAPPER, from the Committee on Claims:

H. R. 249. A bill for the relief of Charles R. Hooper; without amendment (Rept. No. 93).

By Mr. MCMAHON, from the Committee on Claims:

H. R. 1308. A bill for the relief of Sam Swan and Aily Swan; with an amendment (Rept. No. 94).

By Mr. WILEY, from the Committee on Claims:

S. 316. A bill for the relief of June I. Gradijan; without amendment (Rept. No. 95); and

H. R. 949. A bill for the relief of Mrs. Mildred Ring; without amendment (Rept. No. 96).

By Mr. EASTLAND, from the Committee on Claims:

H. R. 257. A bill for the relief of the estate of Dr. David O. Clements, deceased; without amendment (Rept. No. 97).

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 591. A bill for the relief of Chesley Brazil; with an amendment (Rept. No. 98); and

H. R. 1485. A bill for the relief of Henry B. Tucker; without amendment (Rept. No. 99).

By Mr. RADCLIFFE, from the Committee on Banking and Currency:

S. 681. A bill to amend the National Housing Act, as amended, and for other purposes; with an amendment (Rept. No. 100).

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. WALSH:

S. 732. A bill for the relief of Ensign Elmer H. Beckman, United States Naval Reserve; and

S. 733. A bill to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States Naval Operating Base, Trinidad, British West Indies, on June 11, 1944; to the Committee on Naval Affairs.

By Mr. CAPPER:

S. 734. A bill granting a pension to Helen M. Hammond; to the Committee on Pensions.

By Mr. ELLENDER (by request):

S. 735. A bill to authorize relief of the chief disbursing officer, Division of Disbursement, Treasury Department, and for other purposes; to the Committee on Claims.

By Mr. MAGNUSON:

S. 736. A bill to provide that periods of vocational training undertaken by disabled veterans in preparing for employment by the United States shall be credited for retirement purposes; to the Committee on Civil Service.

(Mr. RUSSELL (for himself and Mr. MAYBANK) introduced Senate bill 737, which was

referred to the Committee on Commerce, and appears under a separate heading.)

(Mr. JOHNSON of Colorado introduced Senate bill 738, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. McCARRAN:

S. 739. A bill to amend the law relating to embezzlement by officers of a carrier firm, association, or corporation engaged in commerce; and

S. 740. A bill to amend the Judicial Code with respect to the admission of attorneys at law to practice before the courts, departments, and offices of the Government; to the Committee on the Judiciary.

S. 741. A bill to extend certain benefits provided under the Servicemen's Readjustment Act of 1944 to persons who served in the merchant marine; and

S. 742. A bill to amend section 104 of the Servicemen's Readjustment Act of 1944 so as to provide for determination of claims for benefits under the laws administered by the Veterans' Administration with respect to persons discharged from the armed forces, prior to the granting of such discharge; to the Committee on Finance.

SAVANNAH VALLEY AUTHORITY

Mr. RUSSELL. Mr. President, I ask unanimous consent on behalf of the senior Senator from South Carolina [Mr. MAYBANK] and myself, to introduce a bill establishing a Savannah River Authority. I ask that the bill be given the same committee assignment that the Senate eventually will give to the bill to create the Missouri Valley Authority.

There being no objection, the bill (S. 737) to establish a Savannah Valley Authority, to provide for unified water control and resource development in the basin of the Savannah River in the interest of the control and prevention of floods, the promotion of navigation, and the strengthening of the national defense, and for other purposes, introduced by Mr. RUSSELL (for himself and Mr. MAYBANK), was received, read twice by its title, and referred to the Committee on Commerce.

PRINTING OF ADDITIONAL COPIES OF HOUSE DOCUMENT NO. 657

Mr. MAYBANK. Mr. President, in connection with the bill which has just been introduced by the Senator from Georgia [Mr. RUSSELL] on behalf of himself and me, I ask unanimous consent that the Joint Committee on Printing be directed to print a sufficient number of copies of House Document No. 657, not to exceed the limit allowed. I make the request because there are no further copies of the document available.

The VICE PRESIDENT. Is there objection to the request made by the Senator from South Carolina? The Chair hears none, and it is so ordered.

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT OF 1944

Mr. JOHNSON of Colorado. I ask unanimous consent to introduce a bill to amend the so-called G. I. bill, and ask for its appropriate reference. Whenever legislation is enacted affecting a great many persons we always find that sooner or later it needs amendment. Defects are brought to light. The bill I am introducing is for the purpose of correcting some of the defects which have come to light in the administration and the operations of the G. I. bill. I do not pretend, Mr. President, that the measure I am introducing cures satisfactorily the defects of the G. I. bill, if they be defects, but at least it opens up the issues. The committee which will have charge of this proposed legislation will hold hearings, at which the Veterans' Bureau, the veterans' organizations, the veterans themselves, and all other persons interested in the operations of the G. I. law will be given an opportunity to state their positions. From such hearings and consideration we hope that the G. I. law may be greatly improved.

The VICE PRESIDENT. Without objection, the bill introduced by the Senator from Colorado will be received and appropriately referred.

There being no objection, the bill (S. 738) to amend title III, Servicemen's Readjustment Act of 1944, introduced by Mr. JOHNSON of Colorado, was received, read twice by its title, and referred to the Committee on Finance.

HOUSE BILL REFERRED

The bill (H. R. 2013) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, as amended, was read twice by its title and referred to the Committee on Foreign Relations.

WITHDRAWAL OF PAPERS—MACGILBERY H. WILLIAMS

On motion by Mr. THOMAS of Oklahoma, it was

Ordered, That leave be granted to withdraw from the files of the Senate the papers accompanying the bill (S. 3664, 76th Cong., 3d sess.) for the relief of Macgilbery H. Williams, no adverse report having been made thereon.

PROPOSED REPORT SHOWING AMOUNT AND LOCATION OF REAL PROPERTY OWNED BY THE UNITED STATES

Mr. O'DANIEL. Mr. President, I have in my hand Senate Concurrent Resolution No. 8, which was adopted by the Texas Legislature. The resolution sets forth reasons for desiring certain information with reference to the amount of land owned in the several States by the Federal Government. I have made inquiry with reference to how such information might be obtained. It seems apparent that the best way to obtain it is by submitting a resolution.

I ask unanimous consent that Senate Concurrent Resolution 8 of the Texas Legislature be printed in the RECORD at this point as a part of my remarks, and that it be appropriately referred.

There being no objection, the resolution was referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, under the rule, as follows:

Concurrent Resolution 8

Whereas in the State of Texas there is owned and claimed by the Federal Government and its related agencies and/or corporations in existence through grant by the Federal Government, extended holdings in real property and other interests thereunder; and

Whereas the State of Texas does not have a complete knowledge of the ownership and holdings of property within the State of Texas by the Federal Government and its related agencies and/or corporations in existence through grant by the Federal Government, and that the extent, location, and degree of said ownership is unknown to the State of Texas; and

Whereas the laws of the State of Texas covering ownership of real estate and interests thereunder by the Federal Government and its related agencies and/or corporations in existence through grant by the Federal Government are inadequate to protect private property interests and the rights of the State of Texas; and

Whereas the Federal Government and its related agencies and/or corporations in existence through grant by the Federal Government as a property owner and holder of real estate and other interests thereunder in competition with private ownership of real estate is not a recognized scope of said agencies' capacity; and

Whereas extended holdings of real estate and other interests thereunder by the Federal Government and its related agencies and/or corporations in existence through grant by the Federal Government, within the State of Texas beyond the scope of governmental necessity, creates an unfavorable tax and economic condition within the State of Texas and results in the said agencies usurping the rights of private ownership and private enterprise and takes from the State of Texas and other governmental agencies and subdivisions of the State of Texas considerable revenue that would ordinarily be derived from said property if owned by private enterprise; and

Whereas the magnitude of this problem is of great and far-reaching importance to the State of Texas: Now, therefore, be it

Resolved by the Senate of Texas (the House of Representatives concurring), That the Representatives in Congress from the State of Texas and the United States Senators from Texas be respectfully requested to have compiled for the Texas Legislature a list of all interests and ownership in real property and rights therein in the State of Texas held or claimed by the Federal Government and its related agencies, as well as by corporations in existence through grant by the Federal Government; and be it further

Resolved, That a copy of this resolution be mailed to each such Texas Representative in Congress and United States Senators from Texas with the request that the Texas delegation meet at the earliest time possible and take proper steps to obtain and compile this information for the Texas Legislature; and be it further

Resolved, That in order for this information to be made available while the legislature is still in session, we respectfully request that such information be compiled and furnished by March 1, 1945.

Mr. O'DANIEL. I now ask unanimous consent to submit a resolution for proper reference.

There being no objection, the resolution (S. Res. 99), was referred to the Committee on Public Lands and Surveys, as follows:

Resolved, That the Attorney General is hereby requested to submit at the first practicable date a report showing the amount and location of all real property owned by the United States, in each of the several States, including price and values of each tract of land and also the price of improvements thereon.

FUNERAL EXPENSES OF THE LATE SENATOR MOSES, OF NORTH DAKOTA

Mr. LANGER submitted the following resolution (S. Res. 100), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the financial clerk of the Senate hereby is authorized and directed to pay from the contingent fund of the

Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. John Moses, late a Senator from the State of North Dakota, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

PRINTING OF REPORT ENTITLED "POST-WAR TRAFFIC LEVELS"

Mr. WHEELER. Mr. President, the report, Post-war Traffic Levels, prepared by the Bureau of Transport Economics and Statistics of the Interstate Commerce Commission, brings together in a summary the very best opinion on post-war traffic levels and the estimates of the national income as it will bear on the revenues of common carriers. The purpose of the report is to present certain estimates of possible levels of traffic in the early post-war period for the chief transportation agencies, along with data which may be useful in the evaluation of these and other possible estimates.

Three possible national-income levels are presented for each of the post-war years, 1947, 1948 and 1949. The estimates represent the best-informed opinion there is on the subject and the material has been assembled and very carefully checked.

In order to make this analysis of the possible or probable traffic levels for the different types of carriers in the post-war period and the effect those levels will have on the earnings of common carriers, it was necessary to construct estimates of national income based on various assumptions. Because of this fact the report has a twofold interest—it is of interest to those concerned with transportation because of the traffic estimates it contains; secondly, it is of interest to nontransportation people who are interested in the national income in the post-war period. This no doubt explains in part the demand for this publication which I understand is one of the heaviest the Bureau of Transport Economics and Statistics has ever experienced.

In order to have this report printed, I ask unanimous consent to submit a resolution for reference to the Committee on Printing.

The VICE PRESIDENT. Is there objection to the request of the Senator from Montana? The Chair hears none, and the resolution may be submitted.

The resolution (S. Res. 101), submitted by Mr. WHEELER, was referred to the Committee on Printing, as follows:

Resolved, That the report of the Bureau of Transport Economics and Statistics of the Interstate Commerce Commission, entitled "Post-War Traffic Levels," be printed, with illustrations, as a Senate document.

INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 1984) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1946, and for other purposes.

The VICE PRESIDENT. The clerk will state the next amendment of the committee passed over.

The CHIEF CLERK. In the item "Federal Public Housing Authority" it is proposed to strike out, on page 50, line 4, after the word "agencies", the comma and the words "and expenditures by the Authority for such purpose shall be considered nonadministrative expenses."

ABANDONMENT OF THE CANOL PROJECT

Mr. MOORE. Mr. President, the War Department has recently announced that operation of that part of the Canol project embracing production of petroleum, the oil pipe line from Norman Wells to Whitehorse and the refinery at Whitehorse, will be discontinued by June 30, and that representatives of the United States and Canada will soon appraise the present value of the properties which Canada has an option to purchase. If Canada does not exercise the option, the property will be sold, according to the War Department, to any other bidder at not less than the appraised value.

Mr. President, the Canol project, exclusive of operation and maintenance, has cost the American taxpayer approximately $134,000,000. The location and impracticability of the project are such that it has little, if any, present commercial value, certainly not more than a junk value less dismantling and transportation charges. I emphasize the cost of this project because it is clear that it will practically be a total loss. Operation charges recently reported by the Army of over $4,180,000 for the last 6 months of 1944 have been far in excess of the total value of all production at the Whitehorse refinery since it commenced operation.

The War Department attempts to justify its bullheaded and arbitrary attitude in going ahead with this project over the advice of many oil companies and petroleum experts, and in the face of the recommendations of the Mead committee, by pointing out that the project has demonstrated oil can be conveyed by pipe line over long distances and refined in year-around operations in the Arctic climate. This knowledge, the Army says, will be of great value "if indicated large reservoirs of oil in Alaska or northwestern Canada materialize." In other words, we have learned how to fry fish if we catch any. The Army has spent $134,000,000, plus operation and maintenance expenses totaling an additional $5,000,000 to $10,000,000, to discover that with the expenditure of enough money some oil can be transported by pipe line and refined under Arctic conditions. The oil companies of this country probably have a hundred laboratories in which these experiments could have been made at insignificant costs. The attempted justification of this inexcusable waste of money is so silly and childlike that it becomes a pathetic example of a drowning man grasping for straws.

The Army's press release states that, based on the experience in December 1944 and January and February 1945, the average cost of production, exclusive of depreciation or interest on investment, was $11.15 a barrel delivered at Whitehorse.

Mr. BREWSTER. Will the Senator from Oklahoma yield?

Mr. MOORE. I yield.

Mr. BREWSTER. The figure the Senator has just given does not take into account the overhead on the capital investment or the loss incident to the abandonment, does it?

Mr. MOORE. Not at all; and, further, I am very sure the Army has no conception of what the cost will be, and very little concern.

The Army fails to point out that this means an average cost of $11.15 a barrel not only for the gasoline produced but includes fuel oil and other cheap byproducts as well.

The purpose of the project was to produce high-octane aviation gasoline. To be honest about it, the Army must compute the cost in terms of high-octane gasoline produced. For the last half of 1944 less than 8,000 barrels of aviation gasoline and only about 185,000 barrels of ordinary motor fuel were refined. If the cost of this total production of gasoline is to be considered on the figures admitted by the Army, it will be found to be approximately $23 a barrel, excluding the value of the crude oil consumed, or any allowance for amortization. If the crude consumed in the operation is charged to the refinery at $1.50 a barrel, and allowing a 20-year amortization, it will boost the cost of gasoline produced for this period to more than $42 a barrel.

It is difficult to understand why the Army refuses to meet the Canol issue honestly and frankly. If there is nothing in this deal to hide or cover up, why does the Army continue its effort to justify what everyone recognizes to be a mistake?

The Army says that the properties are to be offered to Canada under an option to buy at the present appraised value. In view of the incompetence displayed by the Army in connection with this project I seriously doubt the wisdom of permitting the Army to negotiate for the disposal of the property. When the Army ceases operation it becomes a part of our surplus war property and should be handled by the Surplus Property Board, which Congress has set up for such a purpose. I insist that the matter should be turned over to that agency for disposal. I have previously urged and I again take this opportunity to suggest that the Mead committee continue its investigation of the huge expenditures that have gone into the Canol project. The individuals responsible for this wanton waste of public moneys should be determined and held responsible for their acts. The exact nature and character of the deal the Army seems to have made with Canada should be carefully looked into. The construction contracts and the contractors on this project should be closely examined. The profits and fees growing out of these contracts and how these were dispersed should be scrutinized. The beneficiaries of this huge slush fund should be made known.

The plain facts are that Under Secretary of War Patterson and General Somervell have never had any experience in their business careers which would in any degree fit them to pass

upon the practicability of such a project. These men could have had, and did have, the expert advice of the entire petroleum industry and other qualified experts which they refused to accept, and instead chose to accept the advice and counsel of a man whose known business career was such that his counsel was not entitled to serious consideration.

What I have to say about this project is no disparagement of the conduct of this war by the War Department—it is not a condemnation of the leadership of our armies in the sphere of military activity; but it is a glaring example of the reasons why the Army or any other department of government, should not engage in business enterprises. Had the War Department and General Somervell accepted the advice of the petroleum industry, Judge Patterson would not have told the Mead committee that the Canol project would prove a model for other such projects throughout the world, nor would General Somervell have told the committee that Canol would open up the largest reserve of oil discovered on the North American Continent in the past 15 years.

Mr. MEAD. Mr. President, will my colleague from Oklahoma yield to me?

Mr. MOORE. I am glad to yield to the Senator from New York.

Mr. MEAD. First of all I want to commend the Senator for his interest in this subject, and I want to say to him that the Special Committee to Investigate the National Defense Program has recently held a number of executive sessions with military officials, the latest one only last week, and out of them has come a rather satisfactory development, which includes the closing of the Canol project earlier than was first promised to our committee. There was a promised closing of the project on June 30, but at a subsequent meeting we were informed that the closing could be brought forward and would take place about the 1st of April.

We are now advised that the operations at the wells will be closed immediately; that operation of the pipe lines carrying the crude oil to the refinery will be stopped at once; that the operation of the refinery will be stopped as soon as the stock pile of available crude there is refined; and that some 281 needed workers will be transferred to the petroleum fields in this country. We were assured that that would be carried out expeditiously, and our committee will follow the matter along the line the Senator from Oklahoma has suggested in his remarks this morning.

Mr. MOORE. I thank the Senator from New York. I should like to inquire if his committee will be able to disclose to the Senate in its report the character of the option Canada has for the purchase of these facilities?

Mr. MEAD. Yes; that will be contained in detail in our report to the Senate.

Mr. MOORE. And will the report also disclose the settlement with the oil companies whose property the Army has been exploring?

Mr. MEAD. That also will be contained in the final report.

Mr. MOORE. I think that will be very helpful, and I thank the Senator.

Mr. MEAD. The figures are now being compiled.

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

Mr. MOORE. I yield.

Mr. REVERCOMB. Under what authority was the option given to Canada for the purchase of this project?

Mr. MOORE. That is what I would like to know, and I understand the committee will disclose it.

Mr. MEAD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which our committee is releasing today. It is in further explanation of what I have already said in connection with the subject discussed by the Senator from Oklahoma [Mr. MOORE].

Mr. LANGER. Mr. President, does the Senator have any objection to the statement being read?

Mr. MEAD. I am willing to read it. It is a statement which our committee is releasing today, and it will serve as an answer to the question propounded by the Senator from Oklahoma. The statement is as follows:

Our committee has been advised by the War Department of the specific dates upon which various sections of the Canol project will be closed.

In the War Department's release of March 9, it was stated that the project would be closed by June 30. On the same day this committee announced that it believed the project should be closed as soon as possible because of the need for experienced refinery workers in the United States.

The War Department has now advised the committee that the purchase of oil has already been discontinued at the Norman Wells field which supplies the project. Operation of stage 2 of the refinery which produces 100-octane gasoline also has already been discontinued. Operation of the first pumping station on the crude oil pump line already has been discontinued. It is expected that production of motor gasoline and Diesel oil will continue at the refinery until about April 1 for the purpose of consuming inventories of crude oil now in storage at Whitehorse, and to provide a supply of products at Whitehorse until alternate arrangements have been put into effect. About April 1, the entire refinery will have been placed on a caretaker basis.

This will greatly facilitate the return of experienced workers to the United States. The committee understands that thorough plans are being made for the employment of these workers at refineries within the United States where they will be most useful. The Petroleum Administration for War has already, at the request of this committee, ascertained the refineries at which such employees could be utilized. It has already determined that at just two of these refineries the employment of a few hundred of the personnel now at the Canol project would result in an increased production of 100-octane gasoline of 2,000 barrels per day. This compares with the production of 216 barrels per day at Canol refinery in February 1945. Employees of the Petroleum Administration for War already are en route to Whitehorse for the purpose of facilitating the transfer of personnel.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MOORE. I yield for a question.

Mr. LANGER. I returned only this morning from attending the funeral of the late Senator Moses. The question which I wish to propound may have been answered yesterday. If it was answered then, I beg the Senator's pardon for asking it again; but who is going to own the Canol project if it is closed? Is the Government going to sell it, or what is going to become of it?

Mr. MEAD. There is a plan which our committee is looking into whereby it may be turned over to the Dominion of Canada or to the Imperial Oil Corporation under an agreement which was reached at the time the project was put into operation; but certain arrangements have to be made because the project was closed up earlier than was originally anticipated. I understand that our State Department and the Canadian authorities have been in negotiation on that matter, and, therefore, I cannot at this time explain just what the details of the transfer of the property will be.

Mr. LANGER. How much has the Government of the United States invested there?

Mr. MEAD. Oh, a tremendous sum of money. I would refer that question to my distinguished colleague from Oklahoma.

Mr. MAGNUSON. Mr. President, I do not wish to trespass on the time of the Senate for long, but, in view of the fact that the distinguished junior Senator from New York [Mr. MEAD] today submitted a report to the Senate on behalf of his committee concerning the so-called Canol project, I wish to say a word about it. The project is one, Mr. President, with which I am somewhat familiar, as I am with most projects in Alaska and the western portions of Canada. Apparently the tenor of the report made by the Mead investigating committee is to the effect that the United States Army has again admitted a mistake in building in that area.

Early in 1942 the United States Army decided it would build a highway to Alaska. That project, to date, has cost the people of this country $139,000,000. The location and the route were selected apparently by the United States Army without any consultation whatsoever with a commission which was authorized by the Congress of the United States and appointed by the President, which had made a study of the matter for many years, and was about to submit to the Congress of the United States a proposal to build a feasible commercial highway to Alaska. The Army then stated that for reasons of national defense, and in order to connect up certain airports, which could have been built in other places for the amounts which were spent to rehabilitate them, it had selected a route for that highway. The highway runs from the Alberta region to Whitehorse, through the southern Yukon, crosses the White River and into Fairbanks. One hundred and thirty-nine million dollars was the cost, without some bridges which must be built.

Mr. President, I happened to be Chairman of the Alaskan International Highway Commission. I was at sea at the time the selection of the route was made by the Army. No member of the Commission was consulted, nor were any of our engineers consulted. That highway, as has recently been indicated by the Army, will probably also be abandoned.

The Canadian Government itself has told the people of the United States that it does not think it can maintain the southern end of that highway and make it a feasible commercial route.

We now propose to give to Canada an opportunity to buy at its appraised value the Canol project. It was so stated by the Army as set forth in a press dispatch some weeks ago. I do not know whether the Army means for what it is worth now or what it cost the American people. The cost was tremendous. Of course, the Canadian Government cannot buy that project. It can only produce oil at $11.13 a barrel as compared to seven dollars and some cents delivered by barge from Seattle and by pipe line into Whitehorse, which is the southern terminus also of the Canol project.

Mr. President, I hope the Mead committee will go into this subject further, as I know it will. If a buyer can be found, very well, but if one cannot be found, I trust that the committee will set themselves to the immediate task of having the project dismantled and salvaging what machinery is there so that the people of this country may obtain something out of the second mistake the Army has made in that area.

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

Mr. MAGNUSON. I yield.

Mr. SHIPSTEAD. I remember very well the controversy which raged over that highway. An investigation was made by a subcommittee of the Committee on Foreign Relations, of which I happened to be a member. Former Senator Clark, of Missouri, was also a member of the subcommittee, but I do not remember the other Senator who was on the subcommittee. We learned that the Army had not consulted with the International Commission, which had studied the matter for years. Some arrangement had been made with the Canadian Government. The first I at least heard of the road was when the investigation was instituted by the subcommittee, and we learned that the Army had three regiments in that area all winter, and they were taken over the mountains to build this highway. The work was done against the most vigorous protest on the part of people who were acquainted with the terrain and the territory, but, because of the emergency of war and the insistence upon the part of the Army and the State Department, the road was built. We had very dubious ideas about its success, because we learned that those who had undertaken the project had not traveled over the territory and knew nothing about it. Men who had spent years in that region said the work could not be done. But there are some individuals in Washington who, when they get an idea, put it through regardless of cost, although they later come to the conclusion that it should not have been done, no matter how much money was spent on it.

Mr. MAGNUSON. Mr. President, I will say to the Senator from Minnesota that I think I personally know nearly every engineer in Alaska and the people of the north country who know that territory, and, so far as I can ascertain, they were not consulted. Be that as it may, however, I suppose we could argue from now until doomsday whether or not the Army at the time they made the decision thought it was the right thing to do. But admittedly now the Alaskan highway situation has to be corrected by providing a feasible and logical connection so as to make it a usable land route to Alaska. If the Canol project cannot be sold, then, in my opinion, it should be dismantled now, and the American people salvage from it what they can.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial published in the Seattle Post-Intelligencer regarding another threat to the Pacific Northwest in relation to the railroad situation in the Western States and Canada.

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

SEATTLE'S GATEWAY TO ALASKA THREATENED

Premier John Hart, of British Columbia, will go to Ottawa some time this month to offer the provincially owned Pacific Great Eastern Railway jointly to the Canadian Pacific and Canadian National. The premier hopes they will acquire the Pacific Great Eastern and extend it from its present northern terminus, Quesnel, British Columbia, into the great and rich Peace River country. Preliminary discussions have been inconclusive but favorably.

The Pacific Great Eastern, running from the Vancouver area to the Prince George area, is only 347 miles long and its business in central British Columbia at the moment is purely local. This railroad, however, is of tremendous potential importance to Seattle and the Pacific Northwest in the event a railroad is built north of Prince George to Alaska. And the Alaska railroad is inevitable, not only for the commercial development of interior Alaska but for the military protection of the United States and Canada as well.

Only over the independent tracks of the Pacific Great Eastern could American railroads connect with an Alaska railroad on terms competitive with Canadian transcontinentals. If and when the Alaska railroad is built—and it is being vigorously urged in Washington, D. C., as a post-war project—the Canadian railroads own Pacific Great Eastern and traffic to and from Alaska will surely be detoured away from Seattle and through the Canadian Middle West. This, of course would be done by discriminatory rate structure, the cheaper "through rate" applying to shipments from the American Middle West and East to Alaska only if routed by way of Canada.

Fortunately, our two Senators, WARREN G. MAGNUSON and HUGH B. MITCHELL, see this danger and have pledged themselves to avert it if possible. MAGNUSON has already talked with Premier Hart and urged him to keep future American interests in mind when negotiating with the Canadian lines. MAGNUSON thinks also that the State Department may wangle from the Canadian Government a promise that American roads will have through-rate access to Prince George over the Pacific Great Eastern, regardless of its ownership, if and when an American-financed railroad is built to Alaska from central British Columbia.

Seattle already has been bypassed by the Alaska military highway and there are ominous indications that powerful interests both in Canada and the American Middle West intend to establish it as the permanent way to the Territory. Unless an aroused public interest here makes itself felt in Washington, D. C., the same thing will happen again in post-war railroad development. The present is the time to act.

If the Pacific Great Eastern changes hands, or if it is acquired by the Canadian transcontinentals without an express understanding that American railroads shall have through-rate rights over it to Alaska, territorial east-west traffic will flow through Winnipeg and Portal, N. Dak., instead of through Seattle.

We must not wait until they actually lay the first rail to Alaska; today we must insure the connection.

DOMESTIC SUPPLIES OF MEAT AND FOODSTUFFS

Mr. WHERRY. Mr. President, on the floor of the United States Senate yesterday the junior Senator from Mississippi [Mr. EASTLAND] made an observation and a rather comprehensive statement relative to the export committee which has been set up by the administration to guard our Nation's food supply. I wish to say that I for one am very much in favor of the creation of this committee, and I am especially happy that the Director of War Mobilization, Mr. Justice Byrnes, is the man who is responsible for it. I feel that the committee will be of great help not only in connection with the production of agricultural supplies, especially meat, but in preserving our food supply for the people in this country who really need it, particularly those engaged in the war effort.

Among other things—and I quote from the RECORD—the Senator from Mississippi said:

> We all desire that the Russian people and Army be well fed. However, it is not right to take necessary food from the American people. Certainly Russia cannot have less salt meat than we have, because we have none.

I have quoted from the statement made by the Senator from Mississippi relative to the situation respecting salt pork in his State.

On the floor of the Senate we also heard from the Senator from New Hampshire [Mr. BRIDGES] relative to the shortage of pork in his State, and I am quite sure that if we could hear the testimony of Senators from all the States it would be almost unanimous to the effect that there has been and is now a shortage of meat throughout the country, and that it is affecting to some degree the production not only of war materials but certainly is having an impact upon our domestic economy.

Twenty Senators have submitted Senate Resolution 96 asking that a group of five Senators be appointed by the Vice President to make an investigation into the production, the processing, the distribution, the transportation, and the retailing of all meat, grain, and livestock, and anything which has anything to do with those products. That resolution has been referred to the Committee on Agriculture and Forestry. A resolution has also been submitted by the chairman of the Committee on Agriculture and Forestry, which has been referred to his committee, which provides for an investigation into the imports and exports of all farm commodities. I hope that both those resolutions will be considered by that committee immediately, and that a

Senate committee will be created which will aid the committee recently named by the Director of War Mobilization which is guarding the food supply of the United States at this time. I feel that it is necessary. Senators from Midwestern States who have been watching over this question for the past year have not only called the situation to the attention of the Administration, but also to the attention of the people generally. I believe that it is in keeping with the wishes at least of Senators from Midwestern States that such a committee be established by the Senate of the United States as an added check, together with the board set up in the Administration, to guard the food supplies of this country.

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

Mr. WHERRY. I yield.

Mr. REED. While the Senator from Nebraska is on that subject, I think he might be interested in a bit of information which I am able to give him. In the statement of Mr. Byrnes establishing this committee, reference was made to the serious condition of domestic transportation. I am able to tell the Senator from Nebraska that this factor was an important consideration in establishing the committee. If I may trespass upon the time of the Senator, I shall be glad to state the reasons.

Mr. WHERRY. I am glad to have the contribution of the Senator from Kansas.

Mr. REED. At this time, in the matter of freight-car supply, the grain-producing section and the livestock-producing section of the country are in the most desperate situation which they have faced for 25 years.

In the first place, there is a great demand for boxcars for the movement of munitions. Secondly, the important railroads in the northeastern section of the country were paralyzed, so far as operations were concerned, for about 2 months, from December 15 until recently, when weather conditions improved to some extent.

Twenty-five hundred grain elevators in the Corn and Wheat Belts have been closed and are unable to do business because of a shortage of freight cars. In addition, there is a movement to take in the next 4 months the equivalent of 100,000 boxcars for the movement of grain out of the United States for use in the occupied countries. The agencies sponsoring that program gave no indication of concern whatever for the domestic situation and the transportation requirements of our own people, including our own grain producers and livestock producers.

When that factor was laid before Mr. Byrnes, he set up the committee to which the Senator from Nebraska has referred. I wish to express my unqualified approval of the action of Mr. Justice Byrnes in establishing the committee so as to centralize to some degree responsibility for and control over, first, the amount of such commodities available for export; and secondly, the means of transportation necessary to export them, and how those two fit in with the requirements of our own people.

Mr. WHERRY. I thank the junior Senator from Kansas for a very timely contribution relative to the situation in which we find ourselves. Let me ask the Senator from Kansas if it is not true that hundreds of freight-car loads of corn and other food products have been shipped to the export centers to be sent across the water, while dairymen in the eastern section of the country, particularly in New England, are unable to obtain commercial feed which they need to continue to feed their dairy herds and other livestock?

Mr. REED. The Senator from Nebraska is correct in regard to the shortage of feed in the dairy sections of the East and Northeast. Of course, a serious situation which I did not mention, but with which the Senator from Nebraska and Senators from other grain producing States are familiar, is that last year we had the largest corn crop the country has ever produced. Following that, we had a wet winter, with rain and snow all the time. The result was that corn did not dry by freezing on the stalk, as it usually does; and today there are between 100,000,000 and 200,000,000 bushels of what is known as wet corn. I think there is as much of it in the Senator's State of Nebraska as in any other State.

Mr. WHERRY. There are 100,000,000 bushels of it in Nebraska.

Mr. REED. Unless that corn can be moved to the terminal elevators where artificial drying facilities are available, it will spoil. In southwestern Kansas, the Panhandle of Oklahoma, and the Panhandle of Texas, probably 10,000,000 bushels of sorghum grains are rotting because there is no transport to move them to the interior elevators. In turn, the interior elevators are filled with wheat, and there is no room to handle the sorghum grains until the wheat can be moved out. We have the most serious interior transport situation that I have seen in 25 years; and during all those years I have been very familiar with that factor. The governmental agencies, without responsibility, and without knowledge and understanding of the program, are undertaking further to draw upon our already inadequate transport supply in the interior of the country.

Mr. WHERRY. I thank the Senator again for his contribution.

Mr. President, let me say a word further in relation to the shortage of meat. We have talked about it on the floor of the Senate. We have told the Senate what would happen. Not long ago, under the leadership of the senior Senator from Wyoming [Mr. O'MAHONEY], we had several meetings with the Price Stabilizer in an effort to obtain a broader feeding ratio, so that more cattle might be sent into the feed lots. We obtained a small increase, but not sufficient to create an incentive of such character that cattle feeders would take advantage of the wet corn feeding situation and put cattle back in the feed lots.

With regard to the shortage of meat, I have before me a report from Chicago, which is one of the largest meat-packing centers in this country, if not in the world. This report is dated yesterday:

CHICAGO, March 13.—The worst meat shortage since the start of the war has hit butchers' counters from one end of the United States to the other.

A United Press survey tonight revealed that in nearly every section of the country the better grades of meat—beef, pork, veal, and lamb—have disappeared. Producers, wholesalers, and retailers agreed gloomily that months may elapse before these meats again will be on the counter.

That is public information, but it only restates what we have stated on the floor of the Senate time and again, namely, that daily our production is decreasing, primarily because of restraints, and also because we have not the feeding ratio which we should have for the production of pork and beef. The production of pork in this country is off nearly one-third at the present time. Those figures are from the Department of Agriculture. The prediction is that within the coming months we shall experience one of the most acute shortages this country has ever experienced in the production of pork.

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

Mr. WHERRY. I yield to the Senator from Kansas.

Mr. REED. The Senator from Nebraska stated that there has been a decrease of one-third in the production of pork. Yesterday, in company with the junior Senator from Iowa [Mr. HICKENLOOPER] and the senior Senator from South Dakota [Mr. GURNEY], I visited the O. P. A. and discussed with the meat division officials the situation in the packing houses. The packing houses are divided into two classes, those which are Federally inspected and those which are not. We learned that the movement of pork through federally inspected packing houses has decreased more than 40 percent, as compared with last year. Let me ask the Senator from Iowa whether that is in accordance with his recollection.

Mr. HICKENLOOPER. That is correct.

Mr. WHERRY. Mr. President, I thank both the junior Senator from Kansas [Mr. REED] and the junior Senator from Iowa [Mr. HICKENLOOPER] for their helpful contributions.

I wish to call the attention of the Senate to two more facts which I think should receive consideration. As the Senator from Kansas has already stated, we have one of the largest corn crops that has ever been produced in this country. In my State it is a record corn crop. As the Senator from Kansas said, we have more than 100,000,000 bushels of wet corn in our States. There are only a few ways of disposing of such corn. One is to send it to the markets, where it can be dried in the elevators. The other is to feed it to livestock. Those are the only two outlets. But with the boxcar shortage and the restrictions on elevators, the corn can only be fed to cattle, for the eventual production of meat; and we need beef. So we find that the situation is that we have the largest corn crop on record and have nearly 83,000,000 cattle in the corn States. That is a near record. But because of the artificial restrictions and the managed economy, we cannot get the largest number of cattle and the largest corn crop we have ever produced together, in order to produce beef. We can produce

beef if the O. P. A. will give us a chance. We can raise and fatten the cattle if they will take off the restrictions. But here we are, with hundreds of thousands or even millions of bushels of corn which will spoil if it is not fed to the cattle or if it is not dried in the elevators, and yet we are unable either to get it to the cattle or to send it to the elevators. Why is it that we cannot get the corn to the cattle and, in turn, produce the beef, and finally make the beef available to the armed forces and to the civilian population?

I want to give the Senate some authentic information. I am sorry it is impossible for me to divulge its source, but I can assure the Senate that it is absolutely authentic. In my State there are some ordnance plants. There is one at Mead; we have the huge Cornhusker plant at Grand Island and we have the large naval ordnance plant at Hastings. I obtained the information I shall now state over the telephone just a few minutes ago, as a result of the discussion which occurred in the Senate yesterday relative to available supplies of meat.

Here it is:

To show you how bad this is, Mead—

That is a war plant—

and Hastings—

That, I understand, is the largest naval ordnance plant in the United States, covering more than 60,000 acres—

and this plant—

The plant at Grand Island, the Cornhusker ordnance plant—

are holding a meeting at Grand Island this afternoon trying to determine what we are going to do to get meat of any kind, enough to see us through.

We are in very bad shape—

At Grand Island—

but I understand that Mead is in worse shape than we are, and I understand that at Hastings they are just going to have to quit feeding their civilians unless they can get help.

At the present time all that we have been able to get is beef, and we have been getting that from little local packers or slaughterhouses. Now, of course, they have put these little places on a basis that they cannot furnish as much any more. The beef is forced over to the major packers.

Those of us in the Senate who took an interest in the O. P. A. order said it would drive the slaughterhouses and the small packing plants out of business. We predicted that would happen. Now it has happened, due to the O. P. A. quotas, which, when imposed on the smaller plants, have made it impossible for them to slaughter all types of beef.

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

Mr. WHERRY. I yield to the distinguished Senator from North Dakota.

Mr. LANGER. The Senator remembers, I am sure, that at the time when the O. P. A. order and the meat-packing situation were under consideration, we said that 19 small packing plants had been put out of business by the officials or agency in Washington which had loaned them money. As a matter of fact, the plant I have in mind, located at Grand Forks, N. Dak., had borrowed $150,000 from the R. F. C. It never used $50,000 of that amount. It had paid $19,000 on the principal, had paid all the interest, and had paid all its taxes, including social-security taxes. Yet Mr. Jones demanded every dollar of that money. When he demanded that it be paid back at once, the plant was unable to do so, and it had to close. The Armour Packing Co. paid $260,000 cash for the plant on which Mr. Jones would not let the $81,000 balance of the loan stand.

Every one of those 19 independent plants has been forced out of business. The Government officials should go out there and see the situation at first hand, as I saw it last week in North Dakota, where it is not unusual to see 10,000 or 20,000 bushels of corn piled up on many farms and rotting and spoiling. It is impossible to obtain lumber with which to build corn cribs, and it is impossible to obtain boxcars with which to ship the corn to the elevators. When we made telegraph and telephone inquiries about the possibility of obtaining either boxcars or lumber, as Representative HAROLD HAGEN, of Minnesota, and I did, the answer was that the cars had been snowed in at Buffalo. So we could not obtain either lumber with which to build corn cribs or boxcars with which to haul the corn to the elevators or to help elevators ship the corn to the terminal markets. I agree with the Senator from Nebraska that the situation is one which should not be tolerated by the people of our country.

Mr. WHERRY. I thank the Senator from North Dakota. I understand he has just returned from North Dakota and has first-hand information about the seriousness of the situation.

Mr. LANGER. I reached Washington this morning. The corn is spoiling in every section of the Red River Valley.

Mr. WHERRY. Is it not also true that because of the so-called herd quotas, the smaller plants, which have practically no facilities for keeping cattle of all grades, are required to slaughter the cattle they have, and thus they are put out of business?

Mr. LANGER. Yes; let me also say that some of the smaller plants which cannot possibly comply with the O. P. A. rules are being put out of business.

Mr. WHERRY. And is it not also true that when the major or larger packing plants buy the smaller plants, they are entitled to allocate that beef, and they sell it to their own customers, instead of taking care of the retailers who formerly bought the beef from the smaller packers?

Mr. LANGER. Of course, it is true.

VISIT OF THE QUIZ KIDS TO THE SENATE

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

Mr. WHERRY. I yield to the distinguished senior Senator from Illinois.

Mr. LUCAS. I have asked the Senator to yield to me for a very important reason. Mr. President, there is in the gallery at this moment a very distinguished group of young people of our country. I doubt if we could find a more brilliant, charming, and unique group of youngsters anywhere in the world. We have a lot of "quiz" folks on the floor of the Senate, but today the Quiz Kids are in the gallery as guests of the Senate. Will the Quiz Kids please stand so that my colleagues and those in the gallery may see them?

(Thereupon the Quiz Kids rose from their seats in the gallery, and were applauded by the Senate.)

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

Mr. WHERRY. I yield to the distinguished senior Senator from Kentucky.

Mr. BARKLEY. It was my pleasure to have occasion to refer to the Quiz Kids approximately a year ago, and when I finally met them I found them as charming as they are brilliant and well-informed. I listen to them nearly every Sunday night when I am able to do so, and I always enjoy, with great humiliation, the knowledge they display in answering questions.

They are to be in Washington on Sunday night, I believe, in their regular Sunday night performance, and they are to be pitted against four Senators, so I understand, in a contest between the celebrated Quiz Kids and the four Senators. All I have to say is, may God have mercy on the souls of the Senators who will take part. [Laughter.]

Mr. HATCH. Mr. President, may I say "Amen." [Laughter.]

Mr. BARKLEY. I think the Senator from New Mexico is to be one of the victims. [Laughter.]

I join in the greetings which we extend to these fine young Americans, and I congratulate them upon their achievement. I suppose I may be guilty of some disloyalty if I say that I wish them success next Sunday night. [Laughter.]

Mr. WHERRY. Mr. President, I too, wish to join in the very complimentary remarks of the senior Senator from Illinois and the distinguished majority leader, the senior Senator from Kentucky. Since the Quiz Kids are in the gallery, I might ask them the $64 question: Why is it that if we have 83,000,000 cattle in the United States and if we also have more corn than we have ever had before, we cannot get plenty of beef for everybody? I should like to have them answer the question, if they will. It seems that the Senate cannot get the job done. [Laughter.]

DOMESTIC SUPPLIES OF MEAT AND FOODSTUFFS

Mr. REED. Mr. President——

Mr. WHERRY. I yield.

Mr. REED. Before we leave the matter which has been under discussion, I wish to say to the Senator from North Dakota that there is no overestimating the difficulty caused to railroad transportation by the recent storms in the Northeast. Today there is probably the most serious dislocation in the supply of boxcars we have ever had. Sixty thousand empty boxcars, in addition to the normal flow of loaded cars westward, will be required in order to relieve our situation. For the past 3 days empty cars have been traveling west through Chicago and St. Louis at the rate of approximately 1,200 empty cars a day, in addition to the regular loaded movement.

In taking into consideration the limited facilities at their disposal, and the tremendous demand being made

upon their equipment, I believe that the railroads are doing all they can do. I believe there is hope for an improvement in the present situation.

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

Mr. WHERRY. I yield.

Mr. LANGER. Day before yesterday I talked with the vice president of the Great Northern Railroad. I begged him for cars to be sent from St. Paul to North Dakota. I told him that we would accept the cars at any place; on small sidings, or at any other points along the road, just so long as we could save the produce which is now being spoiled. I was told by him that there was absolutely no prospect of anything being done for us for at least 10 days.

Mr. REED. Mr. President, the Great Northern Railroad happens to be in the most unfortunate situation with regard to available boxcars of any railroad in the country. I believe that within 10 days, however, the Great Northern situation will be immeasurably relieved.

Mr. WHERRY. Mr. President, I am about to conclude my remarks. I should like to have the members of the Mead committee listen to what I have to say.

In the statement which I made in connection with the subject of cattle, I possibly used an incorrect figure. I may have used the figure of 84,000,000. It should have been 83,000,000.

The information which I was quoting continues as follows:

> At the present time all that we have been able to get is beef, and we have been getting that from little local packers or slaughterhouses. Now, of course, they have put those little places on a basis where they cannot furnish as much any more. Beef is forced over to the major packers. Insofar as the major packers are concerned, we can hardly get anything from them. The civilian merchandise which they get naturally—I say naturally—goes to their old-time customers and we just get a little hand-out.
>
> The corn-husker plant at the present time has approximately 700 people living in the area.
>
> They are producing shells for our soldiers overseas.
>
> In other words, if we do not do anything else, we have to feed that 700.
>
> That is in a town of 25,000.
>
> Now, of course, the Army has insisted that we feed one hot meal a day to everyone working on the line. Unless we get the relief very soon, we are going to have to discontinue that.
>
> He means meat in the meal.
>
> In regard to those living in the dormitories, we have had to cut out a goodly portion of our breakfast. We have no ham. We have no bacon. We have no sausage. We were within 1 day of being out of lard and we would have had to stop baking entirely. We finally got a large shipment of lard from the Army through the quartermasters. Otherwise, we would have been entirely out.
>
> We have been in touch with quartermasters at Chicago, Kansas City, and also with Ordnance at St. Louis in regard to the pork proposition, and they just tell us they cannot do anything for us, that they cannot give us any rights to purchase. We have talked with about every agency that we can think of and we are not getting anywhere.
>
> People out here in Nebraska would be willing to forego anything if they felt that it was going to our armed forces, but I think they are getting sick and tired of feeling that it is going to other nations, and we can't even get enough to serve meals.

As was clearly brought out on yesterday by the distinguished junior Senator from Mississippi, a part of our food supply which should be going to our farmers to help produce food is used by war workers to help produce the equipment which we must have in order to win the war.

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

Mr. WHERRY. I yield.

Mr. MEAD. The Senator from Nebraska stated that he wished the Mead committee would look into this subject. I may say that for nearly a year the committee has been making studies of the subject, and we are now bringing those studies to a point where we are ready to approach the stage of public hearings. I will see that the discussion which has taken place this morning on the subject is brought to the attention of the committee.

Mr. WHERRY. I thank the Senator from New York for his statement. I hope that something will be done which will result in rectifying the situation which I am assured will become acute unless it is remedied in some manner.

Mr. MEAD. I made a rather hasty check-up of the situation at Buffalo, and ascertained that approximately 17 vessels at Buffalo are loaded with cargoes of grain which must be unloaded before the vessels can be reconditioned for use during the coming summer. The elevators there, as well as other elevators in the West and the Midwest, are loaded to capacity. Unless something is done to improve the situation there will be a slow-down in the transportation of necessary foodstuffs, and the problem will be greatly aggravated. I hope that something will be done of a constructive nature.

Mr. SHIPSTEAD rose.

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. WHERRY. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I wish to call to the Senator's attention the situation in connection with the shortage of pork throughout the United States. The shortage was anticipated a year ago. The farmers had so much trouble in marketing their hogs and obtaining adequate prices for them that they felt they could not maintain the same rate of production this year that they maintained last year.

Mr. WHERRY. I may say that the Senator from Minnesota is one of the Members of the Senate who has helped us do all that could be done, and I wish to thank him for his contribution.

Mr. SHIPSTEAD. Whatever I did was done under the promptings of the Senator from Nebraska.

Mr. WHERRY. I thank the Senator.

Mr. HICKENLOOPER. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield to the Senator from Iowa.

Mr. HICKENLOOPER. Does not the Senator think that the agricultural situation and the food situation at the present time are due directly to the failure of those who planned for the war effort to give full credit to agriculture as a necessary part of the war effort?

Mr. WHERRY. I do not think there is any doubt about it.

Mr. HICKENLOOPER. Does not the Senator think there has been a failure in the past 2 or 3 years to credit agriculture in the production of food as an equal partner in winning the war?

Mr. WHERRY. I agree with the junior Senator from Iowa wholeheartedly, and I want to thank him for the contribution.

Let me say further, Mr. President, that this resolution endeavors to correlate all the activities within the Department of Agriculture, the War Food Administration and the O. P. A., so that they may have some sort of organized program in the production, distribution, and sale of food products.

Mr. HICKENLOOPER. Does not the Senator think we will never solve the food problem and the production, which is back of the food situation, until we do put it on that basis?

Mr. WHERRY. I agree with the Senator.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WHERRY. If the Senator desires to refer to the food situation, I yield to him.

Mr. O'MAHONEY. I do.

Mr. WHERRY. Very well, sir.

Mr. O'MAHONEY. I rise merely to state to those who have been discussing the food situation and who like to criticize what has been done, that as I have seen the agricultural situation develop, there has never been a time when the Department of Agriculture and the War Food Administration have not completely recognized the importance of agriculture and the great significance of the effort which it has made to produce food for the war.

I should like to add that there have been great difficulties. I have never hesitated to criticize the O. P. A. for some of its mistaken administrative procedures, and I have made suggestions to the War Food Administration, but I do not believe, Mr. President, that it would be possible anywhere to find a man more competent than Judge Marvin Jones, the head of the War Food Administration, to protect the interests of agriculture. He was formerly chairman of the House Committee on Agriculture, and, in his capacity as chairman of that committee, he demonstrated not only his sympathy for agriculture but also a great ability to fight for the interests of agriculture.

Sometimes, Mr. President, I think we are inclined to minimize the difficulties which are involved in the tremendous organization that is necessary to carry on the war. We created the O. P. A., an utterly new agency, and of course it made a great many mistakes. It did things which never should have been done and it omitted to do things which should have been done. There can be no question about that; but I have observed over and over again that every mistake makes a headline while constructive achievements are usually buried in the want ads.

Mr. WHERRY. Mr. President, is the Senator through? I thought he was going to ask me a question. If not, and he wishes to make an observation, it is all right, and I shall yield to him further.

Mr. O'MAHONEY. I have trespassed upon the Senator's time merely to make these observations. Of course, I could take the floor. I feel, however, that we ought to give consideration to the tremendous task that is borne by the men who have to do the job. The organizations have been created without regard to political affiliations. There are men in the War Food Administration and in the Department of Agriculture who are civil-service employees of the Government of the United States. They work diligently and efficiently and despite the mistakes which may be made, in view of the difficulties which are involved, I think we should not fail to give them some credit. I thank the Senator.

Mr. WHERRY. Now, Mr. President, I wish to conclude with a few remarks in answer to the very distinguished Senator from Wyoming, who I will say, has been as cooperative with the midwestern Senators in our problems with regard to livestock and feed as any other Senator on this floor.

Mr. O'MAHONEY. I thank the Senator from Nebraska.

Mr. WHERRY. I thank the Senator from Wyoming for his interest in the subject. Of course, I do not blame him for coming to the defense of these agencies. I understood him to say that he did not know of an instance of any difficulty occurring. Let me refer to one or two. Does not the Senator remember the egg situation? A ceiling price was fixed on eggs, and there were produced so many more eggs than the Agriculture Department had anticipated that they did not know what in the world to do with them, and the price was allowed to go down to 11 cents a dozen in Nebraska, when the minimum price was 28 cents a dozen. Eggs were shipped from New England to Iowa and from Iowa back to New England, to be given away to different institutions because the producers did not know what to do with the eggs.

Here is another example: Recently the senior Senator from Wyoming and 17 or 21 Senators called on Judge Vinson to talk with him about a ceiling price on cattle. It will be remembered that the O. P. A. organization was for a ceiling, while the War Food Administration was against a ceiling. They did not have a unified program. They were told that if a ceiling of 18 cents a pound was fixed cattle would go back to the feed lots.

Through the efforts of the distinguished Senator, Judge Vinson did increase the ceiling price 50 cents a hundred pounds. I have the greatest of faith in Mr. Reed, of the War Food Administration, who apparently handles such matters. I think he is one of the most capable men I have ever met.

Mr. O'MAHONEY. I am very glad to hear the Senator say that.

Mr. WHERRY. I said in the presence of the Administrator that if they would follow Harry Reed's judgment we would probably get some place. Mr. Reed said unless they broadened the feeding ratio and put the ceiling up it would not make much difference what the ceiling was, so far as getting cattle back to the feed lots was concerned.

I want to say to the distinguished Senator that that afternoon they wanted facts and figures. In the past 3 days the senior Senator from Kansas has received a letter. One firm sent seven carloads of cattle to the Kansas City market. They were AA cattle, white-faced steers, weighing 1,088 pounds, the best kind of cattle that a man could put his money in. They cost $13 a hundred and when they sold they did not average $16. The very difficulty pointed out by Mr. Reed was experienced by the cattle feeders throughout the country, because of the ceiling price paid for AA cattle.

That is another illustration of what follows when two departments or agencies fail to work together. If we had a correlated department, probably the War Food Administration and the production end of the administration would act together and have a unified program.

I should like to say further to the distinguished Senator that I rose to compliment the Administration for setting up this food committee to throw protection around the exportation of our foods. I thought it was a fine thing, that it was a recognition by the Administration of the things for which we have been fighting in Congress, and that it should increase not only our protection, but also help prevent the exportation of all our foods to foreign countries.

Mr. O'MAHONEY and Mr. SHIPSTEAD addressed the Chair.

The PRESIDING OFFICER (Mr. TAYLOR in the chair). Does the Senator from Nebraska yield; and, if so, to whom?

Mr. WHERRY. I yield to the senior Senator from Wyoming.

Mr. O'MAHONEY. I am very happy to hear what the Senator has just said. Let me add that I have reason to believe that there will be some announcements in the very near future which will improve the situation another little bit. I have been working with the O. P. A. and with the War Food Administration, particularly on the problem of stocker and feeder cattle, so that they may be marketed in the customary manner.

Let me say to the Senator from Nebraska that this morning in the Committee on Appropriations a witness appeared from the Commodity Credit Corporation who testified with respect to eggs. His testimony, as I recall—and the Senator from Tennessee will correct me if I am wrong—was to the effect that some $63,000,000 were expended by the Commodity Credit Corporation for the purpose of supporting the price of eggs. The price would have fallen in all parts of the country, as well as in Nebraska, to 10, 11, or 15 cents. As a result of the manner in which the egg situation was handled, the Government will not lose more than five or six million dollars, as compared with a loss to the farmers of the country, if Congress had not asked for the support price and insisted upon it, which would have been counted in the hundreds of millions of dollars.

There is more than one aspect of this question, and I am happy that the Senator from Nebraska found time this morning to compliment the agencies for at least part of their work.

Mr. WHERRY. Mr. President, I take no exception to the commodity loans which have been made. I think the policy dates away back many years, and I am for that policy, I think it is fine, it helps to stabilize prices, but I merely drew the attention of the Senate to some of the experiences we have had with the production of eggs, milk, and feeder cattle, more than cattle from the ranges, because we have to buy these cattle and feed them, and when we have to buy them on too narrow a margin because of O. P. A. price ceilings, we just do not come out.

I did not get an opportunity to complete my remarks about steers, but I say to the senior Senator from Wyoming that on the cattle they fed the feeders did not make any money, but lost money, and if the O. P. A. continues the ceiling as it is today, it will be found that there will be less cattle going back into the feed lots than there are at this time.

Mr. O'MAHONEY. Mr. President, as one of the representatives from a cattle-raising State, it has always been my effort to sustain the feeder price.

Mr. SHIPSTEAD. Will the Senator from Nebraska yield?

Mr. WHERRY. I yield.

Mr. SHIPSTEAD. I merely wish to call attention to the fact that since I have observed the Senator from Wyoming perform here in the Senate, I have noticed he has always taken good care of the stockers and feeders raised in Wyoming.

Mr. O'MAHONEY. I thank the Senator very much.

Mr. REED. Will the Senator from Nebraska yield to me?

Mr. WHERRY. I yield to the Senator from Kansas.

Mr. REED. The Senator from Nebraska, the Senator from Wyoming, and other Senators who were present at a conference held in the Senate Office Building last year, will recall that the War Food Administration advised the O. P. A. strongly against the action it took in establishing a ceiling upon live beef animals.

Mr. WHERRY. The Senator is correct.

Mr. REED. The War Food Administration, in the hearing of the Senator from Nebraska and myself, as well as a dozen or 15 others, then advised the O. P. A. that there was a severe shortage of pork, amounting at that time, as estimated, to about 28 percent, which has been increased to about 32 or 33 percent, and that the only way the deficiency in meat could be overcome was by feeding beef animals in the feed lots to heavier weights. The War Food Administration told the O. P. A. that if it followed the policy it intended to follow, and is following, instead of feeding beef animals out to heavier weights, there would be a tendency to empty the feed lots, and the Senator from Nebraska knows that that is happening now.

I happen to keep a daily record in my office of the movement of beef cattle through the 12 principal markets, and today, and through this period, the beef

cattle are being marketed through the feed lots at lighter weights instead of heavier weights, at lighter weights because the feeders, being faced with probable losses, are liquidating their cattle at any time they can escape with the smallest loss.

I wanted to rehearse the history of this matter, because here was the War Food Administration definitely warning the O. P. A. against the very thing that is taking place at this time.

Mr. LANGER. Mr. President——

Mr. WHERRY. Mr. President, I shall yield the floor in a moment, but I wish to say that there has just been brought to my attention by the distinguished senior Senator from Iowa [Mr. WILSON], who also has taken a great interest in all these meetings, and was especially active in the egg-production program last April and March, a fact relative to the different grading of eggs. If I am correct, there are 13 grades of eggs. In this morning's mail I received a mimeographed announcement 7 pages long, which sets out 36 different kinds of eggs. How in the world can a man producing eggs know what the price will be in the market place if there are 36 different kinds of eggs?

I ask unanimous consent to have this announcement printed in the RECORD at this point.

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

UNITED STATES STANDARDS FOR QUALITY FOR INDIVIDUAL SHELL EGGS—ORDER OF PROMULGATION OF STANDARDS

By virtue of the authority vested in the Secretary of Agriculture by the provision in the act of Congress entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1943, and for other purposes," approved July 22, 1942 (56 Stat. 664) reading in part as follows: "For acquiring and diffusing among the people of the United States useful information relative to the standardization, classification, grading, preparation for market, handling, and marketing of farm and food products, including the demonstration and promotion of the use of uniform standards of classification of American farm and food products throughout the world," the following standards are promulgated as "Official United States Standards for Quality of Individual Shell Eggs," to be employed for the grading and certification of shell eggs by official graders of the United States Department of Agriculture, and to be in force and effect on January 2, 1943, and thereafter as long as Congress shall provide the necessary authority therefor, unless amended or superseded by standards hereafter prescribed and promulgated. These standards shall supersede all standards for quality of individual shell eggs previously promulgated under such authority.

SPECIFICATIONS FOR OFFICIAL UNITED STATES STANDARDS FOR QUALITY OF INDIVIDUAL SHELL EGGS

(1) United States standards for quality of individual eggs with clean unbroken shells.

United States standards for quality of individual eggs with clean unbroken shells shall be as follows:

U. S. grade AA: The shell must be clean, unbroken, and normal. The air cell must not exceed one-eighth inch in depth and may be regular or slightly wavy. The yolk outline may be slightly defined. The yolk must be free from defects or blemishes visible before the candle. The white must be clear and firm.

U. S. grade A: The shell must be clean unbroken, and normal. The air cell must not exceed two-eighths inch in depth and may be regular or slightly wavy. The yolk outline may be fairly well defined. The yolk must be practically free from defects or blemishes visible before the candle. The white must be clear and reasonably firm.

U. S. grade B: The shell must be clean and unbroken, but may be slightly abnormal. The air cell must not exceed three-eighths inch in depth and may show total movement not in excess of three-eighths inch. If the air cell is small (not over two-eighths inch in depth), it may be free. The yolk outline may be well defined. The yolk may show definite but not serious defects visible before the candle. The white must be clear but may be slightly weak.

U. S. grade C: The shell must be clean and unbroken but may be abnormal. The air cell may be over three-eighths inch in depth and may be bubbly or free. The yolk may be plainly visible and appear dark. The yolk may show clearly visible germ development, but no blood due to such development. It may show other defects that do not render the egg inedible. The white may be weak and watery. Small meat spots or blood clots may be present.

(2) United States standards for quality of individual eggs with dirty unbroken shells.

United States standards for quality of individual eggs with soiled, stained, or dirty shells shall be as follows:

U. S. light dirty: Individual egg that has not more than one-eighth of the shell surface slightly stained, slightly soiled, or slightly dirty, but without loose adhering dirt and of the interior quality of U. S. grade B or better shall be classed as U. S. light dirty.

U. S. dirty: Individual egg with more than one-eighth of the shell surface stained, soiled, or dirty, or with less than one-eighth of the shell surface stained, soiled, or dirty to such an extent that it is more than slightly stained, slightly soiled, or slightly dirty, or any egg with slightly stained, slightly soiled, or slightly dirty shell and of the interior quality of U. S. grade C shall be classed as U. S. dirty.

(3) United States standards for quality of individual eggs with checked or cracked shells.

United States standards for quality of individual eggs with checked or cracked shells shall be as follows:

U. S. check: Individual egg with either clean or dirty shell that has an open crack or break in the shell but with the shell membrane unbroken and with no leakage of the shell contents shall be classed as U. S. check.

U. S. leaker: Individual egg with either clean or dirty shell that has an open crack or break in the shell and shell membrane and with the contents exuding or free to exude through the shell shall be classed as U. S. leaker.

EXPLANATION OF TERMS

The official United States standards for quality of individual shell eggs are applicable to eggs that are the product of the domestic chicken hen and are in the shell.

Terms descriptive of shell

1. Clean: A clean shell is one that is free from foreign matter and from stains or discolorations that are readily visible. Eggs with only very small specks or stains may be considered clean, if such eggs are not present in sufficient number in a package to detract appreciably from its appearance. Eggs that show traces of processing oil on the shell are considered clean when classified as processed or shell treated, unless the shell is otherwise soiled.

2. Light dirty: A light dirty shell is one that shows slightly stained or slighty soiled areas that are readily visible but without adhering dirt that could be readily detached and that do not affect more than one-eighth of the shell surface.

3. Dirty: A dirty shell is one that has stained, soiled, or dirty spots of considerable size that may affect more than one-eighth of the shell surface or that has less than one-eighth of the shell surface stained, soiled, or dirty to such an extent that it is more than slightly stained, slightly soiled, or slightly dirty.

4. Unbroken: An unbroken shell is one that is free from actual checks or breaks.

5. Checked or cracked: A checked or cracked shell is one that has an actual break in the shell but where the shell membrane is unbroken and there is no exuding of contents from the egg.

6. Leaker: A leaker is an egg in which the shell and shell membrane are broken to the extent that the egg contents are exuding or are free to exude through the shell.

7. Normal: A normal shell is one that approximates the usual shape and that is of good, even texture and strength and free from distinct ridges, rough areas, thin spots, or other conditions not common to good shells. Slight ridges and rough areas that do not affect materially the shape, texture, and strength of the shell are permitted.

8. Slightly abnormal: A slightly abnormal shell is one that may be somewhat unusual in shape or that may be somewhat faulty in texture or strength. It may also show distinct but not pronounced ridges, thin spots, or rough areas.

9. Abnormal: An abnormal shell is one that may be decidedly misshapen or that may be decidedly faulty in texture or strength or that may show pronounced ridges, rough spots, or other defects.

10. Depth of air cell: The depth of the air cell, when in its natural position, is the distance from the large end of the egg to the plane passing through the egg at the point where the lower air-cell membrane touches the shell.

11. Regular: A regular air cell is one that retains a fixed position in the egg and that shows a practically even, smooth outline without any movement when the egg is twirled.

12. Slightly wavy: A slightly wavy air cell is one that retains a practically fixed position in the egg, but shows a slight movement, not to exceed one-eighth inch at any one point where its lower shell membrane touches the shell.

13. Movement not in excess of three-eighths inch: An air cell that shows a total movement not in excess of three-eighths inch from the line where its lower shell membrane touches the shell.

14. Bubbly air cell: A bubbly air cell is one that has several rather small bubbles within or beneath it, that give it a bubbly appearance.

15. Free air cell: A free air cell is one that moves freely about in the egg. Such an air cell will seek the uppermost point in the egg, no matter in what position the egg may be held.

Terms descriptive of the yolk

16. Outline slightly defined: A yolk, the outline of which, when viewed before the candle, is indistinctly indicated and tends to blend into the surrounding white.

17. Outline fairly well defined: A yolk, the outline of which, when viewed before the candle, is discernible but that has not become definite and distinct.

18. Outline well defined: A yolk, the outline of which, when viewed before the candle, is quite definite and distinct.

19. Plainly visible: A plainly visible yolk is one that has a definitely discernible outline before the candle and that may appear dark.

20. Free from defects or blemishes visible before the candle: A yolk that, when viewed before the candle, shows no spots or areas on its surface indicating the presence of germ development or other defects or blemishes.

21. Practically free from defects and blemishes visible before the candle: A yolk that, when viewed before the candle, may show

very slight blemishes within the yolk shadow.

22. Definite but not serious defects visible before the candle: A yolk that may show definite spots or areas on its surface, when viewed before the candle, indicative of defects but with no definite indication of germ development or other pronounced or serious defects or blemishes.

23. Other serious defects: A yolk that shows well developed spots or areas of a character that constitute serious defects or blemishes but do not render the egg inedible.

24. Clearly visible germ development: A development of the germ spot on the yolk of a fertile egg that has progressed to a point where it is plainly visible before the candle, as a rather definite, deeper colored circular area, or as a distant spot on the yolk, with no blood in evidence.

25. Blood due to germ development: Blood caused by development of the germ in a fertile egg to the point where it is visible before the candle. Such eggs are classified as inedible.

26. Blood clots (blood not due to germ development): Spots or clots of blood usually on the surface of the yolk but sometimes floating in the white. If they are small (not over one-eighth inch in diameter), the eggs may be classed as United States grade C. If larger and/or showing a diffusion of blood in the white surrounding them, the eggs should be classified as inedible.

Terms descriptive of the white

27. Clear: A clear white is one that is free from discoloration or from any foreign bodies floating in it. Prominent chalazae should not be confused with foreign bodies, such as meat spots or blood clots.

28. Firm: A firm white is one that is sufficiently thick or viscous to permit but limited movement of the yolk from the center of the egg when it is twirled. A firm white should have a consistency not lower than the white shown in No. 2 of the Van Wagenen Chart of Broken-out Eggs.

29. Reasonably firm: A reasonably firm white is one that has a reasonably good viscous condition but not as strong a condition as a firm white. A reasonably firm white permits the yolk to move somewhat more freely from its normal position in the center of the egg and thus to approach the shell more closely when the egg is twirled. A reasonably firm white may, therefore, cause the outline of the yolk to be fairly well defined. A reasonably firm white should have a consistency not lower than the white shown in No. 3 of the Van Wagenen chart of broken-out eggs.

30. Slightly weak: A slightly weak white is one that has lost its firm or even its reasonably firm condition, has become less viscous and is not as clearly differentiated from the thin white when the egg is broken out. It should have a consistency not lower than the white shown in No. 4 of the Van Wagenen chart of broken-out eggs.

31. Weak and watery: A weak and watery white is one that is thin and generally lacking in viscosity and that, therefore, permits the yolk to move freely from its normal position in the center of the egg and to approach the shell closely when the egg is twirled. It may have a consistency lower than the white shown in No. 4 of the Van Wagenen chart of broken-out eggs.

32. Small blood clots or small meat spots: Spots or clots of blood usually on the surface of the yolk but sometimes floating in the white. These blood clots may have lost their characteristic red color and appear as small spots of foreign material commonly referred to as meat spots. Such blood clots or meat spots are incorporated in the egg during its formation as, or after, the yolk leaves the ovary. Such blood spots are not due to germ development.

33. Bloody White: An egg, the white of which has blood diffused more or less generally through it. Such a condition may be present in new-laid eggs. Eggs with bloody whites are classed as inedible.

General terms

34. No grade: Eggs of possible edible quality that fail to meet the requirements of an Official or Tentative United States Grade or that have been contaminated by smoke, chemicals, or other foreign material that has seriously affected the character, appearance, or flavor of the eggs are classed as "No Grade."

35. Loss: Eggs that are inedible, smashed, contaminated, or containing bloody whites, large blood spots or large or unsightly meat spots, or other extraneous or foreign material are classed as "Loss."

36. Inedible eggs: Under the Federal Food, Drug, and Cosmetic Act, eggs that are filthy, putrid, or decomposed, or otherwise unfit for food in whole or in part are adulterated. Eggs of the following descriptions are classed as inedible: Black rots, white rots, mixed rots (addled eggs), sour eggs, eggs with green whites, eggs with stuck yolks, moldy eggs, musty eggs, eggs showing bloody rings, eggs containing embryo chicks (at or beyond the blood ring state) and any other eggs that are filthy, decomposed, or putrid.

Done at Washington, D. C., this 2d day of January 1943. Witness my hand and the seal of the Department of Agriculture.

PAUL H. APPLEBY,
Under Secretary of Agriculture.

Summary of United States standards for quality of individual shell eggs

[Figures in parentheses refer to paragraph number of explanation of terms on pp. 2 to 6]

Quality factor	Specifications for each quality factor							
	U. S. grade AA	U. S. grade A	U. S. grade B	U. S. grade C	U. S. light dirty	U. S. dirty	U. S. check	U. S. leaker
Shell	Clean (1), unbroken (4), normal (7).	Clean (1), unbroken (4), normal (7).	Clean (1), unbroken (4), may be slightly abnormal (8)	Clean (1), unbroken (4), may be abnormal (9).	Unbroken (4), may have light dirty condition (2).	Unbroken (4), may have dirty condition (3).	Clean (1), or dirty condition (2 and 3), cracked but not leaking (5).	Clean (1), or dirty condition (2 and 3), may be cracked and leaking (6).
Air cell	1/8 inch or less in depth (10), regular (11) or slightly wavy (12).	3/16 inch or less in depth (10), regular (11) or slightly wavy (12).	3/16 inch or less in depth (10), may show total movement not over 3/16 inch (13), if small (not over 3/16 inch) may be free (15).	May be over 3/16 inch in depth (10), may be bubbly or free (14).	Same as U. S. grade B.	Same as U. S. grade C.	Same as U. S. grade C.	Same as U. S. grade C.
Yolk	Outline slightly defined (16), free from defects or blemishes (20).	Outline fairly well defined (17), practically free from defects or blemishes (21).	Outline well defined (18), may show definite but not serious defects (22).	May be plainly visible (19), may appear dark (19), may show clearly visible germ development (24) but no blood due to such development, may show defects that do not render it inedible (23).	do	do	do	Do.
White	Clear (27), firm (28).	Clear (27) Reasonably firm (29).	Clear (27), may be slightly weak (30).	Clear (27), may be weak and watery (31), small meat spots or small blood clots may be present (32).				

Mr. SHIPSTEAD. Mr. President, that gives an opportunity for 38 different prices.

Mr. WHERRY. Certainly. That is the difficulty with all these regulations. A man goes out to buy a drove of cattle today, and in the drove there are, let us say, 60 head of steers, 30 head of heifers, three or four cows, and two or three bulls. He has to buy 50 percent fat cattle and 50 percent utility cattle, and the man who goes out to buy them does not know how to grade them. If he does not grade them correctly and is found guilty, he is subject to a fine of $10,000 and a year in the penitentiary.

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

Mr. WHERRY. I yield.

Mr. McMAHON. As I understood the Senator, he stated he thought our planned economy was responsible for some of the agricultural difficulties we are now having. Did I understand the Senator correctly to state that he approved the egg-production program?

Mr. WHERRY. It may be feasible for the Agriculture Department to set up production programs, but if they do, those programs should be in coordination with the War Food Administration, and also correlated with the activities of the Office of Price Administration. But in the egg program one did not know what the other had done, and as a result a surplus of egg production and poultry resulted. The price for them was not maintained; so the farmers lost on the investment they made when they started to produce poultry, and also eggs.

Mr. McMAHON. At least the egg-production program was the result of a

planned situation brought about by the Agriculture Department?

Mr. WHERRY. The price was up a year ago, but now it is down. The same is true as to hogs. A minimum of $12.75 in Chicago was guaranteed. The raisers produced 133,000,000 hogs in 1943. This year that is off, it is about 88,000,000. I have not figured it out exactly.

Mr. McMAHON. Does the Senator approve the egg-production program as it was developed by the Department?

Mr. WHERRY. I think the answer to all this inflation, and all this dire need about which everyone is hearing at the meat counter, is to have abundant production. If we develop abundant production, it will do more to correct inflation, it will do more to lower prices, than all the legislation we write on the statute books.

Mr. McMAHON. Does the Senator feel that he has answered my question?

Mr. WHERRY. Yes; I think the answer is to obtain production.

I yield the floor, Mr. President.

ADJUSTMENT OF CHEESE PRICES

Mr. WILEY. Mr. President, for years the State of Wisconsin has been producing more than half the Nation's cheese in its many small factories which are independently owned and operated.

Recent alarming developments, however, impel me to ask:

Is there an attempt or plan on foot to destroy that independent ownership and transfer control of the State's cheese production to a few large dairy companies? And is this being accomplished under the guise of winning the war through discriminatory provisions in O. P. A. orders?

In answer to these questions, let us examine the record and let the facts speak for themselves.

In 1941, at the beginning of this war, Wisconsin had more than 2,000 cheese factories. In 1943 it had about 1,800. Today, it has less than 1,700. Of the present 1,700, about 200 have been leased or sold to 2 or the major dairy companies during the past year. Some have been closed or sold because of the induction of the owner or of necessary and irreplaceable help.

Early in this war, Government procurement agencies recognized the nutritional value of cheese. They therefore placed it high on the honor roll of foods and ordered a percentage of all Cheddar cheese set aside for the Government. That percentage has varied from 25 percent in the months of low production to as high as 70 percent in the months of high production, averaging about 45 to 50 percent of the annual Cheddar production of the Nation.

In order to secure increased production of cheese, a subsidy of 3¾ cents per pound was granted. Later, a feed subsidy, which varied in amount in different States or sections, was established in order to increase milk production. The Nation's cheese industry responded with an increase in production from less than 700,000,000 pounds to more than 1,000,000,000 pounds of cheese in 1943 and 1944. These figures include all types and varieties.

With this background let us explore the specific well-justified grounds for the complaints of the Nation's cheese makers.

1. COMPLAINT RELATING TO COLBY CHEESE

O. P. A. Maximum Price Regulation 280 froze cheese prices at a ceiling based on the seller's highest sale price during the base period, September 28 to October 2, 1942, both dates inclusive.

Early in December 1942 a subsidy of 3¾ cents per pound was granted Cheddar cheese. On Christmas Eve 1942, MPR 289 was issued, establishing dollar-and-cent ceilings on Cheddar cheese.

Believing that the new Cheddar dollar-and-cent price was a little too high, O. P. A. granted a 3-cent per pound increase to all foreign-type cheese about a month later. The cheese defined in this amendment included Colby cheese, a type commonly made in large quantities in Cheddar factories.

It was soon discovered that this increase would permit a factory that switched to Cheddar for the 3¾-cent subsidy could now pay its farmers more by going back to Colby cheese for the 3-cent increase over its base period price.

This prompted another amendment that excluded Colby cheese from the earlier 3-cent increase. The natural result was that Colby cheese was priced off the market. You cannot make a process Colby cheese with the characteristics recognized by the consumer.

This type of cheese was originated at Colby, Wis., enjoyed a large trade and was for years made in many of our factories. O. P. A. has priced it off the market. So I ask, Is it an accidental war casualty, or is it the victim of a carefully designed plan, promoted through the assistance of O. P. A. orders?

I say that because our many domestic consumers could still have had Colby cheese if O. P. A. gave it, as it gave other types, a price permitting its profitable manufacture. O. P. A. could easily have accomplished this without defeating necessary objectives.

For example, a Cheddar cheese factory must set aside for the Government 45 percent of the amount manufactured in March. The balance, 55 percent, we will call free cheese. The factory should be permitted to make all or part of the 55 percent into Colby, and to include the Colby with the Cheddar in determining the number of pounds to be set aside. The factory could do that today but for the prohibitive ceiling price.

Thus, complaint No. 1 is that Colby cheese has been priced off the market by O. P. A. Why?

2. COMPLAINT RELATING TO SMALL STYLES

At the time MPR 289 was issued, Wisconsin was producing about 33 percent of its American or Cheddar-type cheese in small styles. Because the price differential was not sufficient to meet the increased cost of manufacture, as compared to large styles, the production of small styles dropped from 33 to about 7 percent in a few months. And there it has remained.

The small styles—Daisies, horns, squares, and loaves of 5 pounds or less, are for the retail-consumer trade as natural cheese. The large styles, twins, flats, and Cheddar (style) are intended principally for processing.

With premium prices for low moisture on large styles only, the natural and human trend followed the price attraction. Thus large styles moved from 67 percent to about 93 percent of Wisconsin's production, within a few months after the ceilings were established. The moisture premium is allowed when selling on the so-called moisture basis according to the table in MPR 289. But here is the joker—if the cheese is sold on the moisture basis, it must be sold to the Government or to a processor. So we know who got what Uncle Sam did not take. Yes; it was produced on a price basis but earmarked when made. If priced right, some small styles could still be made and the factory required to meet the set-aside order.

Thus, complaint No. 2 is that small style Cheddar cheese for retail-consumer trade as natural cheese is priced off the market by O. P. A. Why?

3. COMPLAINT RELATING TO AGED OR CURED CHEDDAR CHEESE

The first step in cheese making is daily converting the milk into curd and then placing the curd into a hoop or mold. This raises the question as to when curd becomes cheese.

An early O. P. A. order refers to aged or cured Cheddar cheese—admitting it is, or at least recognizing it as, a commodity other than young or current made cheese.

M. P. R. 289 places a ceiling on Cheddar cheese with no allowance for aging or curing. Moreover, aging and curing carry such fixed-cost items as storage charges, shrink, insurance, spoilage, and so forth. Therefore, no one is going to incur those costs knowing that he can only sell or resell at a price based on the freshly made cheese, and cannot recover the cost of curing or aging.

This has taken the old familiar and much desired "Cheddar with a flavor" off the market. Try and buy a nice 6-months-old dated natural Cheddar at your local grocer.

Thus, complaint No. 3 is that aged or cured natural Cheddar cheese has been priced off the market by O. P. A. Why?

4. COMPLAINT RELATING TO LIMITATION ORDER

War Food Order No. 92 restricts production of all cheese other than Cheddar, Cottage, Pot, and Bakers' to the quantity produced in the corresponding quarter of 1942.

Under this order, the only persons permitted to produce the restricted types of cheese are those who produced such cheese in 1942.

Manufacturers of foreign-type cheese are, under this order, permitted to shift from one variety to another to take advantage of the price for the variety which is currently highest.

But, the Cheddar factory without any quota in 1942 must continue making Cheddar regardless of the price or must quit entirely.

The "limitation order" is not correctly titled, because as to a factory making other than Cheddar cheese, it is "permission" to make any one of the many foreign types of cheese, while as to the Cheddar factory it is a "prohibi-

tion" against making anything except Cheddar.

If the Cheddar factory operator is denied the right to shift for a price advantage, he should not be compelled to produce under price penalty. Moreover, he should be hardly expected to do so when his is the only type of cheese subsidized and required to be set aside for Government purchase.

Thus, complaint No. 4 is that any industry expected to meet Government production goals and receiving a subsidy for encouragement should not be subjected to discrimination from which there is no escape because of a limitation order.

5. COMPLAINT RELATING TO CONFISCATORY PRICE CEILINGS

The hundreds of small cheese factories in Wisconsin and many other States are not equipped with the facilities and manpower to permit the laboratory control found in the laboratories of the large national cheese companies. Yet the present O. P. A. price order—Revised MPR 289—compels a price cut of about 50 percent if the cheese violates the fat or moisture standard set in the order.

That is not all. If the cheesemaker sells the cheese in good faith, not knowing the fat and moisture until he receives data of a laboratory test from the buyer and later learns that there was a violation, he is now liable to a 300 percent penalty for the overceiling sales.

I shall not describe a small cheese factory in detail—a husband and wife and perhaps a helper working 12 hours or more a day, 7 days a week, 365 days a year—all of them good cheesemakers, but not laboratory technicians. The small owner must try to secure maximum yield, but with a few violations, he is out of business.

That decidedly is wrong. Why? Because the price could be bracketed to reflect the nutritional and sound value of the cheese and yet catch a cheater if there is one. If cheese of 40 percent moisture is worth 26½ cents per pound, I do not believe that cheese with 40.1 percent is worth only 14 cents per pound. Who asked for that type of penalty? Who can justify it?

Thus, complaint No. 5 is that where there is an admitted lack of laboratory control, a tolerance with a price differential should be provided before placing a price penalty of 50 percent on the violation of standard, and a penalty of 300 percent for the resulting overceiling sale.

SUMMARY OF THESE NATION-WIDE COMPLAINTS

The above complaints affect cheese factories in every State in the Union. All of them are developing their cheese industry for two reasons:

First. To give the consumer what he wants and more of it; and

Second. To provide a present and post-war market for the farmers' milk.

Reflect back on these five complaints and ask yourself: Is there a carefully planned program to purge the Nation of the locally owned farmers' milk market? Is it intended to force the small private or cooperative cheese factory out of business under the guise of the necessities of war?

Please remember that everything I have said so far applies to the cheese industry as a whole throughout the Nation.

6. COMPLAINT RELATING TO "PLYMOUTH PLUS"

May I present one additional well-founded complaint in the name of my own State of Wisconsin?

The so-called Plymouth-plus basis of fixing dollar-and-cent ceiling prices for cheese is in direct opposition to historic cheese prices and regional differentials. It unfairly penalizes surplus-producing areas, ignores cheese values, and substitutes a price mechanism that cannot be justified.

The price of Cheddar cheese is 23¼ cents per pound plus a transportation factor, which is 115 percent of the carlot freight rate from Plymouth, Wis., to the point of sale outside of Wisconsin. In other words, Wisconsin cheese is 23¼ cents and all other States are "plus." In actual application it is thus a "Wisconsin minus."

Let us compare the prices at which cheese was sold to the Government before application of the "Plymouth plus" formula and after.

The Department of Agriculture, through the Agricultural Marketing Administration, purchased cheese for lend-lease in May 1942—before "Plymouth plus" applied. The Dairy Products Marketing Association—D. P. M. A.—purchased in August 1943 after the "Plymouth plus" was in effect.

I ask unanimous consent that there be inserted in the RECORD at this point a table which depicts the gross inequities in the actual prices paid at the named points for large style Cheddar cheese. These prices have been reported by the two agencies I have just mentioned.

The purchases in May 1942 were based on a 20¼-cent Wisconsin market. Those in August 1943 were based on a 23¼-cent ceiling under MPR 289 plus transportation allowance by the "Plymouth plus" provision.

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

Table of prices paid f. o. b.

State and point of sale	By A. M. A., May 1942, 20¼-cent market	By D. P. M. A., August 1943, 23¼-cent ceiling	Over Wisconsin	Price
GOING WEST				
Wisconsin: All points	20.25	23.25	------	23.25
Minnesota: Pine Island	20.25	23.25	0.54	23.79
South Dakota: Milbank	20.25	23.25	.87	24.12
Montana: Missoula	----------	23.25	2.19	25.44
Idaho: Pocatello	----------	23.25	2.19	25.44
Oregon:				
Portland	20.25	23.25	2.19	25.44
Tillamook	----------	23.25	2.34	25.59
Washington: Seattle	20.25	23.25	2.19	25.44
California:				
Two Rock	20.25	----------	----------	----------
Oakland	----------	23.25	2.19	25.44
GOING SOUTH				
Wisconsin: All points	20.25	23.25	------	23.25
Iowa:				
Cedar Rapids	----------	23.25	.53	23.78
Des Moines	----------	23.25	.65	23.90

Table of prices paid f. o. b.—Continued

State and point of sale	By A. M. A., May 1942, 20¼-cent market	By D. P. M. A., August 1943, 23¼-cent ceiling	Over Wisconsin	Price
Illinois:				
Petersburg	20.25	23.25	0.47	23.72
Valley City	20.25	23.25	.52	23.77
Missouri:				
Springfield	20.25	23.25	.65	23.90
Aurora	20.25	23.25	.90	24.15
Koskonong	20.25	23.25	1.12	24.37
Kansas: Wichita	20.25	23.25	1.00	24.25
Arkansas: Bentonville	20.25	23.25	1.04	24.29
Texas:				
Round Rock	20.25	23.25	1.46	24.71
Alice	20.25	23.25	1.70	24.95
GOING EAST				
Wisconsin: All points	20.25	23.25	------	23.25
Michigan:				
Escanaba	20.25	23.25	.43	23.68
Detroit	----------	23.25	.55	23.80
Indiana: Warsaw	20.50	23.25	.50	23.75
Ohio:				
Belle Center	20.50	23.25	.60	23.85
Bremen	20.50	23.25	.66	23.91
New York: Lowville	21.25	23.25	.80	24.05
GOING SOUTHEAST				
Tennessee: Nashville	20.25	23.25	.91	24.16
Mississippi: Columbus	----------	23.25	1.16	24.41
Georgia: Atlanta	----------	23.25	1.25	24.50

Mr. WILEY. Mr. President, we are entitled to know two things. First, who was the inventor of the "Plymouth plus"? Second, can this price formula be justified by the O. P. A. official who has the power and authority to amend the order creating it?

Wisconsin has been justly claiming, as proved by the above table, that the "Plymouth plus" formula imposes an unfair, unjustified, and discriminatory price break of about one-half cent per pound of cheese at the State line. For over 2 years the Badger State has asked for an adjustment by a price increase of one-half cent for Wisconsin Cheddar. Recently, we were promised such an adjustment. But nothing definite has resulted.

Well, you may ask, Who may oppose? Both O. P. A. and W. F. A. have a national cheese advisory committee. Both of those committees recommended adjustment of the "Plymouth plus" over a year ago. I know of no member of those committees opposing adjustment of this discriminatory provision, yet nothing has been done to correct it. Nothing has been done to see to it that the Wisconsin farmers are not manhandled and racketeered out of $3,000,000 under this plan.

If either or both of those committees have any authority in guiding the decisions of O. P. A. or W. F. A., then what prevents adjustment of the "Plymouth plus"?

If those committees are only for window dressing, why not save their members the expense of attending the many Washington meetings?

I say this because after a lapse of months those committees were summoned to appear in Washington on January 4 and 5, 1945. But without their knowledge or advice, new cheese orders were published on January 5 and

6, 1945. In the statement of considerations supporting those orders, it was alleged that the amendments were recommended by the industry.

The two committees which I have mentioned never passed upon them, and I am so informed by L. E. Kopitzke, a member who represents the cheesemakers of the Nation. If these committees have no voice they should be discharged. But if they are discharged, we must first be told just who is assisting O. P. A. in drafting these technical cheese orders which are so consistently taking the independently owned factory out of the picture.

I have not mentioned set-aside Cheddar cheese. Senators may know that under the order, as an authorized assembler, one must meet set-aside requirements out of his total receipts in all his assembly plants in the Nation. How is that order working out when coupled with the "Plymouth plus"?

Let us take a particular Green Bay assembler. The company has an assembly plant in Wisconsin and one in Oregon. In 1944, it did not deliver 1 pound of Wisconsin cheese to lend-lease. But, as it had a right to do, it offered its total set-aside requirements out of Oregon. D. P. M. A., which bought for the Government, had to take the cheese at the f. o. b. Oregon price and then ship the cheese to New York for export, paying the freight clear across the Nation. Mind you, this cheese cost the Government—that is, the tax-paying public—at least 5 cents per pound more than it should have cost. Why?

That company could ship its Wisconsin cheese to Oregon after Uncle Sam bought the high-priced Oregon cheese and the company bought the lowest-priced cheese in Wisconsin.

Let us follow through with that example in the case of large operators in Wisconsin and other States.

D. P. M. A. purchase records of Cheddar cheese for the Government show that in 1944, May through December, Wisconsin, making 50 percent of the Nation's Cheddar, furnished only 20 percent to D. P. M. A. for lend-lease. Yet, all the other States, which produce 50 percent, furnished 80 percent. This was in spite of the fact that the manufacture of small styles is increasing in States outside Wisconsin.

The industry of Wisconsin is only asking O. P. A. to make more equitable the price break at the State line. To avoid interference with the dairy price structure, it has been recommended that this be accomplished by either, first, increasing the price one-half cent per pound in Wisconsin; or, second, by increasing the subsidy one-half cent per pound on Wisconsin cheese. During the 2 years that this repeated request has been refused, we have learned of no opposition from other branches of the dairy industry, or from other States. The situation calls for prompt action by the Administrator of O. P. A. or a full and complete justification of his refusal.

All theories which have been advanced in support of the "Plymouth plus" provision have fallen through. Some have been defeated by the very order they were intended to support. For example, Wisconsin cheese can and does move west. Western cheese can and does move east—all the way from Oregon to New York. Wholesalers' margins are not a factor, since 93 percent of the Cheddar does not and cannot move toward the retailer for consumption as natural cheese.

Lastly, I may say that I intend to request a congressional investigation if the Office of Price Administration does not promptly correct these unnecessary provisions and immediately remove from the backs of the Wisconsin milk producers the unjustified $3,000,000 a year penalty of the "Plymouth plus" order.

The continued disruption of the cheese industry of Wisconsin threatens the stability of the dairy industry of the entire Nation. That threat must be eliminated and justice must triumph.

INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 1984) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 50, line 4.

The amendment was agreed to.

The next amendment passed over was, on page 51, line 9, after the word "gloves", to strike out "$4,134,500" and insert "$3,900,000."

Mr. McKELLAR. Mr. President, the Senator from Vermont [Mr. AIKEN] and the Senator from Georgia [Mr. RUSSELL] asked that this amendment be passed over. We had an understanding that it would be satisfactory to me personally to divide the difference. In accordance with that understanding with those two Senators, I offer an amendment to the committee amendment to strike out "$3,900,000" and insert "$4,017,250."

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

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment passed over was, on page 52, line 12, after the word "periodicals", to strike out "$1,065,160" and insert "$1,054,061."

The amendment was agreed to.

The next amendment passed over was, on page 53, line 12, after the word "grounds", to strike out "$583,207" and insert "$549,727."

The amendment was agreed to.

The next amendment passed over was, on page 65, after line 19, to insert:

SEC. 107. No part of any appropriation contained in this act shall be available to pay the salary of any person filling a position formerly held by an employee who has left to enter the armed forces of the United States and has been honorably discharged therefrom and has within 40 days thereafter made application for restoration to his former position and has not been restored thereto.

Mr. McKELLAR. Mr. President, this is an amendment in which the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Rhode Island [Mr. GREEN] are interested. The Senator from Rhode Island submitted the amendment in the committee. Certain amendments to the committee amendment have been suggested which are not objectionable to the committee. The Senator from Wisconsin will describe them.

Mr. LA FOLLETTE. Mr. President, this matter was called to my attention first by Mr. Omar Ketchum, the legislative representative of the Veterans of Foreign Wars. Subsequently it was called to my attention by the representative of the Federal employees' organization of the American Federation of Labor. It is likewise my understanding that the American Legion was concerned about the amendment, although I have not had an opportunity to contact its representatives directly.

As Senators will observe from reading the committee amendment, the point is that in its present form it would cover not only permanent positions in the Federal Government but also temporary positions. The amendment is found on page 65. Senators will also recall that in section 8 of the Selective Training and Service Act, as amended, paragraph (b) reads as follows:

> In the case of any such person who, in order to perform such training and service, has left or leaves a position, other than a temporary position, in the employ of any employer—

And so forth. The concern of the groups and persons I have previously mentioned is to have the amendment apply only to temporary employees.

It has been suggested that the same result can be obtained by inserting, after the word "a", in line 22, the word "permanent."

Mr. McKELLAR. So that it will read "a permanent position."

Mr. LA FOLLETTE. Mr. President, I offer such an amendment to the committee amendment. On page 65, in line 22, after the article "a", insert "permanent", so that the language will read:

> No part of any appropriation contained in this act shall be available to pay the salary of any person filling a permanent position—

And so forth.

Mr. McKELLAR. Mr. President, I ask for a vote on that amendment to the committee amendment. There is no objection to it on my part.

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

Mr. LA FOLLETTE. I yield.

Mr. BRIDGES. How would the Senator from Wisconsin interpret the effect of the amendment he has offered as differentiated from the present language of the committee amendment?

Mr. LA FOLLETTE. The amendment in the bill was reported by the committee. It is not my amendment. As it is now drawn, I understand it would cover not only permanent positions in the Federal Government, but also temporary positions. The amendment I have offered to the committee amendment would limit it to permanent employees.

Mr. BRIDGES. The displacement would occur only in the case of a permanent employee; is that correct?

Mr. LA FOLLETTE. The amendment would abolish a position which is not filled by a returning serviceman who previously held it. As the amendment is now drawn, its effect would fall upon the permanent positions in the service, as well as the temporary ones.

Mr. BRIDGES. I understand.

Mr. LA FOLLETTE. So the amendment I have offered to the committee amendment would confine it to the permanent positions in the Government service, and would make it in conformity with paragraph (b) of section 8 of the Selective Training and Service Act, as amended, so that it would not affect temporary employees.

As I have said, the purpose is to bring the language into conformity with the Selective Training and Service Act, and to continue on the part of the Federal Government the same policy that is imposed upon private employers, and not to have the provision apply to those who are in the temporary service of the Government.

Mr. BRIDGES. In other words, the Senator means, does he not, the temporary service of the Government in the war effort?

Mr. LA FOLLETTE. Yes; I refer to temporary service in the war effort.

I may say in passing that several other suggestions were made regarding additional amendments, but I think they clearly fall under the prohibition of paragraph 4 of rule XVI, and should not be considered, because they go much beyond a pure limitation, which is within the rule.

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

Mr. LA FOLLETTE. I yield.

Mr. BUTLER. Will the Senator explain how it will be determined whether a position is permanent or temporary?

Mr. LA FOLLETTE. My understanding is that there is a very distinct differentiation, and that the temporary employees are classified as being temporary.

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

Mr. LA FOLLETTE. I yield.

Mr. TAFT. Is it not the employee who is temporary, not the position? Should not the language be "filling a position formerly held by a permanent employee"?

Mr. LA FOLLETTE. The language I would insert would be taken from the Selective Training and Service Act. I drew up an amendment to the committee amendment, providing for the insertion of the words "other than a temporary position." But the chairman of the committee suggested insertion of the word "permanent." On first reading, I thought that would accomplish the same result; and since the Senator favored the adoption of such an amendment to the committee amendment, I decided that it would be wise to comply with his suggestion.

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

Mr. LA FOLLETTE. I yield.

Mr. BURTON. In order that I may make sure that I understand the matter clearly, let me state that I believe this amendment is offered in an attempt to make the provisions of the Selective Training and Service Act more enforceable. I understand that if a man who is honorably discharged from the service applies within 40 days thereafter for restoration to his former position, he can get it back, if it was not a temporary one. The pending amendment to the committee amendment is for the purpose of making sure that if such a veteran does apply for his former position, no one who filled that position after he left it could be paid any salary. Therefore, I understand that the amendment would make available to him a way which might not otherwise be open to him. Is that correct?

Mr. LA FOLLETTE. Yes. Furthermore, let me say that it is not the purpose to have positions in the temporary service abolished. Of course, most of those who have been brought into Government service to assist in the war effort have been employed in the temporary service. This provision would not apply to them. My amendment is proposed because it is felt that otherwise the committee amendment would work grave injustices, because the intent was to protect the permanent positions, not the temporary ones.

Let me read a paragraph from Mr. Ketchum's letter:

> Unless this provision is confined to those former civil-service employees who held a permanent status in the classified civil service, a strict interpretation of the old language as written by the Appropriations Committee would be unfair and work to the disadvantage of thousands of World War No. 1 veterans and civil-service career employees who have been transferred into positions previously held by temporary workers, and there will be no alternative for the agency involved other than to discharge veterans and career employees who may be serving in positions formerly held by temporary employees and who are serving in those positions because of directives from their supervisors.

Mr. BURTON. That is to say, the original Selective Training and Service Act had no reference whatever to temporary positions, and therefore the language now under consideration should have no reference whatever to temporary positions.

Mr. LA FOLLETTE. That is my position.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin to the committee amendment beginning in line 20, on page 65.

The amendment to the amendment was agreed to.

Mr. O'MAHONEY. Mr. President, will the Senator point out the exact place at which the words he has proposed would be inserted in the committee amendment?

Mr. LA FOLLETTE. In the committee amendment on page 65, in line 22, my amendment would insert the word "permanent" before the word "position."

Mr. O'MAHONEY. I thank the Senator.

Mr. LA FOLLETTE. Mr. President, I inquire if the amendment has been agreed to?

The PRESIDING OFFICER. It has been agreed to.

Mr. LA FOLLETTE. Then I desire to offer to the committee amendment a further amendment which I understand has been suggested by the Veterans' Administration in order to bring the bill into conformity with other statutes. In line 24, after the word "within," I move to strike out "40 days thereafter," and insert "90 days after his discharge or within not more than 1 year after relief from hospitalization continuing after said discharge."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE] to the committee amendment on page 65, in line 24.

The amendment to the amendment was agreed to.

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

The amendment as amended was agreed to.

Mr. McKELLAR. Are there any further committee amendments which were passed over?

The PRESIDING OFFICER. There are none.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. O'MAHONEY. I desire to ask the Senator from Tennessee what disposition was made of the appropriation item for the Securities and Exchange Commission. I wished to be heard on the amendment. I was called from the Chamber, and upon my return I was advised that action had been taken on the amendment during my absence.

Mr. McKELLAR. Does the Senator refer to the item on page 51 of the bill?

Mr. O'MAHONEY. Yes.

Mr. McKELLAR. The action taken by the Senate was, at the request of the Senator from Georgia [Mr. RUSSELL] and the Senator from Vermont [Mr. AIKEN], to divide in half the difference between the House text and the committee recommendation.

The amendment to the amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I wish merely to have a statement appear in the RECORD with respect to that matter.

Mr. McKELLAR. I yield to the Senator for that purpose.

Mr. O'MAHONEY. I feel that the conference committee will be the forum in which the question will be settled.

Mr. McKELLAR. Yes; I shall be very glad to consider any suggestion which the Senator from Wyoming or any other Senator may wish to present.

Mr. O'MAHONEY. My feeling is that the full amount should be restored. However, I shall not seek to have the amendment reconsidered.

Mr. President, I should like to have inserted in the RECORD at this point, as a part of my remarks, a letter addressed to the Senator from Tennessee by the Chairman of the Securities and Exchange Commission. The letter did not appear in the printed copy of the hearings.

Mr. McKELLAR. I shall be very glad to have the Senator insert in the RECORD the letter to which he has referred.

Mr. O'MAHONEY. Before sending the letter forward I may say that the

Chairman of the Securities and Exchange Commission points out that an increase over the 1945 appropriation of $74,700, which was allowed by the other House, was intended for the purpose of enabling the S. E. C. to carry on the following operations:

First, investigations under section 12 (h) of the Public Utility Holding Company Act. Section 12 (h) of the Public Utility Holding Company Act is the section which prohibits registered holding companies, or any subsidiary thereof, from using the mails, or any means or instrumentality of interstate commerce, or otherwise, directly or indirectly—

(1) to make any contribution whatsoever in connection with the candidacy, nomination, election, or appointment of any person for or to any office or position in the Government of the United States, a State, or any political subdivision of a State, or any agency, authority, or instrumentality of any one or more of the foregoing; or

(2) to make any contribution to or in support of any political party or any committee or agency thereof.

It is my understanding that several complaints have been made to the Securities and Exchange Commission to the effect that contributions of that character have been made.

The purpose of the appropriation which was requested by the Securities and Exchange Commission, and allowed by the House of Representatives, was to enable the S. E. C. to carry on its investigation.

Another purpose of the appropriation was to conduct a surveillance of securities markets, and related work. It was pointed out by no less an authority than Marriner Eccles, the Chairman of the Federal Reserve Board, that there had been a great increase of speculation in the stock markets in a manner which he, at least, considered to be detrimental to the public interest, because it encouraged inflation. I understand that Mr. Eccles has made recommendations to the Senate Banking and Currency Committee with respect to that problem. It seems to me to be of the utmost importance that in making such investigations of the securities markets and related work, the facilities of the Securities and Exchange Commission should not be curtailed by a reduction of the appropriation which, in this instance, amounted to only $21,940.

Another purpose of the requested increase in appropriation which was allowed by the House of Representatives was the inspection of books and records of brokers and dealers, and an investigation of securities violations.

There was also a recommended appropriation of $12,780 for the purpose of carrying out the provisions of the Mead-Ramspeck automatic promotion law.

The circumstances, Mr. President, are such that I hope consideration will be given in the conference committee to the restoration of the full amount allowed by the other House.

Mr. McKELLAR. Mr. President, there is no doubt in the world that the Securities and Exchange Commission has been doing fine work; under Mr. Purcell it has been doing splendid work, but we have been trying to hold down appropriations to what they are for the present fiscal year. I think that this year we have spent more money on our governmental activities than we have ever spent before. To increase the appropriations for the coming year would seem to me to be unwise. Wherever we could curtail them we have curtailed them. There is very little difference between the appropriation which was made for the present fiscal year, and the one proposed for the coming fiscal year. I believe the difference is only $42,000. In view of all of the so-called war work which has been done by this and other agencies of the Government, it seems to me that the slight reduction of $42,000 would not curtail a great activity of this nature. I am quite sure that if Mr. Purcell were present he would endorse this slight reduction in the appropriation as passed by the House. I shall be glad to consider what the Senator from Wyoming has said, but at the present time it seems to me that nothing further can be done.

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

Mr. McKELLAR. I yield.

Mr. AIKEN. I believe that the Senator from Tennessee is entitled to a great deal of credit for his efforts to promote efficiency and economy in the Government. However, day before yesterday, when the appropriation item for the S. E. C. was before the Senate I asked to have the amendment passed over because I realized there were present the makings of a considerable speculative boom ahead. Speculations and transactions in stocks are increasing very rapidly. I have talked with one of the members of the Securities and Exchange Commission. He feels that the work of the Commission will be even more difficult in the years ahead than it has ever been in the past. Many persons throughout the country will have a great deal of money, and will be looking for places to invest it. Others will suggest that the money be invested in ways in which it should not be invested.

If the Securities and Exchange Commission shows that it requires a small additional appropriation in order properly to do its work, I hope that when the matter comes before the conference committee an adequate appropriation will be agreed to.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the letter to which I have referred from Chairman Purcell, of the S. E. C., be printed in the RECORD at this point as part of my remarks.

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

SECURITIES AND EXCHANGE COMMISSION,
Philadelphia, Pa., February 26, 1945.

The Honorable KENNETH MCKELLAR,
United States Senate,
Washington, D. C.

MY DEAR MR. MCKELLAR: I understand that the Independent Offices appropriation bill for 1946 is now under consideration by the Senate Appropriations Committee. In our recent conversation some of the items included in the 1946 Budget estimate of the Securities and Exchange Commission were discussed, particularly the increases we requested and the reasons therefor. I appreciate your suggestion that this date be submitted to you in writing and I am glad for the opportunity to do so. I have prepared a short statement, which follows, indicating the progress of our 1946 estimates, and the amounts approved at various stages.

STATEMENT WITH RESPECT TO THE 1946 BUDGET ESTIMATES—SALARIES AND EXPENSES

The estimates, prepared on the basis that the war would continue in 1946 on both the European and Pacific fronts, were submitted and/or approved as follows:

Amount of estimates as submitted to the Bureau of the Budget	$4,427,700
Reduction made in estimates by Bureau of the Budget	−191,700
Amount of estimate as submitted to Appropriations Committee of the House of Representatives	4,236,000
Reductions by Appropriations Committee of the House of Representatives	−101,500
Amount included in Independent Offices appropriation bill for 1946	4,134,500
Net increase over 1945 appropriation allowed	74,700
Amount of 1945 appropriation, less money for overtime pay (which amounts to $591,904)	4,059,800

As you know, the bill includes $4,134,500 under our appropriation for salaries and expenses, and that our estimate was reduced by $101,500 by the House Appropriations Committee. The committee's report on the bill does not specify the particular item involved in the reduction, but it would appear that $1,500,000 of the total reduction related to the cost of penalty mail and that the remainder, or $100,000, was a general reduction in all items.

Our testimony on the bill as given before the subcommittee of the Committee on Appropriations of the House of Representatives and recorded in the printed hearings beginning on page 630, includes a detailed explanation of the increases we requested. I would particularly like to call your attention to the table appearing at the bottom of page 630 of the hearings, which table states the specific purposes for which additional funds were sought. That table was prepared on the basis of a net increase of $176,200. However, when this amount was reduced to $74,000 it became necessary to revise the allocations. The revised allocations are:

Revised allocations on basis of an increase of $74,700

Project title	Number of positions	Man-years	Cost	Purpose
Corporation finance	5	4.8	$22,080	Investigations under sec. 12 (h) of the Public Utility Holding Company Act.
Trading and exchange	8	7.5	21,940	Surveillance of securities markets and related work.
Regional offices	5	4.5	17,900	Inspection of books and records of brokers and dealers and investigation of securities violations.
Additional cost in 1946 of automatic promotions made in 1945.	----------	----------	12,780	Mead-Ramspeck automatic promotion law (Public Law 200).
Total	18	----------	74,700	

I believe that the printed hearings referred to above adequately outlines our work, therefore, it does not seem necessary to repeat what is written there. I am sure that you appreciate the necessity of providing at least a small staff to conduct investigations of reported or alleged violations of section 12 (h) of the Public Utility Holding Company Act; that because of the steadily increasing activities in the trading of securities we should have adequate personnel for the surveillance of security markets; and that we should provide for more frequent inspections of the books and records of brokers and dealers transacting business in the over-the-counter markets. These are the three activities for which additional funds are requested in 1946.

Because of conditions now existing with respect to manpower and to the war needs, the Commission does not intend to request the Senate Appropriations Committee to restore any of the funds heretofore eliminated from our 1946 budget estimates, but we do want to stress the fact that, in our opinion, the amounts presently included in the independent offices appropriation bill represents the minimum amount of money we will need in 1946 to administer the several laws assigned to us.

I hope that I have satisfactorily summarized the chief points in our recent discussion. If there is any other information on this subject which you may wish to have, I shall be glad to furnish it. Thank you for your courtesy in personally considering our budgetary problems.

Sincerely,

GANSON PURCELL,
Chairman.

The PRESIDING OFFICER. Does the Senator from Tennessee have further amendments to propose in behalf of the committee?

Mr. McKELLAR. I believe not.

Mr. SALTONSTALL rose.

Mr. McKELLAR. Let me proceed and make the statement I desire to make, and then I shall yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Very well.

Mr. McKELLAR. Mr. President, I have been deeply concerned, as Senators who have been here several years know, about an amendment which was adopted 2 years ago concerning the T. V. A. I want to read the T. V. A. law, as amended. It will take me just a moment, and I think it will be worth while for Senators to listen to it. Section 26 of the original T. V. A. Act, as amended, reads as follows:

SEC. 26. Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation, including the disposition of any real or personal property, shall be paid into the Treasury of the United States—

That is still the law; it expressed the intention of Congress when it passed the law—

at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients.

Mr. Lilienthal, the Director of the T. V. A., construed that language as authorizing him not to pay into the Treasury the proceeds from the power business, but to hold them and use them as he sees fit without reference to the Congress. That he is mistaken about that is shown by the next sentence:

A continuing fund of $1,000,000 is also excepted from the requirements of this section and may be withheld by the Board to defray emergency expenses and to insure continuous operation.

If it was the purpose of Congress to turn over to the T. V. A. all these funds, all these receipts, to be used as the Director desired to use them, why establish another fund?

There is a proviso which reads as follows:

Provided, That nothing in this section shall be construed to prevent the use by the Board, after June 30, 1936, of proceeds accruing prior to July 1, 1936, for the payment of obligations lawfully incurred prior to such latter date.

That applies only to 1 year; it does not apply at all to subsequent years, but Mr. Lilienthal has construed the act to mean that he does not have to pay into the Treasury of the United States the proceeds or receipts of the T. V. A.

Mr. President, to show that he carries out his view of that law, I wish to tell the Senate what happened just a day or two after we heard Mr. Lilienthal before the committee. I read from the Knoxville Journal and Tribune of the 8th of March 1945. I ask Senators to listen to this, because it shows distinctly where we are going:

T. V. A. BUYS EAST TENNESSEE LIGHT & POWER CO.—BIG DEAL CLOSED IN NEW YORK—GROSS PRICE TO APPROXIMATE $9,600,000

Tennessee Valley Authority has agreed to take over the East Tennessee Light & Power Co. in upper east Tennessee.

Terms of the agreement were revealed today by a high official of the power company who refused use of his name. He put the gross purchase price at approximately $9,600,000.

East Tennessee Light & Power operates in Sullivan, Greene, Washington, Unicoi, Johnson, and Carter Counties in east Tennessee; in Scott County, Va.; and Avery County, N. C.

I ask, Mr. President, that the remainder of the article be printed in the RECORD without reading.

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

The remainder of the article is as follows:

T. V. A. bought the equity position of Cities Service Power & Light Co., including preferred and common stock of East Tennessee Light & Power, for $3,680,000.

The Authority agreed to buy East Tennessee Light & Power bonds owned by the John Hancock Mutual Insurance Co. valued at $4,800,000. The official said payment of a premium might be necessary to obtain these bonds.

T. V. A. also is obligated to retire 9,365 shares of East Tennessee Light & Power preferred stock now in the hands of the public. Par value of this stock is $100.

The sale became effective December 31, 1944, and a memorandum agreement was signed in New York March 3, 1945. Closing date of the sale is expected to be July 31.

Representing T. V. A. in the negotiations were E. J. Griffin, acting general counsel; Walton Seymour of T. V. A.'s power department, and E. H. Muir, T. V. A. evaluation engineer.

Offsetting the gross purchase price will be cash on hand and interim earnings, making the net sale price approximately $9,000,000, the East Tennessee Light & Power official said.

He said T. V. A. would become in effect a liquidating agent and would negotiate with the various municipalities served for their purchase of the distribution systems formerly owned by East Tennessee Light & Power.

Negotiations between T. V. A. and the utility company have been in since the Securities Exchange Commission had ordered Cities Service to divest itself of the East Tennessee properties, and had extended the time for this to August 17, 1945.

Mr. McKELLAR. Now, Mr. President, let us look at that and see what it means. Several years ago the Commonwealth & Southern Power Co. and the Tennessee Power Co., I believe, and perhaps one or two other smaller companies operating just below where the East Tennessee Power Co. operates, in the neighborhood of Chattanooga and Knoxville and further down, were purchased by T. V. A. Of both power companies the late Wendell Willkie was the president, and he controlled them. The T. V. A. came to Congress and obtained the authority and power to deal with this matter, and did deal with it. Congress passed a law, and the T. V. A. bought the companies from Mr. Willkie. We have never heard a word about it since. But this time our agent takes another view and considers that it is a matter with which Congress has nothing to do. Who knows—if there is a Senator on the floor who does know, I shall be glad to have him give the information—who knows whether $9,600,000 is a fair price, a high price, a low price, or what sort of a price it is for those power companies? Prices of things now are higher than they have ever been before. When the dams which have been authorized are completed I think undoubtedly this power-company property should be purchased, but I do not think it ought to be purchased under a flimsy, doubtful law, or an amendment to it. I think the T. V. A. should come before the Congress and request authority to make the purchase.

Mr. Lilienthal had something to say about the matter, and I shall tell the Senate what he stated. It was when he referred, just before the close of his testimony, to some who were thinking about buying this power company. Mr. Lilienthal came before our committee and had a very pleasant examination and got along beautifully. He testified 3 days, and his testimony covered 118 pages of printed matter, but he did not say anything about the T. V. A. buying the East Tennessee Light & Power Co., except in a wholly different way, and I shall read in a moment what he said.

The United States Government has $767,000,000 invested in the Tennessee Valley project. Do we want to exclude ourselves from any overseeing position about the matter? Do we want to give it up entirely, and merely turn it over to Mr. Lilienthal? He has the idea that it should be turned over to him, that he knows more about the power company business than anyone else, and that he should be allowed to run it just as he

pleases. He uses the word "independent." He wants it operated independently of the Government or anybody else. He is urging that the Missouri Valley Authority, when it is provided for, shall be operated independently of anybody, and that the money we put in shall be turned over to the graces of whomsoever is put in charge of it.

Mr. President, I think that would be unwise legislation. I do not think the policy under which Lilienthal is undertaking to conduct the Tennessee Valley Authority is according to law. I do not think he has a right under the law to do as he is doing and I am of the opinion that if anyone should attempt to enjoin him, and the courts should pass upon the matter, the courts would hold that he had no legal right to conduct this great industry independently of the Congress. Yet that is precisely what he is doing. The Senate of the United States has several times—I know of three times—undertaken to make Mr. Lilienthal do just what every other power company in the country is required to do. Do Senators realize that the Government has a much larger power business in the West than it has in the T. V. A.? Boulder Dam, Bonneville Dam, Grand Coulee Dam, and other dams in the West, under the direction of Mr. Bashore, do the largest power business in the world.

Mr. Bashore and his associates appeared before the committee, and he was asked if the plants under his control were hamstrung, or interfered with, or circumscribed in their liberty of action by having to come to the Congress to obtain appropriations, and having to pay their receipts into the Treasury. Mr. Bashore says that it was helpful to him to come before the Congress and get appropriations, and to pay the receipts into the Treasury of the United States. There may be some minor concerns somewhere, I am not sure, which do not do so, but so far as I can remember, not only do the other Government power plants pay their receipts into the Treasury and get their appropriations from the Treasury, but the great Post Office Department does the same. The Post Office Department is making money. It made $37,000,000 last year. Suppose, as soon as it became self-supporting, Mr. Walker had come before the Congress and said, "Just turn the Post Office Department over to us; we will run it hereafter." I do not think he would have gotten many votes. I think that if Mr. Bashore should come and ask that his company be turned over to him to run as he pleased, and not turn any of the receipts into the Treasury, neither the Senate nor the House would agree to it. The Tennessee Valley Authority is the only case of its kind. Mr. Lilienthal said that it would hamstring him. That is his constant statement, in addition to one other to which I must refer.

Another statement of the newspapers, especially those in Chattanooga, is that I, individually, wanted to take over the patronage of the T. V. A. I repeated that to Mr. Lilienthal and asked him if it were true, and he said that I had never done so, that I had never made a recommendation about any employee of his since the T. V. A. had been started.

I say to the Senate that I have no such desire. The truth is that patronage is a great detriment to a Senator, instead of being a help to him. Besides, I agree that this concern should not be in politics at all, but I ask Senators who are now present if it has not been in politics recently. Have not Senators been receiving telegrams, practically all of them inspired by this concern, or its agents or representatives? Why should we treat the T. V. A. differently from the other power developments? That is what I ask. Who is more interested in this matter than I am?

Mr. OVERTON. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. OVERTON. We all know the very deep interest the Senator has taken in the T. V. A. As long as I have been in the Senate, and a member of the Committee on Appropriations, the Senator has manifested his interest on every occasion. But I heard a radio commentator this morning—I have forgotten his name——

Mr. McKELLAR. Drew Pearson, probably.

Mr. OVERTON. No; it was not Drew Pearson. He was referring to what was going to occur on the floor of the Senate, and he said the Senator from Tennessee would bring this question up, and he referred to the Senator as the arch enemy of the T. V. A.

Mr. McKELLAR. I have seen that statement published several times.

Mr. OVERTON. I do not think there could be a grosser misrepresentation, because I think the Senator from Tennessee has been the best friend the T. V. A. has had.

Mr. McKELLAR. I thank the Senator most cordially.

Mr. OVERTON. In my opinion, the Senator has been the one who, more than any other Senator or Representative, has built up the T. V. A.

Mr. McKELLAR. Mr. President, the Senator has made a statement which leads me to make a further statement along the same line. In 1916 I offered an amendment in the Committee on Military Affairs of the House of Representatives, being a Member of the House at the time, which amendment provided for the building of a dam on the Tennessee River. It was buffeted and battered around. I was a member of the Committee on Military Affairs. At that time there were many Members of the House who did not think the Government should go into the building of dams. They honestly felt that way about the matter. I encountered strong opposition. The power companies helped that idea along very greatly. But I finally got a provision in a bill, which went to the Senate, and when it got to the Senate there were certain Members of the Senate who helped it along very materially in this body. The late Senator from South Carolina, Senator Smith, wrote a new amendment, and while it was not adopted in conference in its entirety, it was adopted substantially. The bill passed, and President Wilson not only signed it, but selected Muscle Shoals as the place at which the dam should be built.

That dam was built. It was finished by the end of the war. After the Government had put approximately $90,000,000, as I recall, into that dam, it was leased to the Alabama Power Co. in 1921 for a small rental. The Alabama Power Co. was a very large company. From that time until Franklin D. Roosevelt became President many bills and other measures were introduced in both Houses for the purpose of further utilizing the dam sites on the Tennessee River. During his campaign President Roosevelt announced that he was in favor of building the dams, and in January of the year he took office he came to Washington before he was inaugurated and invited a party to go with him to Muscle Shoals to see the dam. He invited as members of this party former Senator Dill, of Oregon, the late Senator Norris, of Nebraska, myself, and perhaps several other Senators, but we three Senators went with the party. The Representative from that district was also present. The Senator from Alabama [Mr. BANKHEAD] says he went with the party. I do not recall that, but since he says he did he will verify what I have to say about it.

On the way back the President said he had had a bill prepared, and the bill which he had had prepared was what is substantially now the law. I remember he said he wanted to change the name of the organization. He wanted it to be called the Tennessee Valley Authority instead of the Tennessee Valley Commission, and everyone agreed with him about that. He then said he was going to turn the bill over to his old friend, George Norris, and he hit Senator Norris on the back as he said it. The bill which was introduced was not the one Senator Norris had prepared, but the bill which the President had had prepared. At the same time he turned over an identical bill to the Senator from Alabama [Mr. HILL], who was in the House at that time, to be introduced in the House. The bill passed the House and came to the Senate. It was amended a good deal in the Senate, and the final result, according to the RECORD, is that the Hill bill was passed and the Norris bill indefinitely postponed, so far as the nominal part of the situation is concerned. That, Mr. President, is what happened.

Mr. President, the passage of a law authorizing a project does not amount to a row of beans under circumstances such as came up in that case. Where did the fight arise? Over that bill? Not at all. It went through without a battle. But the power companies did not want the dams built. Not only did the power companies not want the dams built, but the Tennessee Valley Authority, after it was created, did not want them built. What happened was that the first two dams, the Wheeler Dam and what is now called the Norris Dam, were built without objection, out of E. R. A. funds. Then Dr. A. E. Morgan and Mr. Lilienthal, forming a majority of the Authority, objected to the building of any more dams on the ground that the Authority was not in competition with the power companies, but all they intended to do was to use the three dams they had as a yardstick to teach the power companies how much they should charge for their

power. Think of it, Mr. President. That was their attitude.

The bill which came from the House that year did not provide for the building of any more dams, but when it reached the Senate and was considered by the Appropriations Committee, I offered an amendment providing for the Pickwick Dam, and it was finally adopted, as I remember, by a 1-vote majority. From that day until the present time I have had the fight of my life over every dam that has been constructed under the Tennessee Valley Authority. Mr. President, I shall place in the RECORD a history of this transaction, to show what sort of fight was made in the Senate.

Mind you, Mr. President, the House in considering the bill did not agree to the building of the dam. We succeeded in getting agreement to it only in conference. Provision for every single dam, with one exception, was made in the Senate. The House did provide for one dam, but with that exception, provision with respect to every single dam was made by amendments which I offered in the Senate. Yet I have seen the willfully false statement contained in a Chattanooga newspaper that Senator MCKELLAR was opposed to the dams. I wish to say, Mr. President, that I was for the building of the dams on the Tennessee River at an investment of $767,000,000, every dollar of which was agreed to by the Senate Appropriations Committee. I take this occasion to thank my friends who were in the Senate at that time, some of whom are still in the Senate, who helped me. I see one of them beside me, the distinguished senior Senator from Nevada [Mr. MCCARRAN], who, since he has been in the Senate, knows what a fight I have had with respect to every one of these dams. As I recall, I succeeded in getting most of the dams provided for in committee by a one-vote majority. In the statement I am going to place in the RECORD Senators will find how Senators voted in the Senate Appropriations Committee.

Mr. MCCARRAN. Mr. President, I wish to take the honor of being the Senator who provided that one-vote majority on several occasions.

Mr. MCKELLAR. I will say to the Senator that he was always one of the friends who helped.

Mr. President, the greatest work I have ever done as a legislator is in connection with the building of the Tennessee Valley dams. Some people seem to think that dams can be built simply by wishing for them or simply by introducing bills. Dams cannot be built in that way. It takes money to build dams. All I did was to secure the money with which to build the dams. Every dollar of the money was secured against great opposition. The poor, ignorant gentleman to whom the Senator from Louisiana [Mr. OVERTON] referred awhile ago as having stated that I was opposed to the Tennessee Valley Authority, made his statement because he was ignorant. I do not wish to say anything bad about him, only that he was simply ignorant. He did not know any better. He had seen newspaper advertisements which our friend Mr. Lilienthal is putting out.

Mr. President, I ask my Senatorial friends to read the material I shall put in the RECORD and they will see with what great difficulties I have had to contend.

Under the circumstances, Mr. President, Senators can imagine how I feel, after having persuaded the Congress of the United States to invest $767,000,000 in improving the Tennessee River. Incidentally, we are investing a little more in two more dams on that river. Senators can understand why I should feel that we ought to be scrupulous about accounting for profits, and about having that agency, no matter who is in charge of it, come before the Congress, as every other Government agency is required to do.

I believe that one newspaper stated a day or two ago that if an amendment such as I have in mind were adopted, this agency would have to come to Congress, hat in hand, for appropriations. Mr. President, the President of the United States comes to the Congress for appropriations. So do Cabinet officers. They do not come with their hats in their hands. Every year the Postmaster General comes to the Congress and obtains scores of millions of dollars to operate his Department. He does not come with his hat in his hand. It is remarkable that this one agency should be held up as an example of an agency which must come to Congress hat in hand. With the single exception of this organization, every Government agency, from the President on down, must come to Congress for appropriations.

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

Mr. MCKELLAR. I yield

Mr. DOWNEY. I am very much interested in what the Senator is saying. I regret interrupting the flow of his argument.

Mr. MCKELLAR. I am glad to yield to the Senator.

Mr. DOWNEY. I am quite anxious to understand more clearly the issues involved in this particular question. I understood the Senator to say a moment ago—and I may have misunderstood him because I did not hear clearly—that he was reading from the statute creating the Tennessee Valley Authority.

Mr. MCKELLAR. Yes.

Mr. DOWNEY. He was reading certain language which he thought would compel the Authority to turn its receipts into the Treasury; and he stated that Mr. Lilienthal had taken a different position.

Mr. MCKELLAR. That is correct.

Mr. DOWNEY. I wonder if the Senator will be kind enough to reread that language and then tell me whether he is seeking to introduce into the pending bill some further language which would clarify the meaning.

Mr. MCKELLAR. I shall first read the language of the statute, and then I shall tell the Senator what I propose to do.

Section 26 of the Tennessee Valley Authority Act reads as follows:

SEC. 26. Commencing July 1, 1936—

This language was subsequently amended, but that was the date of the act.

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation—

That refers to fertilizer—

and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except—

This is the language which is relied upon to justify not turning the receipts into the Treasury—

save and except such part of such proceeds as in the opinion of the Board shall be necessary for the purposes of the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy, and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients.

Mr. Lilienthal claims that that language gives him the right to disregard the Congress. He contends that he need not come to Congress for anything, and need not turn in the receipts. The dams are nearly all completed, and there has been a good sale for power. The business is now profitable. When it became profitable he wanted to get away from Congress. According to his own statements, he wishes to operate the agency to suit himself. I asked him whether he believed that he was more capable of managing and controlling this agency than is the Congress, and I never did get an answer from him.

Mr. DOWNEY. Mr. President, will the Senator yield for a further question?

Mr. MCKELLAR. I yield.

Mr. DOWNEY. To what extent, if any, has the Authority paid any of its proceeds into the Treasury?

Mr. MCKELLAR. In recent years it has paid in nothing. Before that it turned in all its receipts. It has been only during the past 2 or 3 years that it has had much money. Before that time it turned in its receipts and obtained appropriations from Congress, just as appropriations are obtained for Boulder Dam, Grand Coulee, Bonneville, and other dams.

Mr. President, I should like to read a few excerpts from the record of the hearings. I ask Senators to read the statement which will be placed in the RECORD as a part of my remarks.

I read from page 104:

Mr. LILIENTHAL. Let me put the matter on its own bottom.

The operation of a large electric system of this character is a business undertaking. It is owned lock, stock, and barrel by the Government of the United States. Every dime of T. V. A.'s investment belongs to the Government and the people of the United States. The whole beneficial use is in the people, and the control of policy and the control of that beneficial use is in the Congress of the United States.

Senator MCKELLAR. I am glad you concede that.

EXERCISING OF FUNCTION OF MANAGEMENT

Mr. LILIENTHAL. No question about that at all. I will spend no more time on that. We have no difference there at all. The question comes down to one of what function can and should be performed by the Congress as one of the responsible agents to the people in respect of these properties and what func-

tions can be performed by other agents of the people in the executive branch.

If we are to adopt that view, then all the money-making activities of the Government should be turned over to various individuals to operate just as they please. For example, if Mr. Lilienthal wanted to buy a $9,600,000 competing corporation, we should let him buy it, and Congress should have nothing to do with it. Congress should have no concern with it, under that theory. That would be a matter for him to determine. However, a short time before, when he wanted to buy other companies, he came to Congress and obtained permission of Congress. But he did not have the money at that time. As soon as the money began to roll in, he wanted to get rid of Congress, and avoid the trouble of coming before Congress to obtain appropriations.

I continue to read:

Senator McKELLAR. One minute, just right there. Do you mean to tell this committee that you are more capable of determining what is beneficial and what is useful to the country than Congress?

Mr. LILIENTHAL. I am referring to section 26 of the act.

He did not answer the question at all.

Senator McKELLAR. I am asking you for your individual opinion. Do you think that you are more capable of handling this matter than the Congress of the United States?

Mr. LILIENTHAL. I think to answer that question in that form would not be——

Senator McKELLAR (interposing). Suppose you answer it "Yes" or "No" and explain what you mean.

Mr. LILIENTHAL. Let me explain what I mean.

He did not answer the question.

Mr. President, what are we going to do? Are we going to turn these plants over to the individual managers and let them buy what they please with Government funds which come into their hands, or are we going to retain the same sort of supervision we retain over the Post Office Department, for example, and every other Government agency?

My distinguished friend from Connecticut [Mr. McMAHON] was formerly connected with the Department of Justice. When that Department receives money from penalties, and various other sources, it must all go into the Treasury. If we were to follow the plan of permitting each agency to control its own affairs, where would such a policy lead us? We would have 40 or 50 governments.

Let me turn to another question, although I am consuming more time than I had intended to take. A large amount of nitrate is manufactured at the T. V. A. plant, and it is used for war purposes in time of war and for fertilizer purposes in time of peace. Without consulting the Congress, so far as I know, Mr. Lilienthal has assumed the duty of giving largesses or munificences, as I believe they are sometimes called, or charities, as they are called at other times. What else could they be called, Mr. President? Subsidies is the usual word for them. We have a Department of Agriculture which looks after subsidies for farmers all over our country. Mr. Lilienthal has assumed the right to manufacture nitrates and fertilizers. I forget the exact amount which is produced by the T. V. A. each year, but the aggregate is several million dollars' worth. Mr. Lilienthal does not sell it; he gives it away. He gives it to the farmers. He is giving additional subsidies to the farmers. Heaven knows, if there is any class of persons who need subsidies, it is usually the farmers. They have the hardest time to get along of any class of our people. I can speak of that because I know at first hand what their situation is; I do not speak about it from hearsay. I know the difficulties they have to meet. My sympathy is with them; but if we are to give them subsidies, we should treat all of them alike.

Let me point out what Mr. Lilienthal does. He makes contracts with certain of the farmers to let them experiment with his fertilizers. He gives them a contract for a 5-year term of experimentation, and after the 5 years have elapsed he renews it. That is a fairly extensive experiment. Everyone knows that fertilizers of this sort will increase the productivity of the land. No experimentation is needed in order to know that. There is no one in my section of the country who does not know it.

Let me indicate what was done last year by Mr. Lilienthal in distributing fertilizers. I hold in my hand a summary statement covering the period commencing when this program began several years ago—in 1935, to be exact. Mr. Lilienthal began in Alabama with 47 counties and 5,206 farms. He selected those farms. Most of the farms were in Alabama, Georgia, Kentucky, Mississippi, North Carolina, Tennessee, and Virginia. But he did not stop there. He gave out his subsidies to farmers in States all over the country. I wonder whether many Senators knew about that. In Arkansas there are 25 farmers to whom Mr. Lilienthal gives such fertilizers. I do not know how he obtained the names of the farmers. Possibly he obtained them in some way through farm operators or farm organizations. He gives such fertilizers to 25 farmers in Arkansas, for a period of from 5 to 10 years; but he disregards all the other farmers in that State.

In Idaho there are 8 counties which receive those fertilizers. I wonder how Mr. Lilienthal selected them. Illinois has 16 such counties; Indiana has 53; Iowa has 31; Kansas has 12; Louisiana has 13; Maryland has 4; Michigan has 36; Minnesota has 20; Missouri has 20; New Hampshire has 10; New Mexico has 16; New York has 53; Ohio has 13; Oregon has 8; South Carolina has 21; Texas has 37; Vermont has 11; Washington has 20; West Virginia has 13; and Wisconsin has 61. To those selected counties several million dollars' worth of fertilizer was given absolutely free, for so-called experimental purposes, for periods ranging from 5 to 10 years.

Mr. President, if it is proper to grant such subsidies by giving fertilizer to farmers, if the Government is going to commence such a practice, all farmers should be treated alike. Mr. Lilienthal does not do that; he selects merely a few farmers—a baker's dozen, so to speak, of the farmers of our country. If we are to confer on Mr. Lilienthal the authority and duty to give to farmers subsidies in the form of fertilizer, should not such subsidies be given to all farmers alike? Should there not be some method of doing it? Shall we simply turn over this business to Mr. Lilenthal, and let him run it to suit himself, according to any method he may choose to use?

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

Mr. McKELLAR. I yield.

Mr. DOWNEY. Will the Senator tell me how many farms in my State of California have received such subsidies?

Mr. McKELLAR. I will tell the Senator, if that information is given on the list I have before me. However, now that I examine it further, I find that no California farms are included.

Mr. DOWNEY. Did none of our farmers receive any of the fertilizer?

Mr. McKELLAR. No farmers in the Senator's State received any of it.

Mr. DOWNEY. Perhaps that is a compliment to our land; I do not know.

Mr. McKELLAR. I do not know, but I presume it is. Approximately 30 or 40 States are represented in the list. The others are not.

Mr. WHEELER. Mr. President, let me inquire whether Montana farms are included.

Mr. McKELLAR. No Montana farms received any of the fertilizer. The Senator should get in touch with Mr. Lilienthal. I am quite sure that the Senator from Montana, with his winning ways, could easily have some Montana farms taken care of in that way.

I find that 124 Vermont farms have received such fertilizers. Think of it—the experimental use of fertilizers for from 5 to 10 years. It does not take that long to find out what fertilizer will do to land.

Mr. President, I ask unanimous consent that the list to which I have referred may be printed at this point in the RECORD, as a part of my remarks.

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

Summary of Tennessee Valley Authority test-demonstration activities through June 30, 1944

States	Number of counties	Total number of farms to date	Number of active farms, June 30, 1944	Tons of phosphate to June 30, 1944	Tons of nitrate to June 30, 1944	Year program initiated
VALLEY STATES						
Alabama	47	5,206	2,765	22,693	2,471	1935
Georgia	52	3,416	2,606	22,234	1,749	1935
Kentucky	49	1,798	605	10,653	710	1935
Mississippi	34	2,094	767	13,418	1,032	1935
North Carolina	64	6,358	5,577	26,523	1,629	1935
Tennessee	64	14,512	11,570	69,141	3,934	1935
Virginia	66	6,880	3,183	43,872	1,611	1935
NONVALLEY STATES						
Arkansas	25	487	130	2,396	230	1937
Idaho	8	17	16	211	21	1942
Illinois	16	330	283	1,402	------	1937
Indiana	53	79	67	643	80	1940
Iowa	31	424	248	2,391	3	1937
Kansas	12	77	35	394	3	1939
Louisiana	13	284	137	1,059	250	1937
Maryland	4	112	112	502	80	1942
Michigan	36	751	619	2,326	23	1940
Minnesota	20	228	165	1,458	------	1940
Missouri	20	325	241	3,444	167	1936
New Hampshire	10	90	------	60	------	1937
New Mexico	16	48	18	418	7	1941
New York	53	779	678	2,824	144	1939
Ohio	13	312	263	2,029	188	1937

Summary of Tennessee Valley Authority test-demonstration activities through June 30, 1944—Continued

States	Number of counties	Total number of farms to date	Number of active farms, June 30, 1944	Tons of phosphate to June 30, 1944	Tons of nitrate to June 30, 1944	Year program initiated
NONVALLEY STATES—con.						
Oregon	8	38	35	573	62	1941
South Carolina	21	351	124	1,390	260	1936
Texas	37	935	520	3,539	333	1936
Vermont	11	131	124	1,549	126	1941
Washington	20	52	49	533	38	1942
West Virginia	13	250	219	1,282	------	1936
Wisconsin	61	[1] 1,066	386	2,009	210	1938
Total	877	47,430	31,542	240,366	15,361	-----

[1] 21,585 are unit test-demonstration farms covering 4,141,081 acres, 25,845 are area test-demonstration farms covering 2,747,717 acres.

NOTE.—This summary is cumulative and reports all farms which have participated in the test-demonstration program since its beginning in 1935.

Mr. McKELLAR. Mr. President, I have presented this matter because it is my position that subsidies in the form of fertilizer which are given to farmers should be equally distributed. Let every farmer have a chance to receive them; let there be no favorites.

I wonder whether many Senators have already received telegrams about this matter from farmers in their States who have such 5-year or 10-year contracts. I do not know whether Senators have received such telegrams, but it would not surprise me if they had. I am sure that farmers who have such contracts will not want to give them up.

When I was a boy I had to mix the fertilizers I used, after buying the various ingredients; but today the great Tennessee Valley Authority, without any warrant of law, so I believe, is giving away millions of dollars' worth of fertilizers to certain farmers who are on the list or who were put on the list at the proper time.

I suggest to the Senator from Montana and the Senator from California that they endeavor to have the names of some of the farmers in their States placed on the list. My own view is that whenever we can help the farmers we must do so. I should be perfectly willing to have the fertilizers distributed fairly and justly to all the farmers of the country.

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

Mr. McKELLAR. I yield.

Mr. DOWNEY. I do not wish to divert the Senator from the main theme of his argument, but I should like to ask a question, because I have been very much interested in what he has been saying. Does the Senator know what provision is made in the pending Missouri Valley Authority bill relative to payment of the funds earned by the proposed Authority into the general fund of the United States Treasury, or whether it is proposed that the Authority be allowed to keep the money in its own fund?

Mr. McKELLAR. I understand that it is to be independent. Does the Senator from Montana know anything about that?

Mr. WHEELER. It is to be independent.

Mr. McKELLAR. I so understood. That means that whoever acquires control of it will be in the same category as Mr. Lilienthal; he will have no supervision, to amount to anything, exercised over him by the Congress of the United States. He will not be required to come to Congress in order to obtain appropriations, and will not be required to turn over any proceeds to the Treasury of the United States.

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

Mr. McKELLAR. I yield.

Mr. DOWNEY. I believe that the Senator has already stated that, so far as he knows, no other agency of the Federal Government is exempted from the necessity of accounting to the Congress for its proceeds, or making payments into the Treasury of the United States.

Mr. McKELLAR. I know of no other.

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

Mr. McKELLAR. I yield.

Mr. WHEELER. I was not present when the Senate took the matter up, and I am not fully informed. I am interested in knowing how Mr. Lilienthal deals with the farmers.

Mr. McKELLAR. I understand it is through the county agents.

Mr. WHEELER. He furnishes them fertilizer.

Mr. McKELLAR. Yes. He requires that the farmers pay the freight.

Mr. WHEELER. He furnishes them fertilizer for a certain period of time.

Mr. McKELLAR. Yes; for 5 years. I have urged that the length of time should be reduced so that more persons could obtain the benefits of experimentation; but he has not replied to my communication, and I do not believe he intends to reply to it.

Mr. DOWNEY. Mr. President, I dislike showing my ignorance. I know that the T. V. A. is a very great enterprise.

Mr. McKELLAR. Yes; it is a wonderful enterprise.

Mr. DOWNEY. But it is a long way from the people of California.

Mr. McKELLAR. Yes.

Mr. DOWNEY. Has the T. V. A. already acquired steam plants?

Mr. McKELLAR. Yes; it has acquired several steam plants. A steam plant was built at Muscle Shoals. One or two other steam plants were built at other places. One or two were acquired by purchase several years ago when Congress authorized their purchase. They were acquired from the power companies with which Mr. Willkie was associated.

Mr. DOWNEY. Were those steam plants acquired in pursuance of direct authorization by the Congress?

Mr. McKELLAR. Yes; they were acquired pursuant to an act of Congress 2 or 3 years ago, when Mr. Willkie sold the Commonwealth & Southern, the Tennessee Power Co., and other companies to the T. V. A.

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

Mr. McKELLAR. I yield.

Mr. WHEELER. I have been told that the T. V. A. is now acquiring control of another power company.

Mr. McKELLAR. Yes.

Mr. WHEELER. Did the Tennessee Valley Authority apply to Congress for permission to acquire the power company?

Mr. McKELLAR. No; it did not. I can find only one reference which Mr. Lilienthal made to the subject in 113 pages of printed testimony. He stated that some other persons had asked him to represent them in the matter of acquiring the company, but no notice of it was given with the exception, perhaps, of a notice published in the New York Times. As a matter of fact, Mr. Lilienthal did not ask that Congress authorize him to make the purchase. Whether it is a good purchase or a bad one, I do not know. I do not know what the price was. I do not know what the property was. When I asked the Senate to make appropriations, and when I was working my fingers nearly off in order to obtain the appropriations, I stated time and again that they were to be used for a public benefit, namely, to build up the great Tennessee Valley. I never dreamed that the money would be turned over to a single individual to be used as he saw fit.

The only reference he made during the course of the hearings to the East Tennessee purchase was the following:

All of the major communities in the region served by the East Tennessee Light and Power Co. have authorized the T. V. A.—

I do not know what he means by "all of the major communities"—

to act as their agent in negotiating with the company for the purchase of this property.

To act as agent of those communities.

The negotiations have been going on with some degree of success. As yet no agreement has been reached, but progress has been made.

With reference to the article to which I have already referred, under tremendous headlines it was stated that the T. V. A. had bought that property for $9,600,000.

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

Mr. McKELLAR. I yield.

Mr. HILL. I do not wish to interrupt the Senator's argument, but I have made inquiry with reference to the purchase. If it will not disturb the Senator I will put into the RECORD what information I have on the subject.

Mr. McKELLAR. I shall be very glad to have the Senator do so, because I personally am not informed.

Mr. HILL. The properties referred to by the Senator belong to the East Tennessee Light & Power Co. I am advised that that company is a subsidiary of the Cities Service Light & Power Co., and that under the Holding Company Act the Cities Service Power & Light Co. must divest itself of its interests in those properties. Those properties are the distribution systems, and transmission lines leading to the following cities: Bristol, Va., and Bristol, Tenn.—cities very close to each other—Elizabethton, Erwin, Greenville, and Johnson City. All those

cities, with the exception of Bristol, Va., are in the State of Tennessee. As I have said, it is my information that those properties must be sold under the Holding Company Act. The T. V. A. is buying those properties, most of which would not be held or owned by the Tennessee Valley Authority, but which would be owned and held by the cities which I have enumerated. All the local city distribution systems would be owned by the cities themselves. What the Tennessee Valley Authority is attempting to do is to make a purchase for itself of a small number of those properties, such as the transmission lines, but, so far as the distribution systems within the towns enumerated is concerned, the Tennessee Valley Authority is really an agent for purchase of the properties for those towns.

As all of us in the Tennessee Valley know, the Tennessee Valley Authority does not own or operate the municipal distribution systems. The municipal distribution systems are operated by the cities themselves. All the Tennessee Valley Authority does is to generate the power and then transmit it to the municipal systems, and then the distribution of the power within the cities is controlled by the municipal distribution systems—owned by the cities.

Mr. McKELLAR. Mr. President, I am much obliged to the Senator from Alabama for giving that information, which is the first of its kind I have had. I do not know that it adds a great deal to the point I am making or detracts from the point I am making, which is that Mr. Lilienthal was before our committee supposedly for the purpose of making a complete statement about the transaction in question. It took him 3 days. He barely mentioned it, and yet within a day or a day or two afterward it was published that he had bought this concern for $9,600,000, and it has never been denied.

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

Mr. McKELLAR. I yield.

Mr. WHEELER. As I understand, then, he is acting as a broker for the various cities?

Mr. McKELLAR. I do not know what he is doing.

Mr. WHEELER. According to that statement, he would be acting as a broker for the various cities. He is going to buy it and, I assume, pay $9,000,000 out of the funds of the T. V. A. and is going to sell a part of it back to the cities. Does he have such authority under the law?

Mr. McKELLAR. I do not think so. I do not think there is any authority for him to do that; it was never intended that he should do anything of the sort. I wonder what the next step will be.

Mr. President, I offered an amendment which the Committee on Appropriations sustained by a vote, if I remember aright, of 13 to 3 or 14 to 3. There were 17 present, and that was the vote. There may have been some proxies; I do not remember about that. I did not have any proxies, and did not ask any Senator how he would vote on this question if it was brought up. It would take a vote of two-thirds of the Senate to adopt this amendment. I have been here a long time, and I have seen certain signs which indicate to me that there is no use of presenting it to this body at this time, because more than one-third of the Senators will vote against it. I know perfectly well that I have a right to introduce a bill and have it referred to the proper committee. I think probably it should go to the committee of the Senator from Georgia [Mr. GEORGE], which is as fair a committee as could be found, and I am inclined to think that I had better introduce a bill and have it so referred. Then anyone who wants to testify concerning it can come forward and be heard. Such a bill could be passed by a majority vote. For that reason I shall not offer the amendment. I have already told Senators on the other side who are very much interested and also Senators on this side that I shall not offer the amendment this afternoon, because it would take a two-thirds majority to adopt it, and I want the question acted on in the usual way and passed on by a majority vote.

Furthermore, I have some letters and some telegrams which indicate to me that certain men in Tennessee would like to be heard on a bill. Under those circumstances, I think the matter should go to a legislative committee, and within the next day or two I shall prepare a bill and have it referred to the proper committee, which may then hold hearings with a view to requiring not only the Tennessee Valley Authority but every other authority or activity of the Government that collects money belonging to the United States to pay the money into the Treasury and to come before the Congress to obtain appropriations. That is what should be done. In my judgment we are neglecting our duty when we turn over great properties such as this, costing three-quarters of a billion dollars and say "Go ahead and manage it to suit yourself; you need not pay your proceeds into the Federal Treasury; you do not have to come before the Congress for your appropriations; just do the best you can, and let it go." I do not think it was ever intended by our Government that any such procedure should be followed in connection with the control and management of governmental agencies. So, I repeat, I am going to introduce a bill on which every Senator will have an opportunity to vote, and I hope that when it comes to a vote the Senate will sustain me in the position I have taken about this matter, because I assure the Senate that I have but one desire.

I have been very proud of the Tennessee Valley Authority. I have spent the best days of my life as other Senators here know working my fingers off to obtain from the United States Government $767,000,000 with which to build this great project. I am proud of it. I want to see it a perfect success. I have never attempted to interfere with its organization or activities. I never recommended anyone of the three Commissioners who were first appointed, I did not know who they were. It did not make any difference to me who they were. I have never suggested the name of anybody else who has been appointed. Such matters are immaterial to me.

Someone may say that I am interested in the votes that might be obtained. I told Mr. Lilienthal the other day when he appeared before the committee that I never had had any trouble in getting votes from the Tennessee Valley Authority people. I think I have carried counties where the T. V. A. operates. Why should I be bothered about votes of those connected with the Authority? Yet that notion is in the mind of some who want to assail me; that is all there is to it. They have undertaken from the very beginning to deprive me of whatever credit would naturally come to a man who worked to obtain the appropriations with which to build the T. V. A. dams. It seems to me there has been a studied effort to that end, especially on the part of Mr. Lilienthal, who has disregarded everything for the purpose of bringing that kind of propaganda before the people of the country.

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

Mr. McKELLAR. I yield.

Mr. WILEY. I believe that everyone who knows the story of the Tennessee Valley Authority realizes that the distinguished Senator from Tennessee is entitled to the major credit for what has been accomplished. I wanted to get a little information from him.

Mr. McKELLAR. I shall be glad to supply it if I have it.

Mr. WILEY. Recently while having the privilege of sitting at the hearing of the so-called Mexican Treaty it was developed very clearly that before Boulder Dam could be built the citizens of California in no uncertain terms had to give assurance to the Federal Government before it provided the half a billion dollars that they would take care of repayments. The Senator has said that approximately $1,000,000,000 of our money, the money of all the people of the United States, has gone into the T. V. A.

Mr. McKELLAR. Seven hundred and sixty-seven million dollars up to date.

Mr. WILEY. I wonder if any arrangement has been made as to repayment to the Treasury. What is the arrangement in relation thereto?

Mr. McKELLAR. There is no arrangement about it at all in the act, but, of course, if the T. V. A. makes money—and there is no reason why it should not make money, for power is in demand and the number of organizations using power in Georgia, Alabama, Tennessee, Mississippi, Arkansas, Virginia, and North Carolina is increasing by leaps and bounds—and if it is required to pay its receipts into the Treasury of the United States, in my judgment, the time will come when it will pay out entirely. Not only that, but it has reduced the cost of power and light to the people in an immeasurable degree. I have not the figures before me, but I shall try to put them in the RECORD, showing, in a general way, how much the rates have been reduced in the entire locality. As I have said before, time and again, the T. V. A. is the best project I have ever had anything to do with since I have been in the Congress of the United States, a period now of 35 years, and for any man to publish in a newspaper the statement that I am op-

posed to the T. V. A. is ridiculous. There is no man on earth who has done more for it; there is no man who thinks more highly of it; there is no man who has taken such a drubbing time and again in his efforts to have it built. I am sure that everyone who has been a Member of the Senate during my term of service will agree that what the distinguished Senator from Louisiana and the distinguished Senator from Nevada and the other Senators have said about my activities in this matter is true. Most of the fights I have won have been either by a tie vote or 12 to 11 or 13 to 11, or something of the kind.

Mr. WILEY. If I have gotten the import of the Senator's recent statement, I believe it was to the effect that he agrees that when the Government, which is composed of 135,000,000 people, goes to the assistance of a certain segment, as was done on the Tennessee, such assistance should be considered in terms of a loan, because all the people provided the funds for that particular community.

Mr. McKELLAR. That is exactly what happened.

Mr. WILEY. The Senator also said something about rates. As I understand, most of the power is distributed to local distributing stations, and I should like to know whether or not, in determining what the rates should be, there is included the initial cost of some $800,000,000, and if so, why is there not a yearly return to the Government for money invested?

Mr. McKELLAR. One reason is that there is nothing in the act which provides for it. That is the principal reason; but there are other reasons. It has been a long-time process to build all these dams. It has just been lately that the T. V. A. has been bringing in returns, and as soon as it began to bring in returns which were sufficient to pay its running expenses, it wanted to cut loose from Congress entirely. It is to that that I object. I think the returns over and above expenses should be paid into the Treasury of the United States, because the United States owns this property.

Mr. WILEY. Is it the Senator's understanding that at the present time, after deducting operating expenses, there would be shown a profit on T. V. A. which could be paid back to the Government as interest on the money advanced?

Mr. McKELLAR. The Senator can figure it out for himself. The net profits now amount to $10,000,000 or more a year, according to the clerk of the committee, who is a very careful expert.

Mr. WILEY. What is being done with that money?

Mr. McKELLAR. None of it as yet has gone into the Treasury.

Mr. WILEY. Is it being accumulated by the managers of T. V. A. for any purpose except to refund to the Government?

Mr. McKELLAR. None of it has gone into the Treasury as yet, and the purpose of the bill I shall introduce will be to require its return to the Treasury. I am not asking the Senator's help privately, but I ask him as a public matter to help me in seeing to it that the bill I expect to introduce, which will put these profits into the Treasury of the United States, shall be passed.

Mr. WILEY. If the Senator will yield for a moment further——

Mr. McKELLAR. I yield.

Mr. WILEY. The questions which I have asked the Senator have been occasioned by a good deal of concern over the future. We are talking about the Missouri Valley, we are talking about going into tremendous investment by the Government, running into literally billions of dollars, and we are talking about a national indebtedness of $350,000,000,000. We have advanced the present limit to three hundred billion. Having all that in mind, it would be a wholesome thing for the people of this country to know that in some of the investments which have been made there has been thought of a revenue return to the Treasury, instead of a constant outgo. I have nothing against the T. V. A.. I have not been to the scene of its activities, I know nothing about it of my own experience, but if the Senator could bring about what I have been discussing, to wit, that out of the Government's investment revenue should be returned to the Federal Treasury on the billion dollars invested, it would add to the solvency of this Nation, and it would also result in getting rid of some of the doubt in relation to the enormous national indebtedness which is all too widely entertained at this time.

Mr. McKELLAR. I am glad the Senator is thinking about the national indebtedness, because it is a matter of great concern to every thoughtful person. We must not only be economical, as I have been trying to be since I have been a Member of the Senate, but we must also look after proposals which bring net revenue to the Government.

Mr. President, under the circumstances, I shall not at this time offer the amendment.

Mr. BARKLEY. Mr. President, if I may have the attention of the Senator from Wisconsin, I am sure he would be interested in having me read section 26 of the act with reference to the Tennessee Valley Authority.

Mr. WILEY. I shall be very happy to listen to it.

Mr. BARKLEY. It provides as follows:

SEC. 26. Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients.

In other words, out of its total proceeds, after deducting an amount sufficient to enable it to carry on its business from day to day and month to month during the year, the surplus is supposed to be turned into the Treasury of the United States. I am not able to say whether any surplus has up to now been turned into the Treasury, because the T. V. A. has been operating in a constructive era, it has not yet finished its operations in the construction of dams. But the law provides that when it really is through with that, and even beginning, as I have read, on July 1, it shall turn into the Treasury any surplus funds over and above its operating expenses.

Mr. WILEY. It has been my understanding, from what the Senator from Tennessee [Mr. McKELLAR] said, that nothing has been turned in, so that there probably is available approximately $10,000,000. What I think particularly we have a right to express in this period, when we are thinking about tremendous spendings in the future, and Government enterprises many of which will compete with private enterprise, is that on the money invested in T. V. A. amounting approximately to $800,000,000, no interest has been paid. If it had been a private business it would have paid a good interest charge on $800,000,000. That necessarily means that the rates in the T.V.A. territory—and the people living outside that area have made possible their reduction—are considerably less than the rates at which a private industry could sell power. I think it is only right for us to ask this question: In selling electric current in that area is the element of interest on capital invested taken into consideration? In view of the fact that we as public servants are trustees of this property, it seems to me that is a pertinent question to which we should have an answer. If the Senator from Kentucky can give it to me I shall appreciate having it.

Mr. BARKLEY. Mr. President, I am not able offhand to give the Senator all the elements of cost which enter into the fixing of rates. I think most of them, if not all of them, are taken into consideration. Of course, this was a great public enterprise. We have not always charged to the Government and against operating expense the interest which would ordinarily be paid. In this particular valley, and probably in other valleys, private enterprise was not equipped to go into the field. The Tennessee Valley would never have been developed by private enterprise, because we tried it for a long time, and private enterprise simply was not able to do it. So I do not think we need to worry about the yardstick so far as the elements which go into the cost of producing power are concerned.

Of course, there is another element which enters into the situation—the public benefit to a very large body of people who would have been denied these facilities if the Government had not developed them.

Mr. WILEY. I appreciate that explanation. I think another element to be considered in the whole equation is the percentage which is allotted to flood control.

Mr. BARKLEY. And navigation.

Mr. WILEY. The evidence which has been produced here is to the effect that the enterprise is beginning to show a profit, and I think that is a very wholesome fact to have established.

Mr. BARKLEY. Unless Congress itself amends the fundamental law, the profits will go into the Treasury of the United States.

Mr. WILEY. Unless the directors order otherwise.

Mr. BARKLEY. They cannot arbitrarily reserve any fantastic or arbitrary sums. It is supposed to be a going concern and operated like other utilities, and the directors are supposed to, and I think they do, exercise ordinary business judgment in determining how much they should hold back for operating expenses. But I think the record of the T. V. A. and the report of the committee of the Senate which investigated the T. V. A. a few years ago, abundantly show that the T. V. A. have pursued their policy and their program with business acumen and with due regard to the rights of everyone concerned.

Mr. HILL. Mr. President, the distinguished senior Senator from Tennessee [Mr. MCKELLAR] has advised the Senate that he will not press his motion to suspend the rule so as to make in order the amendment which he had proposed to the bill respecting the T. V. A. In view of the fact that the Senator from Tennessee will not make his motion and therefore will not attempt to have his amendment adopted by the Senate, I shall not delay the Senate by making an argument on his proposed amendment. I am glad the Senator from Tennessee is not going to make the motion, and I certainly commend him on the position he has taken in that respect.

In reply to the inquiry of the Senator from Wisconsin [Mr. WILEY] concerning the return of money on the investment in the Tennessee Valley, let me say that the Government of the United States for many years has been appropriating money for the development of rivers and harbors, and, with the exception of the great Boulder Dam project, which was largely, as I understand, an irrigation project to provide water for southern California, no provision has been made for the return of any of the many millions and hundreds of millions of dollars the Government has expended on waterways and on harbors, and there has been no expectation of its return.

Consider the great Ohio River. According to my recollection, approximately $200,000,000 have been expended on the development of the Ohio River, to provide in that river a 9-foot channel. Not one dollar of that $200,000,000 has been returned to the Federal Treasury. No interest on that amount of money has been paid into the Treasury, and not one dollar of either principal or interest will be paid into the Federal Treasury. I could cite any number of illustrations of that kind.

When we set up the T. V. A., we made provision for the first time in the history of our country for construction which would bring money back into the Treasury, and I do not hesitate to say to the Senate of the United States that the day will come when the T. V. A. will pay back into the Treasury of the United States every dollar that has been expended in the Tennessee Valley and in the development of the Tennessee River.

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

Mr. HILL. I yield.

Mr. WILEY. I am very happy to have that assurance, because, as I said before, when it appears to the people of this country that an enterprise on which the Government has embarked yields a return to the Treasury, it will in some degree reestablish more or less the element of faith we need. But I wish to say there is a distinction between the T. V. A. and the Ohio and other streams where the question of flood control is involved. In the T. V. A. the Government of the United States went directly into business in competition with its nationals, and when that occurs it seems to me there is a direct obligation on the Government to meet the same charges, and take into consideration the same elements, that an individual does when he goes into business. I think perhaps that is being done, at least I hope so.

Mr. HILL. That is being done. But the Senator speaks about the difference between the development of the Ohio and the development of the Tennessee, as being that of going into business and not going into business. The basis on which the Government entered upon public works on the Tennessee River was certainly the same as the basis on which it undertook the development of the Ohio, and that was navigation, and, incidentally, flood control and the generation of power. The big difference, though, was that in the case of the Ohio River no dams were built, and so no power was generated. On the Tennessee River, however, the Government built high dams from which power is obtained and from the power revenue is derived because the power can be sold. So far as going into business in competition with our nationals is concerned, I imagine that our railroads and their stockholders feel that when the Government develops a waterway, such as the Ohio or some other river, it is perhaps providing some competition for the railroads and for those who own the railroads. There can be no question that our waterways have affected our railroads; and no doubt in some instances the development of waterways by the Federal Government has affected the railroads adversely. It is not a question of the Government going into competition with its nationals. On the Tennessee River we built high dams, and as an incident to promoting navigation flood control and development of hydroelectric power were obtained.

As I have said, with the single exception of the Boulder Dam installation, in the Tennessee Valley we have the only Government development which will pay back into the Federal Treasury every dollar the Federal Government has put into it.

The distinguished Senator from Tennessee stated that he did not think that under existing law the Tennessee Valley Authority had the right to use for operating expenses money which it received from the sale of power or fertilizer. He felt that Mr. Lilienthal's construction of the statute was in error. For the sake of the record, Mr. President, let me say that I believe that Mr. Lilienthal's construction of the statute is absolutely correct. I think that everything the Tennessee Valley Authority has done with reference to the expenditure of its receipts to meet operating or maintenance expenses is entirely within the authority granted by the act.

I happened to be a Member of the House of Representatives when the Tennessee Valley Authority Act was passed in 1933, and also when many amendments to that act were made in 1935. I was a member of the House Committee on Military Affairs, which had jurisdiction of the T. V. A. legislation. I not only served as a member of that committee, but I was also a member of the conference committee in connection with the passage of the 1933 act and the 1935 amendments. There is no question that it was the intent and the express purpose of the Congress to give to the Tennessee Valley Authority the power to use its receipts for operating purposes. I submit that a careful reading of section 26 of the act will show that this power is clearly vested in the Tennessee Valley Authority.

In this connection, although section 26 of the act has already been placed in the RECORD, I ask unanimous consent to have it printed in the RECORD at this point as a part of my remarks. I do not wish to take the time of the Senate to read it. I ask that section 26 of the act as it now stands, as well as section 26 of the original act of 1933, be printed in the RECORD at this point as a part of my remarks.

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

[From act approved May 18, 1933]

SEC. 26. The net proceeds derived by the Board from the sale of power and any of the products manufactured by the Corporation, after deducting the cost of operation, maintenance, depreciation, amortization, and an amount deemed by the Board as necessary to withhold as operating capital, or devoted by the Board to new construction, shall be paid into the Treasury of the United States at the end of each calendar year.

[From act as amended November 21, 1941]

SEC. 26. Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients. A continuing fund of $1,000,000 is also excepted from the requirements of this section and may be withheld by the Board to defray emergency expenses and to insure continuous operation: *Provided*, That nothing in this section shall be construed to prevent the use by the Board, after June 30, 1936, of proceeds accruing prior to July 1, 1936, for the payment of obligations lawfully incurred prior to such latter date. (48 Stat. 71, as amended by 49 Stat. 1079.)

Mr. HILL. Both section 26 in its original form, in the act of 1933, and section 26 in the act as it now stands, clearly

provide that the Tennessee Valley Authority shall have the power to use for operating expenses receipts from the sale of power and fertilizer.

In that connection let me say that the reason why the principle of the amendment the Senator from Tennessee proposes to offer was not accepted by Congress in 1935 was stated in the report of the conference committee of which I was a member. At that time the matter was made clear in the conference committee's report on the amendment. I read from the report:

It is manifest that long-term contracts could not be made if the power of the Tennessee Valley Authority to carry out those contracts is dependent upon appropriations by Congress. (H. Rept. 1846, 74th Cong., 1st sess.)

The distinguished Senator from Tennessee asked why, if the Bonneville Power Administration does not have the authority to use its receipts, the Tennessee Valley Authority should have such power. I shall not delay the Senate at this time by explaining the very important and fundamental differences between the Tennessee Valley Authority and the Bonneville Power Administration. Instead of taking the time of the Senate to explain those differences, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which shows those differences.

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

The present Bonneville power system is not comparable to the T. V. A. system because—

1. The Bonneville Power Administration produces no power. It simply markets the power produced by the Army and the Reclamation Bureau at the Bonneville and Grand Coulee hydroelectric plants. The T. V. A., however, operates 22 large dams, of which 20 have large hydroelectric generating stations, with a total generating capacity now installed of 1,629,460 kilowatts, and by long-term contract it supervises the operation of 5 hydroelectric plants owned by the Aluminum Co. of America. In addition, T. V. A. also operates 5 large steam-electric generating plants and a number of smaller generating stations, with a total capacity installed of 395,882 kilowatts.

2. As a practical matter, therefore, at the present time, expenses of operation of the Bonneville Power Administration can be estimated with reasonable accuracy more than a year in advance. Its operating budget for 1946 totals just over $4,200,000, presumably including all reasonable allowances for the operating contingencies that are likely to arise in this hydropower marketing program.

The T. V. A. has likewise submitted an estimate of the cost of its power operations in 1946. They are expected to be just over $9,300,000 and the cost of its multipurpose reservoir operations are anticipated to amount to slightly more than $2,350,000. But these estimates are based on average-year conditions, so far as stream flow is concerned. If 1946 is a dry year, these estimates may be exceeded by as much as $8,000,000. One million five hundred and fifty thousand tons of coal, above the amount estimated, will have to be burned to produce the 2,570,000,000 kilowatt-hours of energy which will be delivered from steam-electric generating plants under dry-year conditions. The Bonneville Power Administration faces no such possibility of variation in expenses.

3. In the Pacific Northwest, however, as elsewhere, steam-electric facilities are used to firm up hydro generation. The difference is that in the area of the Bonneville Power Administration it is the private utilities and large municipal systems that own and operate the steam-electric plants which serve to firm up hydro power in dry years and meet unexpected load developments. These systems have the use of their revenues to meet these unpredictable situations. In the Tennessee Valley the situation is reversed. There it is the T. V. A. which owns and operates the steam-electric generating facilities as well as the hydro plants.

4. At the present time only a small proportion of the consumers in the Pacific Northwest are solely dependent on the Bonneville Power Administration as a source of power. During the 12 months ending November 1944, less than 3 percent of the output of Bonneville Power Administration was committed in firm sales to 39 local distribution agencies, and some of these own additional generating facilities, themselves. According to the annual report of the Secretary of the Interior industrial sales amounted to 894,600 kilowatts; next comes sales to privately owned utility companies of 73,667 kilowatts; then sales to public or peoples' utility districts of 48,200 kilowatts; sales to military establishments of 23,250 kilowatts; to cooperatives of 9,170 kilowatts; and last, sales to municipalities amounting to 5,725 kilowatts.

The situation in the Tennessee Valley is the exact opposite of this. The T. V. A. is the sole source of supply for a great area. About 30 percent of the output (10 times as big a proportion as the case of Bonneville) goes to 130 local distribution agencies serving more than 570,000 consumers who are entirely dependent on the T. V. A. as a source of power.

5. For the reasons listed above, as a practical matter there is little in common between the problem of power-system management presently faced by the Bonneville Power Administration and those of T. V. A. The principle, however, is the same. In the future if the Bonneville Power Administration becomes a power system in the same sense that T. V. A. is such a system, it will require the use of its receipts for the expenses of its operation. That principle has been recognized in bills which have been introduced to set up a permanent organization under which power from the great publicly owned dams of the Pacific Northwest would be marketed. The Bone bill (S. 2430) in the Seventy-seventh Congress was one. The Mitchell bill, now pending, is another.

Section 12 of the Bone bill would have created in the Treasury an account to be known as the Columbia Power Administration fund. Money in the fund derived from power revenues would have been permanently appropriated to the Administration for a number of specified purposes, including the operation, maintenance, and replacement of electric facilities, establishment of emergency and other reserves, payments in lieu of State and local taxes, payments of interest and principal on outstanding revenue bonds, and payments to the Treasury as reimbursement for the expenses chargeable to the Administration for operation, maintenance, and replacement of electric facilities at the Bonneville and Grand Coulee projects plus additional payments to return to the United States the outstanding amount of the Administrations' indebtedness to the Treasury. Section 22 of the Mitchell bill provides that, like T. V. A., expenses of operation and maintenance should be paid from receipts.

Mr. HILL. The Senator from Tennessee also referred to the fact that the Post Office Department must come to Congress and have appropriated all the money which it spends. He asked why the Tennessee Valley Authority should not have to do the same. I shall not delay the Senate with an exposition of the differences between the operations of the Tennessee Valley Authority and the operations of the Post Office Department. Anyone who carefully analyzes them will see many great and fundamental differences between the two operations.

To begin with, the Tennessee Valley Authority must generate its own power. It must manufacture the products and commodities which it sells. That is not true of the Post Office Department. The people write the letters and send the parcels, and provide the products and commodities for the Post Office Department. The Tennessee Valley Authority must provide the means of transmission or transportation for the products which it distributes, whereas the Post Office Department, as we know, uses the railroads, air lines, and truck lines to distribute the mail. We know that the great corporations which operate the railroads, truck lines, and air lines do exactly what we gave the Tennessee Valley Authority power to do; namely, use receipts for operating purposes. Even in the case of the Post Office Department, if a rural carrier has a blowout and has to buy a new tire, he does not have to come to Congress to get the money with which to buy a new tire. Means are provided to purchase a new tire so that he may continue to carry his route and deliver the mail.

With reference to the telegrams which have been received, I can speak only in part for the State of Alabama. I am sure my colleague [Mr. BANKHEAD] will concur in the statement that the people of Alabama who live in the Tennessee Valley and are served by the Tennessee Valley Authority are conscious of all that the Tennessee Valley Authority has done for them, and all that it means to their welfare, their happiness, and their future growth and progress. They are, therefore, alert to everything which might affect the Tennessee Valley Authority. They are ready and eager at all times to take any steps which may be necessary to prevent anything happening which would in any way impair or affect the efficiency of the Tennessee Valley Authority or its capacity to carry through its program.

Mr. BANKHEAD. Mr. President, will my colleague yield?

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Alabama yield to his colleague?

Mr. HILL. I yield.

Mr. BANKHEAD. Mr. President, I have not received a single letter or telegram from Alabama in opposition to the T. V. A. or in support of the McKellar amendment.

Mr. HILL. In that connection, Mr. President, let me say that all the telegrams which I have received have been in opposition to the McKellar amendment. Those telegrams were signed by leading and outstanding citizens of the State of Alabama residing in the Tennessee Valley.

Mr. BANKHEAD. Mr. President, I join in that statement.

Mr. HILL. Mr. President, as I have stated, I did not desire to make an argument on this question, in view of the fact that the motion to suspend the rule will not be made. I am glad the Senator from Tennessee has decided not to make the motion. I heartily commend him for his decision.

There is one other matter to which I think I should call attention, and that is fertilizer, and the fact that the Tennessee Valley Authority donates or gives away fertilizer.

Senators who were Members of this body before the Tennessee Valley Authority Act was passed will recall that the Wilson Dam and the nitrate plants were constructed during the last great war for the production of nitrogen to be used in the manufacture of munitions of war in time of war, and for nitrates and fertilizer for the farmers in time of peace. In the original act the dam and the plants were dedicated to that purpose. After the war was over, for many years we debated the question of the disposition of the dam and the plants, how the plants should be operated, and whether or not the Government should proceed to go into the business of producing nitrates, manufacturing fertilizer, and selling such fertilizer in the open market. As we can well imagine, there were many who were opposed to the Government going into the business of the manufacture and sale of fertilizer in the open market.

So when the Tennessee Valley Authority Act was written Congress denied the Government the right to sell fertilizer; but for the sake of American agriculture, for the sake of the conservation and preservation of the soil, the act provided that the Tennessee Valley Authority should carry on experiments relative to the production of fertilizers. The act authorized the Tennessee Valley Authority—and now I read from subsection (b) of section 5 of the T. V. A. Act—

(b) To arrange with farmers and farm organizations for large-scale practical use of the new forms of fertilizers under conditions permitting an accurate measure of the economic return they produce. (48 Stat. 61.)

(c) To cooperate with National, State, district, or county experimental stations or demonstration farms, with farmers, landowners, and associations of farmers or landowners, for the use of new forms of fertilizer or fertilizer practices during the initial or experimental period of their introduction, and for promoting the prevention of soil erosion by the use of fertilizers and otherwise. (48 Stat. 61, as amended by 49 Stat. 1076.)

Subsection (e) authorizes the following:

(e) Under the authority of this act the board may make donations or sales of the product of the plant or plants operated by it to be fairly and equitably distributed through the agency of county demonstration agents, agricultural colleges, or otherwise as the board may direct, for experimentation, education, and introduction of the use of such products in cooperation with practical farmers so as to obtain information as to the value, effect, and best methods of their use.

There is no question in my mind that the Tennessee Valley Authority is authorized to engage in such operations.

Mr. President, it is under that specific authority provided in the law and under the direct obligation imposed by the law on the Tennessee Valley Authority that the Authority today is making donations of fertilizers through county demonstration agents, agricultural colleges, and agricultural extension services. I shall not detain the Senate at this time to review those experiments or to discuss what the matter of having the farmers and agricultural agents join hands has meant to American agriculture.

On the 22d day of last February I addressed the Senate on the subject of phosphate and the land. In the remarks I made at that time I endeavored to tell something of the story of the great benefit which has come to the farmers of America, to American agriculture generally, and to all the people of America because of the preservation and conservation of our soil through the experiments with fertilizer conducted by the T. V. A.

The question has been asked whether there are any other agencies of government which have authority to expend their receipts or use their receipts for operating purposes without coming to Congress to obtain an appropriation of such receipts. I call attention to the fact that the Reconstruction Finance Corporation and its subsidiaries, the Panama Railroad Company, the Inland Waterways Corporation, the Commodity Credit Corporation, the Home Owners' Loan Corporation, the Federal Deposit Insurance Corporation, the Federal Farm Mortgage Corporation, and the United States Maritime Commission enjoy the same right, namely, to use their receipts for the purpose of carrying on their operations in their daily work under the duties imposed upon them by the Congress.

Mr. President, I shall not further detain the Senate. I felt that for the sake of the record I should make these comments and observations.

I ask unanimous consent to have printed at this point in the RECORD as a part of my remarks a statement prepared by the Department of Agriculture relative to the post-war use of fertilizer and lime, and a statement prepared by the Tennessee Valley Authority relative to mineral fertilizers and the security of the Nation.

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

POST-WAR USE OF FERTILIZER AND LIME

Greatly expanded use of fertilizer and lime after the war will be essential to human nutritions, soil conservation, and balanced farming, and therefore should be encouraged as a matter of national policy, a special committee has reported to the Secretary of Agriculture, Claude R. Wickard. The committee, composed of Department of Agriculture and War Food Administration officers, recommended increased phosphate production capacity, conversion of Government synthetic nitrogen plants for the production of fertilizers, and large importations of potash to meet increased demands.

The committee also pointed out that, under favorable conditions, greater use of fertilizer and lime will be profitable to farmers. Recent studies indicate that if post-war conditions are favorable farmers can profitably use twice as much fertilizer and three times as much lime as in 1944. Compared with pre-war consumption, the increases would be much greater.

The report emphasizes that the proper and adequate use of fertilizer and liming materials is essential to the development of farming systems that maintain soils and result in a balanced farm output. Under such improved farming systems, however, cash crops would receive a smaller proportion of the commercial plant food than at present, soil-conserving and soil-building crops would receive a greater percentage.

In addition to helping develop a permanent agriculture, the committee pointed out, adequate and proper use of fertilizer and liming materials improves the nutritional value of the food supply.

National policy, in the committee's view, should aim both to increase the use and insure a continuous adequate supply of fertilizers and lime.

Recommendations for carrying out these objectives include:

1. Develop a broad educational program in cooperation with various public and private agencies to (a) encourage use of high-analysis fertilizers, (b) continue through State action a reasonable limitation and uniformity of fertilizer grades, (c) encourage coordinated use of lime and fertilizer, (d) test and demonstrate the place of lime and fertilizer in desirable farming systems under various conditions.

2. Substantially increase Federal-aid programs for promoting the use of fertilizers and liming materials for conserving soil resources, with distribution of materials primarily through commercial channels.

3. Expand research on (a) use of these materials to achieve balanced production and soil conservation and (b) new products and processes for fertilizer production at low cost.

4. Explore possibilities of reducing shipping rates and otherwise keeping costs low.

5. Encourage development of additional sources of liming materials as near areas of need as possible, encourage other means of keeping distribution costs low.

6. As recommended previously by another committee, convert Government synthetic ammonia plants with a rated capacity of 300,000 tons (N) for the production of nitrogen fertilizers and ammonia derivatives as soon as war conditions permit. These plants should be sold or leased to private industry, including farmer cooperatives, under arrangements safeguarding the public interest. Otherwise, the plants should be operated as a public enterprise. All other Government nitrogen plants should be maintained in standby condition. Imports of nitrogen fertilizers should continue to be admitted free of duty. Duties should be removed from anhydrous ammonia when it is imported for use in fertilizer.

7. Encourage the construction of new phosphate plants needed to supply areas not economically or adequately supplied by existing plants or in which substantial increase in the use of phosphates is desirable. Government-owned sulfuric-acid plants should be sold or leased to private industry for post-war fertilizer production. Private industry, including farm cooperatives, should be encouraged (with Government support if necessary) to expand production of phosphates to meet all fertilizer demands.

8. Explore public land for new domestic sources of water-soluble potash. Known resources of potash in the United States are adequate for less than 50 years if used at rates most desirable for soil maintenance. The limited supplies available should be considered as a strategic reserve. The major portion of the potash used in this country should be obtained from foreign sources.

In accepting the committee's report, Secretary Wickard said: "Among farmers and the general public there is a growing realization that more fertilizers and liming materials should be used to conserve and improve soil

and promote balanced, ample, and profitable farm production.

"There also is a growing realization that present production and distribution capacity for these materials is not sufficient to meet requirements, and that the Nation's supplies of some fertilizers, particularly potash, may be extremely limited."

He recommended study of the committee's report to all persons interested in the adequate and proper post-war use of fertilizers.

Members of the committee are: W. A. Minor, Office of the Secretary, United States Department of Agriculture; H. R. Tolley, Bureau of Agricultural Economics; F. W. Parker, Agricultural Research Administration; W. C. Finn, Agricultural Adjustment Agency; J. L. Boatman, Extension Service; A. W. Palmer, Office of Foreign Agricultural Relations; A. E. Burns, Office of Materials and Facilities; David Meeker, Office of Surplus Property and Reconversion; S. E. Johnson, Bureau of Agricultural Economics; G. F. Brown, Soil Conservation Service; and K. D. Jacob, Agricultural Research Administration.

Mineral Fertilizers and the Nation's Security

(An interim report issued by the board of directors of the T. V. A., summarizing its findings and recommendations based upon 10 years of experimentation)

The Tennessee Valley Authority Act of 1933 placed upon the T. V. A. a responsibility to produce, improve, and cheapen fertilizers and to demonstrate, increase, and test their use in relation to the fertility of the Nation's soils. To this end the T. V. A. was authorized to build and operate fertilizer-manufacturing plants, using new methods and processes from its research laboratories, and to cooperate with farmers, associations of farmers, and National and State agencies for the use of the products of these plants. In short, the Congress instructed the T. V. A. to form a working partnership with the Nation's farmers and their organizations for the purpose of helping them to find better and more profitable ways to restore and maintain soil fertility by use of minerals and chemical plant food or fertilizers under practical farming conditions.

The T. V. A. has now completed a review and analysis of the results of the first 10 years of this broad assignment in the field of national fertilizer and soil-fertility policy. In this period several hundred thousand tons of improved and new fertilizer products have been produced in T. V. A. plants. New manufacturing processes have been developed and old ones improved. Year after year thousands of tests and demonstrations have been conducted on tens of thousands of privately owned farms in more than half of the 48 States. New arrangements in public agency and citizen relationships have been developed and tested. The board of directors considers it appropriate, therefore, to make this interim report of findings and recommendations for the information and consideration of the several agencies and organizations with which it cooperates and shares its responsibilities.

We recognize, first of all, the elementary truths of science: That human life and society are dependent directly or indirectly on plant life both as a source of food and as a source of raw materials supply for a large proportion of industry; that an abundant plant life requires a fertile soil; and that preservation of the soil itself is dependent upon the protective cover of plants.

We also recognize the important truth that what happens to the soil and how it is used depend largely upon the individual farmer—upon what he wants to do and what he is able to do with the land.

The truths of science can be related to the understanding and will of millions of free and independent American farmers and the enterprise of businessmen to produce a new era of national effort to restore and improve the fertility of our soils. To that end we offer these findings and recommendations:

Findings and Recommendations

1. Greatly increased use of mineral fertilizers, particularly phosphates, is essential to the future security of the American people; the Nation's soils need two to three times more phosphate than the Nation now produces

The elements necessary to plant growth are found either as minerals in the soil or as chemical elements in the water and in the air. The minerals secured from the soil, particularly potash and phosphorus, are the most strategic. They are not universally present in the soil in sufficient quantities to sustain desirable plant growth.

The elements necessary for plant growth obtained from water and the air enter the soil largely by the continual addition of vegetable matter. In this manner the power of the soil to produce vegetable matter is restored and preserved. But these elements from the air and the water cannot be captured to emerge in growth unless the strategic minerals are available in the soil.

Phosphate is one of the most important of these vital minerals holding the key to nature's cycle of plant growth. There is abundant evidence of the need of larger supplies of phosphate for agriculture. The most authoritative statement on this subject is contained in the report of October 1943 of the special committee of the Association of Land-Grant Colleges and Universities on the preservation of phosphate resources and their national use. This report places the requirements for phosphate at two to three times current production.

The evidence of serious deficiencies of potash fertilizers is equally startling.

Ample scientific data and practical everyday experience show that the depletion of the Nation's basic resources, the soil, limits the choice which the farmer may exercise as to the kind and amounts of products he grows and results in decreases in the quality and quantity of food production, increased erosion and floods, and poorer nutrition for all people.

Our national agricultural practice must correct the natural deficiency of the soil and in addition restore the strategic minerals lost through cropping and erosion. The usual quantities of phosphate made available through a continuation of historic and current fertilizer manufacturing and distribution practices are not enough. More phosphate must be made available and more must reach the soil. The future of the American economy and the future of American life is not secure unless this is done, and in time.

2. To supply the major part of the Nation's requirements there is urgent need for private industry to increase greatly its capacity to produce phosphatic fertilizer

Provision of an adequate supply of mineral fertilizers is a task which the privately owned fertilizer industry could well undertake by greatly expanding its present capacity and by adopting improved processes for improved products.

The fertilizer industry has increased productive capacity to help meet war food requirements. It has not taken full advantage of its opportunity to utilize the advances that have been made in the technology of producing concentrated materials, distributing them directly to the farm, and encouraging their use in unadulterated form.

The results of research and experimentation by the T. V. A. and other agencies have been generally available and the fertilizer industry has been free to utilize these results. The T. V. A.'s program has encouraged increases in commercial fertilizer sales. But industry continues to produce far short of what the Nation's soils require.

Farmers will buy more nearly what the land needs when the industry produces more phosphatic materials in more concentrated form and distributes these materials by more efficient and less expensive methods than those which now prevail. The mineral requirements of the soil present a challenge to industrial and business enterprise.

3. Farmer ownership and operation of a portion of the Nation's fertilizer manufacturing capacity is needed to assure an adequate national supply

Farmers have a predominant stake in the improvement of the soil because the soil is their private capital and because the public interest views them as stewards of the Nation's most basic resource. Farmers and farming comprise the greatest private business in America. In carrying on their business farmers have turned in increasing numbers to a business device deeply rooted in the American rural tradition, the institution of the farmer-cooperative organization. By this voluntary and democratic device the individual farmer-businessman joins his right of capital ownership to those of his neighbors to acquire more cheaply and in greater abundance the materials upon which his production depends.

Mineral fertilizer is one of these essential materials.

One practicable way by which farmers can assure themselves access to an adequate supply of fertilizers of the right kind is to buy, through their cooperative organizations, a portion of the mineral deposits and to build or acquire manufacturing plants to process mineral ores into fertilizers. In this way farmers can answer for themselves the important questions of how much mineral fertilizers they can use, which kinds are cheapest and most efficient, and what methods of application should be employed in an economic soil-building farm program. In this way farmers can express by example and experience the kinds and quantities of fertilizers they need from industry and the prices at which it should be supplied.

4. Government ownership and operation of a portion of the Nation's fertilizer capacity for the conduct of a practical plant-scale research and development program is likewise essential

The principal phosphate reserves of the Nation are located at considerable distances from large portions of the consuming areas. This fact emphasizes the importance of the production and use of highly concentrated materials which cost less to ship, distribute, and use. Prior to the research developments conducted by T. V. A. no appreciable progress had been made toward improvement of phosphatic fertilizers since the initial development of the industry.

T. V. A. has developed a number of devices and methods of producing concentrated phosphates. The materials produced by these processes have been shown by rigid scientific tests to be equivalent per unit of phosphorus to the low concentrated phosphates in common use. Large-scale electric furnace plants have been designed, built, and operated by T. V. A. to manufacture triple superphosphate (47 percent P_2O_5). A large-scale calcium metaphosphate (63 percent P_2O_5) plant has been developed and operated experimentally. A large-scale plant is now under construction for the manufacture of fused phosphate (28 percent P_2O_5). A process to produce potassium metaphosphate (35 percent K_2O and 55 percent P_2O_5) has been developed into the semiworks plant stage. The blast furnace process, now successfully developed by T. V. A. on a pilot-plant scale, is ready for commercial-size development. This process offers promise as an economic method for producing concentrated phosphates at locations where, unlike the Tennessee Valley and the Pacific

Northwest, large quantities of low-cost electricity are not now available.

The Nation needs the discoveries and improvements produced in this type of research and experimental production on a commercial scale. Only in this way can the public be assured of access to research and improved technology for fertilizer production. The Nation needs the improved products manufactured in its Government experimental plants from publicly owned deposits. Only in this way can farmers be assured of access to at least a limited quantity of materials produced through the most advanced methods and against which they can judge the effectiveness of the more conventional products they manufacture or buy.

5. The phosphate deposits of Florida and the Western States should be drawn upon for a larger part of the national requirement

The most important phosphate deposits of this country are found in Florida, the Rocky Mountain States, and in Tennessee. A national program to increase the production and supply of phosphatic fertilizers to meet the needs of the Nation's soils should draw upon each of these deposits as a primary source of supply for the agricultural areas each is best equipped to serve.

The Tennessee phosphate deposits are very small in comparison with those of Florida and the West. They are, however, strategically located as a source of supply to a large fertilizer consuming area in the humid region. Furthermore, the Tennessee Valley deposits have supplied almost all of the phosphorus required for military purposes during the current war.

We firmly believe it is inconsistent with the national interest to continue to exploit the Tennessee reserves to meet further increased demands in agricultural areas which might favorably be served from the larger deposits in Florida and the West. The additional capacity required should, therefore, utilize these larger deposits.

6. A Nation-wide cooperative test-demonstration farm program is needed to show the way to widespread use of mineral fertilizers and their relationship to other plant foods and soil fertility in systems of improved farm and soil management

The ability of farmers to use concentrated mineral fertilizers to improve their land, to integrate and to stabilize their farm business and thereby raise the general economic level of their community, will be determined in the last analysis by the farmers themselves. Individual farmers and groups of farmers must test fertilizer materials on individual farms and communities of farms, giving full recognition to economic and social factors pertinent to the individual farm and to the local community. Since conditions vary widely from region to region, from community to community, and from farm to farm, full effectiveness of the test-demonstration farm technique can be achieved only by reliance upon systematic field surveys, conducted by local institutions and agencies, to provide a basis for programs tailored to fit the needs of local areas and of farms having specific physical and economic characteristics.

Concentrated phosphatic fertilizer materials have been made available directly from the T. V. A. Muscle Shoals plant to farmers. These demonstrator farmers, individually and in groups, have utilized these materials, together with purchased materials, including other forms and ingredients, with the guidance of the State extension services and the county agents. Test demonstrations are being conducted on over 31,000 farms in 28 States, the more intensive program being conducted within the Tennessee Valley. These demonstrator farmers have proved to themselves and to many of their neighbors that they can use concentrated phosphates efficiently, obtain permanent improvement of their soil resources, and at the same time achieve substantial increases in the acre yields and quality of farm products.

The proven effectiveness of the test-demonstration method and the broad educational program which it makes possible indicates the desirability of extending it throughout the Nation at somewhat the same intensity as now carried on within the Tennessee Valley. This cannot be done unless and until adequate supplies of mineral fertilizers are available. We believe that at the appropriate time Congress may wish to consider making this national test-demonstration program a regular part of the cooperative relationship between the farmers, the various agricultural colleges, and the United States Department of Agriculture, with Federal responsibility in the program transferred from the T. V. A. to the Department outside of the Tennessee Valley area. Within the Tennessee Valley area the T. V. A. would continue to carry on cooperatively an intensified program of fertilizer tests and demonstrations and agricultural development as a part of its integrated regional program. Under this plan the T. V. A. would also continue to develop new products through research for testing on a Nation-wide basis. The Tennessee Valley region could thus become a pilot-plant area for the Nation-wide test-demonstration and expanded-production program.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 298) to continue the Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. WOLCOTT, and Mr. CRAWFORD were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1752) to amend the Selective Training and Service Act of 1940, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAY, Mr. THOMASON, Mr. BROOKS, Mr. ANDREWS of New York, and Mr. SHORT were appointed managers on the part of the House at the conference.

UTILIZATION OF MANPOWER RESOURCES

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 1752) to amend the Selective Training and Service Act of 1940, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. THOMAS of Utah. I move that the Senate insist upon its amendment, 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. THOMAS of Utah, Mr. JOHNSON of Colorado, Mr. O'MAHONEY, Mr. AUSTIN, and Mr. BURTON conferees on the part of the Senate.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Several nominations for promotion in the Foreign Service.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 46 minutes p. m.) the Senate took a recess until tomorrow, Thursday, March 15, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received March 14 (legislative day of March 12), 1945:

FEDERAL COMMUNICATIONS COMMISSION

Charles R. Denny, Jr., of the District of Columbia, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1944 (vice T. A. M. Craven).

POSTMASTERS

The following-named persons to be postmasters:

COLORADO

Richard C. Caddell, Grand Lake Colo., in place of H. G. Hawkins, resigned.

IDAHO

Charles L. Burdett, McCall, Idaho, in place of Martha Hentley, resigned.

ILLINOIS

Adam P. Eaton, Allerton, Ill. Office became Presidential July 1, 1944.

Daulton L. Rohde, Jr., Oakdale, Ill. Office became Presidential July 1, 1944.

INDIANA

Bynum L. Shepard, Elizabethtown, Ind. Office became Presidential July 1, 1944.

KANSAS

Lorraine C. Mills, Bunkerhill, Kans., in place of H. F. Mills, deceased.

KENTUCKY

William H. Vitatoe, Albany, Ky., in place of W. E. Ferguson, removed.

Violette G. Thomas, Owingsville, Ky., in place of Earl Rogers, resigned.

Katheryn E. Short, Van Lear, Ky., in place of V. L. Daniel, resigned.

MAINE

Sarah A. Gillis, Pembroke, Maine. Office became Presidential July 1, 1944.

Frank Lee Whitney, Surry, Maine. Office became Presidential July 1, 1944.

MICHIGAN

George J. Cobb, Saranac, Mich., in place of G. P. Adgate, transferred.

NEW YORK

Richard T. Stanton, Millbrook, N. Y., in place of R. P. Stanton. Incumbent's commission expired June 23, 1942.

Lydia L. Keil, Stuyvesant Falls, N. Y. Office became Presidential July 1, 1944.

OHIO

Everett D. Crumrine, La Fayette, Ohio. Office became Presidential July 1, 1943.

Pearl C. Brown Middlefield, Ohio, in place of G. E. Sperry, resigned.

Virginia Bagent, North Industry, Ohio. Office became Presidential July 1, 1942.

OKLAHOMA

Clifford C. McKown, Maud, Okla., in place of G. A. Phillips, resigned.

PENNSYLVANIA

May N. Schultz, West Pittsburgh, Pa. Office became Presidential July 1, 1944.

WISCONSIN

George W. Rickeman, Helenville, Wis. Office became Presidential July 1, 1944.

Gene F. Guay, Peshtigo, Wis., in place of D. G. Guay, resigned.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 14, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

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

The law of the Lord is perfect, converting the soul; the testimony of the Lord is sure, making wise the simple; the precepts of the Lord are right, rejoicing the heart; the commandments of the Lord are pure, enlightening the eyes; the fear of the Lord is clean, enduring forever; the judgments of the Lord are true and righteous altogether. More to be desired are they than gold, yea, than much fine gold.

Heavenly Father, as we know Thy word, may we bear fruit and do Thy will, thus enlarging our sphere day by day. Herein is no waste of energy, no contagion of weariness or annoying temper, for life is enriched by the spirit of Thy truth. Whatever we aspire to, dear Lord, we pray to be serious, diligent, and humble, carrying burdens for the oppressed and winning victories for liberty and peace. O bless richly those quiet, uncomplaining souls who are waiting and praying for the return of their sons and daughters in the fierce battle lines. As across their hearts the tidal waves of sorrow sweep, O may they know—

"They live. In all the past
They live; nor to the last
Of seeing them again, I will not despair.
In dreams I see them now,
And on their angel brows
I see written: 'We shall meet again.'"

In the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate disagrees to the amendment of the House to the bill (S. 298) entitled "An act to continue Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WAGNER, Mr. BANKHEAD, Mr. RADCLIFFE, Mr. TOBEY, and Mr. TAFT to be the conferees on the part of the Senate.

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 August 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. Federal Works Agency.
5. Office of Defense Transportation.

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 August 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 the Treasury.
5. Department of War.
6. National Archives.
7. Office of Price Administration.
8. Selective Service System.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include an address delivered by Gen. Frank T. Hines, Administrator of Veterans' Affairs.

MOBILIZATION OF CIVILIAN MANPOWER

Mr. SABATH. Mr. Speaker, I call up House Resolution 183 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution the bill (H. R. 1752) to amend the Selective Training and Service Act of 1940, and for other purposes, with Senate amendments thereto be, and the same hereby is, taken from the Speaker's table to the end that all Senate amendments be, and the same are, disagreed to and a conference is requested with the Senate on the disagreeing votes of the two Houses thereon.

CALL OF THE HOUSE

Mr. HALLECK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 39]

Anderson, Calif.	Chapman	Fellows
Baldwin, Md.	Clason	Fenton
Bates, Mass.	Combs	Fernandez
Bell	Dawson	Fuller
Boren	Dirksen	Gordon
Cannon, Fla.	Doyle	Hagen
	Eaton	Hancock
Hébert	King	Sheridan
Hedrick	Luce	Sikes
Heidinger	McKenzie	Slaughter
Hobbs	Madden	Smith, Maine
Hope	Morrison	Starkey
Izac	Mott	Stewart
Jennings	O'Toole	Taylor
Johnson, Luther A.	Patrick	Thom
	Pfeifer	Weiss
Johnson, Lyndon B.	Philbin	West
	Robinson, Utah	White
Jones		Wood
Kearney	Rowan	

The SPEAKER. On this roll call 369 Members have answered to their names, a quorum.

On motion of Mr. McCORMACK, further proceedings under the call were dispensed with.

MOBILIZATION OF CIVILIAN MANPOWER

The SPEAKER. The gentleman from Illinois [Mr. SABATH] is recognized.

Mr. SABATH. Mr. Speaker, I yield myself 6 minutes, and later on I shall yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. Speaker, the resolution now before us is brought about by the fact that on yesterday when unanimous consent was requested by the chairman of the Committee on Military Affairs to send this manpower bill to conference, objection was made; consequently I felt it my duty to call an immediate meeting of the Rules Committee in the afternoon, at which meeting the Rules Committee agreed to report the rule now being considered, which will carry out the request made by the chairman of the Committee on Military Affairs on yesterday to send the bill to conference.

That is the usual procedure under the circumstances. I have received since yesterday more than 50 telephone calls to explain this situation and why I acted so hastily in calling a meeting of the Rules Committee to grant this rule.

I have always assured the House that I believe in expediting business and believe in orderly procedure. I felt then and I feel now that it was my duty to do and act as I have. The rule is before you, and the House will have its will. That is the intent, of course, of the Committee on Rules, on all matters that are submitted to the House.

I feel, and I am in honor bound to explain to the membership, that when the time will have been used up, 30 minutes on a side, that I shall move the previous question on the resolution and shall be constrained to yield for the offering of an amendment, whereupon, of course, if the previous question is defeated, many of you who are so anxious to have a vote on the Senate amendments, or to do anything that you may feel should be done in lieu of sending the bill to conference, will have your opportunity.

I, of course, am for the rule. I am in honor bound to vote for it. I feel that the Committee on Military Affairs has worked hard in preparing the bill. Some of the Members and those interested in the legislation claim that due to the hearings and deliberations of the House Committee on Military Affairs the Senate was the beneficiary of the House committee's work and had the opportunity of improving the House bill, making it less stringent and at the same time meeting the need for this legislation.

Of course I am against slackers and evaders and while we are at war I believe it is the duty and responsibility of all of us to serve the country in the best way we are able. However, I fear that the House bill goes unnecessarily a little too far and may cause discontent and needlessly incur the risk of criticism against such legislation. We know that not only labor but industrial and manufacturers' organizations, such as commerce associations, are on record against such stringent action.

There is a shortage of labor in the production plants to adequately supply our fighting forces, and certainly we must do everything in our power to keep them supplied. Many members of the Senate committee, as well as many of us here, feel that there is a great deal of labor being hoarded, and I believe that is undoubtedly true.

Mr. Speaker, the situation has improved and the conditions are not exactly the same as when the legislation was originally recommended and passed in the House. It is up to the membership to decide on the action it will take. All of you are conversant and well informed on the existing conditions and I know you will use your best judgment in casting your vote. As I have stated, I shall vote in favor of the previous question, believing that if the bill does go to conference the conferees may agree on a bill that will be more to the satisfaction of the Senate, the House, and the country than either the present House or Senate bill. Furthermore, if the conferees should fail to carry out the wishes and best judgment of the majority the House will have an opportunity to vote down the conferees' report, and may have the further opportunity to vote for the original Senate amendments.

Mr. Speaker, I now yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, all that this rule does is to send the May bill, with the Senate amendments, to conference; in other words, the rule provides that the unanimous consent request propounded by the gentleman from Kentucky, the chairman of the Committee on Military Affairs, to send this bill to conference, shall prevail—the only difference being that it will be done by vote, rather than unanimous consent. That is all there is to this resolution. Debate will continue for 1 hour, with 30 minutes on a side.

Then the chairman of the Committee on Rules will undoubtedly move the previous question. If the previous question is voted down, then the resolution, not the May bill, is opened up for amendment. Any germane amendment to the resolution will be in order. If the previous question is voted down and an amendment to the rule is offered, the person offering the amendment will be recognized for 1 hour. In other words, he will be in exactly the same position at that time as the chairman of the Committee on Rules is whenever a resolution or a rule of this type is presented by the Committee on Rules.

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

Mr. MICHENER. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. If a Member is recognized and then yields to another Member, will not the Member to whom he yields be entitled to 1 hour also?

Mr. MICHENER. No. I think the later precedents are that the Member offering the amendment is recognized for an hour and that he may then yield time from his hour to others. We had a question here one day while Speaker Bankhead was in the chair when a number of Members were recognized. Then the point was raised that each one had an hour. Later the Speaker clarified this matter, so that now each Member so recognized must use his time before another is recognized.

Mr. EBERHARTER. Then it would be necessary to move the previous question again after the Member who had been recognized by the Speaker had finished?

Mr. MICHENER. Yes; I think so.

Mr. EBERHARTER. So we would have that question up twice?

Mr. MICHENER. Yes; you would have the previous question up twice, as I interpret the precedents.

I do not think the passage of the rule is controversial, but there are those who want to amend the rule. It is the form of the rule that is contested.

Mr. Speaker, when the May work-or-fight bill was before the House some weeks ago, its proponents stressed its immediate necessity. As we all know, that bill went to the Senate, where it has had a stormy career, extending over a period of weeks. The Senate amendments to which the May proponents in the House object have drawn the teeth of the bill so far as the employees are concerned, but rigid control is provided over the employer, and these controls are implemented by severe penalties to be imposed upon the employer, and largely in the discretion of Chairman McNutt's War Manpower Commission.

I voted to send the May bill on to the Senate and stated at the time that the final bill would be written in conference. I am convinced if any bill at all is enacted it will be accomplished through that process. Therefore, I naturally am loath to do anything that would prevent the conferees giving the usual study and consideration. However, if by voting down the previous question it is intended to give the conferees further information as to the present attitude of the House concerning the legislation, then I can see some merit in that suggestion. Voting down the previous question on a conference report is a very unusual procedure. It is not uncommon to attempt to vote down the previous question on a rule making a House bill in order. Be that as it may, the roll will finally be called, each Member will exercise his franchise, democratic processes will have operated, and the desire of the majority will control. Who can object to that?

Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I appreciate the explanation by the gentleman from Michigan as to the parliamentary situation. I cannot quite go along with him on the proposition that this rule is not controversial because I think it is controversial. I hope at the proper time to offer an amendment to the rule.

The gentleman from Illinois, the chairman of the Committee on Rules, has spoken of the regular procedures of the House. I have never been able definitely to determine what are the regular procedures except that I know that on some occasions extraordinary circumstances require that actions be taken within the rules of the House that are a little different from those ordinarily taken.

As has been pointed out, if the previous question is voted down, then it is in order to offer an amendment to the rule. I have such an amendment to the rule, which I will offer if the Speaker recognizes me for that purpose. As far as I am concerned, I do not feel myself duty bound to support this rule as it is written.

The amendment I will offer is in these words:

> Page 1, line 5, after the word "table", strike out the balance of the resolution and insert in lieu thereof the following: "and the House shall immediately proceed to the consideration of said Senate amendments in the House."

If I should offer that amendment, then 1 hour's time is granted to me for debate. I can yield for purposes of debate for the period of the 1 hour and will so yield if we get that far along in the process. At the conclusion of that hour, it would be in order, if this amendment is offered, for me to move the previous question on the amendment to the resolution, and the resolution to final passage. If that should prevail, and the resolution as amended is then adopted, an amendment to the Senate amendment would be in order. It is my understanding and hope that if we should reach that stage of the matter, the amendment that was offered when we had this matter under consideration first—the Barrett-Harness substitute—would be offered as an amendment to the Senate amendment.

Now, what is this all about, apart from the procedural situation? The Committee on Military Affairs reported to the House the so-called May bill. That bill proceeded on the theory of compulsion applied to the individual worker. It provided for the freezing of millions of workers in essential industries. It provided for the ordering of men from one job to another, and provided for severe penalties on the workers. During the consideration of that measure, the Barrett-Harness substitute was offered. That substitute proceeded on a different theory. It proceeded on the theory of an extension of voluntary control. It provided for surveys of local situations. It provided for the determination of the hoarding of labor. It provided certain statutory controls to be vested in the War Manpower Commission. It had certain provisions having to do with War Manpower ceilings. That substitute was thoroughly debated. When it came on for a vote, the vote was 177 for that proposition, and 187 against it. In other words, on that occasion, and before the bill went to the other body, the House of Representatives almost adopted the Barrett-Harness substitute, which proceeded on this different theory with these different provisions.

Then, what happened? The May bill was adopted by the House. It went to the other body, where it was considered; and, as I understand the situation, there never was at any time really serious consideration given by anything like a majority in the other body to the compulsory theory of the May bill. On the contrary, they proceeded to adopt by a vote of 63 to 16 a measure which proceeds largely on the theory of the Barrett-Harness substitute. It goes further than the Barrett-Harness substitute in several ways, but principally because it provided vigorous penalties to be applied on employers under certain circumstances. I think possibly it is fair to say that some of the 16 who were recorded against the 63 in the other body on that measure were voting against it, not because they preferred the May bill with its compulsory control of the individual worker, but rather because they did not like the penalties and other provisions in respect to employers.

What I am getting at is this: Why send to the other body for conference action, as will be done if the procedure I have spoken of here is not adopted, two bills so diametrically opposed in their approaches to this whole problem?

I do not believe it will avail anything to again go over the arguments pro and con on the May bill. We are all patriotic. We all want to give the fullest possible support to the armed forces. We want maximum production. We just honestly differ on how to get maximum production.

The May bill provides for compulsory control of the individual worker. The Senate bill has a diametrically opposite approach. My view is that that can result in nothing but a stalemate on this proposition.

Without regard to what anyone says or thinks of my personal position I happen to be one of those who want to see legislation on this very important matter. Hence I am advocating the procedure I am talking about now.

In other words, the Barrett-Harness substitute is very much in line with the theory and action taken in the other body. If we adopt the amendment to the rule, then we can proceed to a consideration of the Barrett-Harness substitute, assuming the Speaker would recognize the gentleman from Indiana [Mr. HARNESS] or the gentleman from Wyoming [Mr. BARRETT] to offer it as a substitute for the Senate bill. If it is so offered and the close vote of 187 to 177 should be followed by the majority in favor of the substitute, the measure as so amended would then be messaged to the Senate. It would be up to the Senate to concur in the action of the House amending the Senate bill, or to send the measure to conference. So that the whole thing, including the May bill, would be in conference with this different situation, that the conferees would then have the last expression of the House of Representatives in respect to the theory and general outline of legislation that they think should be adopted.

In the final analysis, the procedure I advocate will result in the House again having an opportunity to express its opinion on the theory of the Barrett-Harness substitute, which is much in line with the theory of the Senate amendment. If it is adopted then it will be up to the Senate to concur or to take the whole matter to conference. If it goes to conference, the conferees will know of the attitude of the House.

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

Mr. HALLECK. I yield.

Mr. EBERHARTER. Is it not a fact that if the previous question is voted down, then it will be in order to consider every Senate amendment to the House bill.

Mr. HALLECK. If the previous question is voted down, and the amendment to the rule which I propose to offer if recognized is adopted, then the House would proceed to a consideration of the Senate bill for amendment. The Senate bill struck out all after the enacting clause. An amendment would be in order to the Senate bill in the House, and I take it that the amendment I have referred to would be properly offered. It was held germane to the May bill. It certainly would be held germane to the Senate amendment, which is more nearly in line with the underlying theory and effect of the Barrett-Harness amendment.

Mr. EBERHARTER. Then the amendment which would be offered would also be subject to amendment?

Mr. HALLECK. No. The gentleman who would offer the amendment would be recognized for 1 hour. He could yield for purposes of debate to other Members who might want to speak, but at the conclusion of the hour if he moved the previous question on his amendment and the Senate amendment to final passage, then the vote would come on the amendment to the Senate amendment.

Mr. EBERHARTER. You would cut off all other amendments to the Senate bill.

The SPEAKER. The gentleman has consumed 10 minutes.

Mr. MICHENER. Mr. Speaker, I yield the gentleman from Indiana 2 additional minutes.

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

Mr. HALLECK. I yield.

Mr. VOORHIS of California. I would like to ask whether or not, as a matter of fact, the bill finally enacted by the Senate was not more like the substitute which I offered in the House than any other measure which the House had to consider?

Mr. HALLECK. Well, I do not think so. The gentleman may feel that it is. I do not believe that it is. I have read the Senate bill and I was present when the gentleman's amendment was debated. I listened to the arguments, pro and con. I would not undertake to say I am an expert about that, but I am convinced that if the action is taken which I have here outlined this matter will ultimately come on in conference for action that I believe will result in legislation.

Some Members may think that with the attitude in the other body such as it is, the bill passed by the House will be accepted and adopted. I do not believe so; I think if it hinges on that proposition there will be no legislation.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. JOHNSON of California. When the gentleman offers his amendment to the rule, will it be amendable?

Mr. HALLECK. No; it is not amendable. I will yield for purposes of debate and then the vote will come on the amendment.

I now yield to the chairman of the committee.

Mr. SABATH. Is it not a fact that if the previous question is voted down a motion to agree to the Senate amendments will be a preferential motion and take precedence over the gentleman's motion?

Mr. HALLECK. I do not think so.

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

Mr. HALLECK. I yield.

Mr. MICHENER. I believe the gentleman stated the parliamentary situation correctly: If the previous question is voted down and the gentleman from Indiana is recognized, he will have 1 hour and will be in exactly the same position in reference to this resolution as the gentleman from Illinois [Mr. SABATH] was when the rule was called up today; he will be in control. He can move the previous question at any time or use his hour in debate.

The SPEAKER. The time of the gentleman from Indiana has again expired.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, the statement made by my friend from Indiana [Mr. HALLECK] clearly shows the soundness of the custom and practice that has existed in the House from time immemorial of sending a bill to conference where there is a disagreement between the two branches, for the purpose of having the conferees on the part of both branches iron out the differences that exist between the two.

Many Members think the Senate bill can come before the House for a vote. The gentleman from Indiana has clearly stated that that is not the intention. The bill they intend to bring before the House is the Barrett bill, the voluntary bill. On the one hand we voted to compel young men to fight and die for our country, yet on the other on the home front we want to leave it voluntary, resting with the individual, as to whether or not he wants to cooperate by going into defense plants to produce weapons of war, to produce the weapons needed by the young men who are doing our fighting.

I hope the House will follow custom; I hope the House will send the bill to conference. That is what we do on all measures.

The gentleman from Indiana says this is an unusual legislative resort. We are all agreed that it is. I am sorry to see my friend from Indiana, one of the recognized leaders of the minority party in the House today, taking this position, because the wheel of fortune changes and he would be establishing a precedent that might come back to plague him at

some future day, for with a turn of the political wheel of fortune the Democratic Party might become the minority. Then they could say that on such and such a date one of the recognized leaders of the then minority party, the Republican, in the House resorted to this very legislative procedure, when the then Republican leaders urged that a bill go to conference.

We are asking nothing but what has been done for 152 years. It will be an open and a free conference. I hope the previous question will be ordered, the resolution adopted, and the bill sent to conference.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Speaker, I have been a Member of this distinguished body for 15 years. I have watched the RECORD pretty carefully, and I have never before witnessed a proceeding like this. I never dreamed it would happen in the middle of the worst war in all recorded history. I am sure that when the record is available, our fighting men on Iwo Jima and along the Rhine River will have a poor opinion of their Congress. I have never heard so many alibis in my life. I have never known such a resort to technicalities or parliamentary juggling. Why not stand up like men and face the issue? This is not a question of the merits or demerits of either the House or the Senate bill. That has nothing in the world to do with the question now before us. The question is whether or not this body will follow its custom and its precedents, as the majority leader said, of probably 100 years and let the bill go to free conference. If that conference can agree and bring a report back here, you have a right to vote it up or down, as you please, and if you do not like it, you can instruct the conferees what you want done. You have lost none of your rights. The House will have voiced its will and the majority will prevail.

The gentleman from Indiana [Mr. HALLECK] says it is a question, on the one hand, of whether the many thousands of men in the country who are not now doing any kind of war work shall be required to render useful service or shall we leave it to them to volunteer or do as they wish. That is not the way we handled the boys in the Army and Navy. Uncle Sam has touched 12,000,000 American boys on the shoulder and told them to get into the uniform and go to every fighting front in the world. Then the Commander in Chief of our Army 3 months ago and again last week, after the other body passed its bill, said that the House bill is more important now than ever. The drive in Germany, the drive on Iwo Jima and many other hot spots is now on. We must have 900,000 more men in the Army and Navy and 700,000 more men in industry by the 1st of July. That is the solemn word of General Marshall and Admiral King. There are only 570,000 men available through selective service, which leaves 1,030,000 men that have to be procured from some source.

Do you mean to tell me that by some parliamentary hocus-pocus, legerdemain, or alibi we can break the precedents of 100 years and not permit this body to follow the usual, orderly course and let this bill go to conference so that we can make an honest effort to bring back something that will meet this tragic situation?

I beg of you not to vote down the previous question, so that our friends on the majority side would be forced to yield to the distinguished gentleman from Indiana, a member of the minority, in order that he may have an hour's time to fight a bill that General Marshall, Admiral King, Under Secretary of War Patterson, Under Secretary of the Navy Bard, Mr. Krug, of the War Production Board, Marvin Jones, of the War Food Administration, and every other man in high authority has said is essential to our military success. There is not one of us who does not know there are many men throughout the country who ought to be doing something for the war effort. We drafted the boys to fight, yet some now propose to leave all the others on the home front to volunteer for war work, which many have not done. When they fail and refuse legislation is the only recourse. And I am not referring just to pool-hall players and night-clubbers. This is an all-out war and every man must do his part.

Our parliamentary proceedings and buck-passing today will not read well to the boys in the trenches and fox holes.

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

Mr. THOMASON. I yield to the gentleman from Indiana.

Mr. HALLECK. Is it not true that the last communication from the Commander in Chief was to the majority leader in the other body and it stated, "Get the best bill you can"?

Mr. THOMASON. Yes; and that is our duty. That is the very thing I am trying to do. Let this bill go to conference, let your representatives, your conferees, and the Senate conferees make an honest effort to bring back here a bill that will get the job done.

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

Mr. THOMASON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I can assure the gentleman that the Commander in Chief prefers the House bill to the Senate bill. I know, I was present.

Mr. THOMASON. I also know that for I was present at the White House conference. I feel very keenly about this proposition. It is a grave problem and demands immediate solution. I sat with the Committee on Military Affairs for more than a month and I heard all our military leaders testify. I challenge you to name any man in high authority in the war effort who will not say that the House bill is necessary. This, my friends, is "must" legislation. The record will show I am a friend of labor. I am also friendly to industry. That is not the question here today. We are thinking of the welfare of our country. We are thinking of our fighting boys. The casualties now reach almost a million. Over 500,000 of them lie sick or wounded in hospitals all over the world. There must be replacements. How are you going to meet the situation? It cannot be done by messing around with a lot of dilatory tactics in a studied effort to defeat any kind of legislation. At least, give the conferees an opportunity to try to work out something. If you defeat this rule I predict you will set a precedent that will haunt you for years.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. ANDREWS].

Mr. ANDREWS of New York. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the RECORD a statement containing facts and data regarding the manpower issue.

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

There was no objection.

Mr. ANDREWS of New York. Mr. Speaker, I do not believe it is necessary to go into great length today in arguing this proposition. I think everyone here knows how they are going to vote, provided they understand the legislative situation, and I believe that has been made quite clear now.

So far as the Senate bill is concerned, every important provision in the so-called Kilgore bill has been tried again and again, and in each and every instance it has been found futile and ineffective. It adds no new sanction to those already tried and found useless because it places pressure only on employers who have no control over the individual workers. The ceilings on employment merely give authority to discharge workers; not to place them where they are needed.

Notwithstanding the sanctions against employers, in nearly 200 labor shortage areas comprising nearly every large industrial area in the United States, war production has tended to decrease rather than increase. The Senate committee Kilgore bill will not change this. Also, this bill has no provisions for any effective control of absenteeism, labor turnover, or quitting war jobs for nonessential occupations. Arbitrarily discharged workers do not readily heed persuasion or exhortation. And the employment ceilings that are proposed are more arbitrary and even cruel than anything thus far suggested.

The gentleman from Indiana, in referring to the situation today, pointed out that the provisions of the so-called Harness-Barrett proposals were almost in line with the Senate provisions in theory. That is correct. Both provisions are merely another case of "let linger and wait." While the vote on the so-called Harness-Barrett amendment in the House was close, it was not a full vote of the membership. We all know what is in the May bill.

It has been asked during the Senate consideration of this measure, "Why do we need this legislation; the war with Germany is almost over?" I make no predictions as to when that day will come, but if and when it does come, that is the day when we need the provisions of the May bill more than on any other day, because that is the day when the employees are going to leave plant after

plant unless there is a provision to freeze them.

May I say this in conclusion? If there is any one day of the many days we have had in this House when we are going to support the boys on Iwo Jima, in the Pacific, and in the Rhineland, and the wounded men coming home, as well as their families, this is the day to do it. There are going to be some votes in favor of the rule on the Republican side.

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

Mr. ANDREWS of New York. I yield to the gentleman from Ohio.

Mr. BREHM. Then why not make that the issue and admit that this legislation is simply wanted to further regiment our people when the emergency is over, and that it is not now needed in order to win the war as has been argued all the way through this debate by members of the Military Affairs Committee?

Mr. ANDREWS of New York. We need it more than ever when the war is over.

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

Mr. ANDREWS of New York. I yield to the gentleman from Indiana.

Mr. HALLECK. As far as I am concerned. I know what the gentleman's position is with respect to the May bill. Having regard for the desirability of increased production in which we all believe he supported the May bill. Some Members did not. But we have all heard those arguments.

The issue here is what shall the present action of the House be?

As far as that is concerned, I have not been here very long, but in my time I once sought to bring about the voting down of the previous question on a rule and succeeded in getting it done, and the rule was amended.

Mr. SABATH. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, when the manpower bill was under consideration in the House I offered a substitute for it. I think I am correct in saying that that substitute formed the basis of the Senate committee's consideration of this measure and the bill the Senate finally passed. While I like my own substitute somewhat better than I do the bill finally passed by the Senate, I honestly believe that if we want quick and effective action, if we want to improve upon the machinery already in effect and already having the support of management and labor throughout the Nation, adoption now of the Senate bill is the quickest way to get it. I am afraid that if this bill goes to conference a long-drawn-out conference will ensue. I wish the House could today agree with the Senate and get a bill enacted into law which does have additional sanctions over what we have now, and which I believe will be effective. My position is very simple. The Senate bill is almost the same measure that I advocated in the House. I want to secure an opportunity to offer a motion to concur with the Senate. If such a motion were to pass the House action on manpower legislation would have been completed and we could get on with the job of war production more quickly and effectively than can be done through the process of a long conference attempting to reconcile two such different measures. Furthermore, of course, I still believe the approach to the problem of the Senate bill is better and will yield quicker results than the House bill.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Speaker, it seems to me that the orderly thing to do is to let this bill go to conference in order that we may get the benefit of the discussion that inevitably will result from a meeting of the two committees of the two Houses. The proposal here today is to accept a substitute bill that has passed the Senate without ever having the benefit of any committee discussion and to do that, too, without the Members of this House knowing what is in that bill.

The statement has been made here this morning that the bill as passed by the Senate is substantially the Harness-Barrett substitute. I say to you, and I challenge anyone to deny this, that it is not substantially the same. It is different in many respects and it is different in substantial respects. There are very few Members on the floor of this House who know what is in that Senate bill. Certainly this House would profit and the other House would profit from an opportunity for the two committees of the two Houses to sit down and discuss this thing together and try to work out something.

To me it seems reasonable that a person who is opposed to the House bill ought at least to be willing to let this rule come out in order that the two committees may meet and discuss the matter. There never were any hearings on the Barrett-Harness substitute in the House Committee on Military Affairs. When the bill was under consideration on the floor of the House there was a great discussion of it without the Members having a real opportunity to sit down and analyze the various provisions of that bill. We have not had that opportunity yet. The committee of conference would be able to analyze both measures to see what is in them and to try to work out an agreement.

There is one provision in the Senate bill that, it seems to me, certainly should receive very careful consideration, and that is the imposition of penalties upon the employer. No penalties are imposed upon the employee. It is purely voluntary on one side, with a penalty imposed on the other. I do not know how it strikes you, but it seems to me that if you are going to use compulsion that compulsion should in all fairness be applied to both sides.

Certainly, following the suggestion of the gentleman from New York [Mr. ANDREWS] when the war in Europe is over and we again get the jitters of peacetime reconversion, we may normally expect employees by the thousands and hundreds of thousands to get out of war plants and go looking for peacetime jobs again. Under the bill as it passed the Senate there is absolutely no control over those employees, nor is there any control over them at any time.

I say the thing we ought to do is follow the orderly procedure of sending this bill to conference.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Speaker, I am of the opinion that the sensible thing to do with this proposition is adopt the Senate amendments and have the matter finished. While we wrangle over this legislation we do nothing to contribute to the peace of mind of either labor or industry. If this bill is sent to conference it means more delay, more debates and more newspaper reports of confusion and turmoil, in the Federal Government.

Frequently we have heard advanced the argument that the administration fears a slackening of production when the war in Europe is at an end. This is advanced as one of the moving purposes, if not the all-important purpose behind the desire to have this bill enacted as it passed the House. Let me cite an example of how well the administrative officers of the Government are contributing to keeping men and women on the job. The Providence Journal last week carried a report of an interview with Admiral Vickery in which Admiral Vickery is quoted as having declared that the Walsh-Kaiser shipyard in Providence will be all done in July.

We all know the production of ships or other war material cannot go on indefinitely. There has to be an end, and in all honesty the sooner that end comes the better. However, it does not produce good feeling among the people working in war industries to tell them they are practically out of a job. Admiral Vickery points to the fact that there are now 100,000 less working in shipyards than there were a year ago, and the number is still going down.

Why, then, is there the great demand for this legislation, at this late date? If it was ever necessary it was necessary 4 years ago, not now. On the one hand we have the cry that we have to draft men for war plants, and on the other hand we have men being thrown out of work. An administrative officer of the Government, one thoroughly conversant with all the details of the program he is administering, tells people they had better be on the lookout for a good job if they have any sense, and at the same time we have national legislators clamoring for a work-or-else bill. How can we hope to obtain cooperation from labor or industry as long as we contribute to such confusion?

When it comes to planning for postwar employment there is terrific hesitancy—Members argue it is wrong to spend money for such planning—yet we know as a positive fact that men and women face unemployment in the not far distant future unless we do something about it. Instead of that we stand here preaching that they must be drafted for war work. We tell them by indirection that the job they have done thus far is far from satisfactory, that they have failed in their promise

to produce and they must, therefore, be forced into war work.

By the time this law gets on the books, in whatever form it finally emerges, the armed forces will be preparing to shift their weight to the Pacific, and all our energies will be concentrated on finishing that dirty business. If you have confidence in our fighting men—if you believe in them—how can you think this legislation will accomplish anything?

It will be just one more element of confusion in the already too confused manpower picture. You will be throwing another log on the fire of anger that burns in everyone's mind when he thinks of the almost hopeless conglomeration of legislation, directives, rules and procedures that make up the Government's labor policy.

If this ever was a good idea, it is much too late now to have any effect and I am for getting it over with today. I shall vote against the rule and I trust you will do the same.

The House considered it, held hearings on it, listened to all sorts of testimony, debated and argued it. The Senate went through the same rigmarole. Now it is proposed to send it to conference for more argument and debate and discussion.

It is my belief the sooner we are through with this business the better off we will be.

Mr. MICHENER. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Speaker, I had the privilege of attending all the sessions on the work bill a year ago in the Committee on Military Affairs, and again this year. There are many things lacking in the Senate bill, and there are some things lacking in the House bill. I, for one, hope that this bill goes to conference, because that is the proper place to give the study which I think is necessary on this piece of legislation, and to bring about some adjustment on these two bills. I do not want to be put in the position of voting for one bill as against the other, when I think we need part of each of them. It is up to the conference committee to approach the House and Senate bills in a spirit of reconciling them and bringing out of them a better balanced piece of legislation. I have given a lot of thought to this matter. I have not had a chance yet to thoroughly examine the Senate measure, but it strikes me that it is exceptionally weak in that it excuses from all work a man who is well-to-do and does not have to work. It excuses him from doing anything at the very time we may need him most; and I refer to the time when Germany collapses, when there will be a general exodus from the essential war production plants. We had better have some degree of control at that time if we are going to do an efficient job of licking the Japs.

The SPEAKER. The time of the gentleman from Iowa [Mr. MARTIN] has expired.

Mr. MICHENER. Mr. Speaker, I yield the remainder of my time to the gentleman from Indiana [Mr. HARNESS].

Mr. HARNESS of Indiana. Mr. Speaker, we have heard the arguments for the May bill over and over again. We have been asked to believe that labor conscription is the only real solution of our increasingly serious manpower shortages. We have been told that merely because we drafted 12,000,000 men for military service, we now should conscript the civilian labor forces which must support and sustain these fighting men.

I certainly would insist upon labor conscription just as vigorously as any proponent of the May bill if I believed that were the only way, or even the best way, to guarantee the high production rates which will hasten victory and save lives. I completely agree that if we have the power to draft men to fight and die for their country, we can draft others to work for it. But I am impatient with the purely academic argument that we ought to draft labor merely because we draft fighting men. This is no mere question of academic justice. This is a question of keeping the stuff rolling in increasing volume to the fighting fronts.

If a labor draft is not the best answer to that question, if it is unnecessary or unwise, we would actually be failing our fighting men by authorizing labor conscription. We would actually be writing a bill to give Government dictatorial power to enslave American labor at the very time our armed forces are fighting to rid the world of dictatorship.

Proponents of labor conscription have failed to show that there is any actual over-all manpower shortage in America. True, we all know there are critical shortages in certain industries and industrial areas. But about all we have definitely learned in these debates to date is that faulty leadership, planning, and contract distribution have led to deplorable labor wastage and actual idleness in many areas and industries at the very same time that we are suffering serious shortages in others. How this absolute power over American labor is to cure these basic faults and weaknesses, no one attempts to explain.

I sat in the committee and listened to the testimony of management and labor, which have done a miraculous job in producing implements of war. When those men tell us that labor conscription will do more harm than good, I think their advice on the question is better than the opinion of the people who champion this legislation.

We are told we should authorize labor conscription, not because we need it now, but because it will be necessary when Germany is defeated, because war workers will leave their jobs and seek peacetime jobs. Where, please tell me, can these optimists find peacetime jobs as long as the War Production Board can deprive any industry from going into civilian production until the war is over? There is no point nor merit in that argument. Now, what we propose here is not to violate the rules of the House but to proceed under those rules. I feel that the House of Representatives has not only the right but the duty to act upon the question in this manner if it can serve the national interest in so doing.

As my colleague the gentleman from Indiana [Mr. HALLECK] mentioned earlier, the previous vote on the Barrett-Harness amendment indicated a clear division of opinion on this question. This body indicated its real doubt then that the bludgeon of labor conscription is any real solution to the problem we are now facing. Subsequently the Senate, after prolonged debate, has followed the conclusions of the very strong House minority and has completely rejected the labor-conscription philosophy of the original May bill. The bill which the Senate has sent to us here, in fact, fully embraces the fundamentals of the amendment which it was my privilege to offer this body 6 weeks ago. Why should we not at this point, therefore, recognize that the overwhelming majority of the Senate expresses the original views of this body?

There is precedent for this procedure, and I feel that it is entirely proper here. I urge that we amend the rule, which, if amended, makes in order the amendment which has been suggested to the Senate amendment.

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

Mr. HARNESS of Indiana. I yield.

Mr. HALLECK. The suggestion has been made of the desirability of getting this measure to conference. I would like to point out again, as I attempted to make plain when I first spoke, that if the procedure which we here advocate today is adopted, this matter can go to conference this afternoon, assuming action to be taken in the other body. In other words, it is not a delaying action. It is simply a matter of permitting the House to register its voice today in the light of developments, in the light of the bill adopted in the other body, and all of the circumstances surrounding the situation.

Mr. HARNESS of Indiana. Of course, it will expedite consideration. It will give the conferees some idea about how we feel on this legislation. If it was almost evenly divided 6 weeks ago, certainly there must be some difference of opinion now after the Senate debated this bill for 2 or 3 weeks and by an overwhelming vote passed a bill that follows the same underlying principles as our bill.

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

Mr. HARNESS of Indiana. I yield.

Mr. SHORT. It is obvious that the House does not want the Senate bill any more than the Senate wants the House bill. Personally I want none of either one of them. My position is identical with the junior Senator from Kentucky [Mr. CHANDLER]; I see no necessity for this legislation, and from the hundreds of letters I have received the American people do not want it. If we do vote down the previous question on the rule, perhaps we could adopt the Barrett amendment upon which both the House and Senate could agree, but certainly we are not going to agree on either the Senate bill or the House bill that has already been passed.

Mr. HARNESS of Indiana. Of course, I think the Members of the House know exactly how I feel on the legislation. As I said in the beginning, I have not changed my opinion. I am sure we need no legislation on the subject, but I am willing to compromise on the voluntary

approach to this situation, as provided in the Barrett bill.

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

Mr. HARNESS of Indiana. I yield.

Mr. RAMSPECK. If what the gentleman from Indiana says is true, the object is to send this bill to conference, then what he is really trying to do is to get a conference between the Barrett-Harness substitute and the Senate bill, instead of between the May bill and the Senate bill.

Mr. HARNESS of Indiana. Why should we not do it? Both Houses have expressed themselves on that approach to it.

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

Mr. HARNESS of Indiana. I yield.

Mr. VURSELL. Has the gentleman read the newspaper stories about the Senate investigating committee finding that labor in Detroit is not employed; that they have a surplus of labor?

Mr. HARNESS of Indiana. Oh, yes.

Mr. VURSELL. The Barrett-Harness bill seeks to stop that hoarding of labor and is the only bill that does.

Mr. HARNESS of Indiana. That is right. I want to call attention to this thing, that I think is vitally important to the May bill: That bill proposes, as the proponents of the bill have argued and urged, to reach out and get some of these pool-room slackers and put them into war work. While they are getting those fellows they are putting the shackles on several million patriotic workers who have done a marvelous job in industry.

When we talk about this pitiful fringe of slackers, who at the most are only a negligible factor in this problem, let me reemphasize the fact that no finger is being pointed at that vast majority of thoroughly patriotic and loyal men whose personal misfortunes have caused them to be classified as IV-F, but who have found other ways than military service to contribute to our total war effort. I am sure that even the most ardent advocates of labor conscription intend no reflection upon this particular classification, even though they would throw millions of patriotic American workmen into slave labor battalions merely to get their hands on a comparatively few traitors and slackers.

The principal point to remember in this connection is that these supporters of the May bill actually propose in this current issue to reward the slackers and shirkers. Although millions of workers have previously paid their own ways to war jobs, the May bill would pay the slacker, who stayed home until compelled to go to a war job by this legislation, his transportation to and from home. How will that go with our patriotic war workers? But that is not all, by any means. The May bill is going to give these shirkers who are finally forced into a war job by compulsion all the rights which a combat man received under the Soldiers' and Sailors' Civil Relief Act. How will our combat men feel about that?

Just exactly as we would expect them to feel. Millions of decent Americans on war jobs long before this problem came up here are also going to feel exactly as you and I would feel if we were to see our slacker and shirker neighbors getting fancy bonuses for their slackerism. When a combat veteran asks you why this slacker on the home front rates the same recognition and reward he receives, I hope you will be able to report that you opposed this May bill, or that you have figured a way to explain this rank discrimination which will mollify that boy in uniform.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I am very much concerned about what I see going on here this morning on the floor of this House. I think it is very well, therefore, to take just a few moments' inventory to find out where we are and what our objective is.

To begin with, the President of the United States, the Commander in Chief of the Army, the gentleman whom a good many people over on this side of the aisle always follow on domestic issues, requested a national service act. As a result the House Military Affairs Committee brought out a limited national service act, and a very limited one at that. It passed the House and went to the Senate; and, choosing my words, that body further weakened the effort that had been put forth here in the House. That body labored for many weeks and brought forth a little eyewash, not a bill, to meet the objective. And even this morning what do we have here? There are evidences of a coalition against sending the bill to conference. We hear about some unholy alliances around here sometimes, but this morning it would appear that we have an unholy alliance among certain leaders over here on the minority side and certain gentlemen over here on the majority side, who ordinarily follow the Commander in Chief on domestic issues, who would defeat even the time-honored custom of sending this bill to conference.

I do not know what your thought may be; I have but one thought about fighting this war, and that is that the laboring man is just as essential a part of winning this war as the man who wears the uniform and fires a gun. By the same token the responsibility of the one to his country is just as great as the responsibility of the other.

I see in the gallery of the House this morning hundreds of men in the uniform of their country. How did they get in that uniform? Because this House of Representatives and the other body drafted them into the armed services. Was that enslavement? I ask the gentleman from Indiana. All we are asking here is to send this bill to conference. God knows it is going to be weak enough when it comes out; we are not going to get what the Commander in Chief asks for; we are not going to get an adequate bill to meet this manpower situation. We are not going to give the boys on the firing line the support we should. I want the Members who are scheming and planning to defeat sending this bill to conference to just stop and remember what is going on on Iwo Jima this morning. I want them to get a vision of our men dying out there because they have to use a blowtorch to kill the last Jap on that island.

Mr. Speaker, I fear that this House does not fully realize the gravity of the situation with which we are confronted today. Does this Congress, which placed these boys who are dying upon the battle fronts of the world in the uniform of their country, seriously talk about enslaving some civilian workers because it is proposed that they stay on the job of furnishing the munitions of war? Does this House want to send a message to these boys today to the effect that it is all right for them to fight and die in the slime and mud of Europe and Asia but that it is all wrong to talk about compelling the people on the home front, surrounded with the luxuries of civilization, to stay on the job? This war is going to be over over there and these boys are coming back. And they are going to come back and put the Nation's house in order when they find out what has been happening to them in their absence.

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

Mr. COLMER. I yield.

Mr. CHELF. I just want to say that I am one of the veterans of this war who has put his uniform away in moth balls. I think that the gentleman is absolutely right. There is going to be a day of reckoning in this country when these 12,000,000 boys come marching back, and may I say this in addition: I do not know the reason why so many are objecting to this bill, yet I believe in my heart I know. I think that labor has something to do with it. Labor is all right, and I am not against the common man making a decent, livable wage earned by the sweat of his brow, yet I do think that the fear of labor has caused the Senate to pass this powder-puff bill. This House ought to vote for this bill because the President and our leaders of the armed forces have requested it. But be that as it may, if there are those who are voting against this bill because of political expediency, then may the Lord have mercy upon their political souls when those 12,000,000 brave lads come back to us. As I have stated previously, I repeat, if we can draft a man to fight, bleed, and die, we can draft him to work.

Mr. COLMER. I thank the gentleman for a very brilliant climax to my speech.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. MAY], chairman of the Committee on Military Affairs.

Mr. MAY. Mr. Speaker, let me open my remarks by saying that I am gravely concerned about the situation here today. It is a simple question, so simple, in my judgment, that we should not have wasted even the hour that we have been debating the matter. The only question involved is, Will the House of Representatives, after having enacted a bill, send it to conference in the customary way of dealing with legislation in order that we

may have a fair, free, and open conference by your representatives?

You ought to give us, as your managers, an opportunity to go and discuss it with the representatives of the Senate.

I want to respond for a minute to the remarks of my friend from Indiana who had the courage, if it is courage, to stand up here on the floor of the House and say that if this thing is as serious as it is urged to be, he would vote to enslave the American people in order to win this war. I would not do any such thing because it is not necessary, but I will vote to bring men who refuse to work back into the fold and see that they aid the men who are fighting for freedom on the battle fronts of the world.

When I was a school child, before I got out of the grades, I remember reading what the rule was at Plymouth in 1607 when they adopted the slogan, they adopted the law, if you please, that "the man who would not work should not eat." That was the rule of our first English ancestors; Pilgrims, if you please.

We have a Senate bill brought back to us here that is as different from the House bill as day is from night, and the gentlemen over here would offer the Barrett bill that if adopted would do what? Let me tell you what it would do. It would send the bill back to the Senate, and the Senate would then ask for a conference. We would then have to go to conference, which would involve another delay.

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

Mr. MAY. I yield to the gentleman from Mississippi.

Mr. COLMER. In order to get the gentleman's reaction, may I say that Senator THOMAS of Utah was asked a question:

> We have great masses of people who are not employed at all, who are not now working. What is being done with respect to such people?
>
> Mr. THOMAS of Utah. The bill frankly does not touch the people who do not work except in the agricultural sections of the bill it reaches out to those in agriculture.

Mr. MAY. Yes, and I would like to say to the gentleman from Mississippi, I would like to say to the men here who want to protect organized labor along with myself, that I voted for them ever since I have been in this House, except when the question of war or peace was involved. When they bend the other way I vote against them. But this bill does not do a thing in the world except authorize the Chairman of the Manpower Commission to regiment and browbeat the men that work. Some call it a work bill. I do not know what to call it. The bill that I want will reach the men that will not work and that are not at work, and it will protect those who are already at work. We have heard argument after argument, and it has been argued in committee and out of committee, on the floor and in the Senate, that we have done the greatest job in all history. Everybody knows that we have, and everybody knows that without organized labor we never could have done it. Everybody knows that the workers in the plants have done their duty. It is not those men that we are after. We are after the men that are loafing in the poolrooms and on the highways. Yet they put a penalty provision in this bill applicable only to the employers. They do not even give Mr. McNutt the power to deal with the workers that are in the plants, except by fixing ceilings, and that means if a plant has a thousand men, and the Manpower Commission thinks he only needs 500, he can fire 500 of them and put them out of a job to ramble over the country.

That is all it means, and that is everything there is to it. I believe you gentlemen of this great body will let this measure proceed in the usual way to conference.

Mr. SABATH. Mr. Speaker, I congratulate the gentleman from Kentucky [Mr. MAY], chairman of the Committee on Military Affairs, on his earnest and splendid effort on behalf of this bill, and I regret the passing remarks made by my distinguished colleague the gentleman from Mississippi [Mr. COLMER], with respect to some unholy alliances.

If the gentleman had made the speech when we were considering the Commodity Credit Corporation bill perhaps there might have been some justification for those remarks, but certainly there is no justification now for such intimation unless it was intended as merely facetious.

May I also say to my good friend the gentleman from Kentucky [Mr. CHELF] that there is no need for any fear on the part of any Member of this House regarding those of whom he speaks of having mercy upon their souls. This membership has been patriotic, honest, and has been inclined to do its duty to the best of its ability and judgment, and I feel there is no justification for any veiled threats as to what will happen when the boys come back. I have heard that remark several times in the past.

I feel that when our brave men return they, the same as the vast majority of our citizens at home, will acclaim and approve our service in their behalf and as being in the interests of our Nation. The members have the right to follow the dictates of their consciences and their hearts. Certainly a Member always has a right to his own views and opinions and to exercise his God-given judgment and vote the way he in his own heart believes to be true.

Personally, I welcome just criticism but I resent the unfair and unjust criticism to which the Congress has been subjected by certain writers and persons who, unfortunately, love to criticize and find fault and fail to give credit for real accomplishments. And especially do I feel that Members themselves should not be guilty of casting aspersions upon the actions of Congress, particularly when it is bigoted and expressed by those who love and live on unfair criticism and mud slinging.

We have heard expressions of unholy alliances here before from time to time but notwithstanding that fact I think the Members of this House are honest and sincere and desire to do the right thing.

I feel at times that we should be a little more careful and deliberate in our actions so that we may not be guilty of the same mistake made when we passed the Smith-Connally Act, which I opposed. In that connection I insert an editorial appearing in today's New York Times, as follows:

> This fantastic situation is all in strict accordance with the Smith-Connally Act, the so-called antistrike law which was adopted in June 1943 by the majority votes of both parties in both branches of Congress. Under this law the Government itself must take an official poll of the workers involved. The Government itself thus sanctions a strike vote and is in effect made a party to a wartime strike that could have the most disastrous consequences.
>
> This is the result of one of the stupidest pieces of legislation ever passed by Congress. Its sponsors have been too stubborn.

I hope that our action on this legislation will not be subject to such criticism.

Mr. HARNESS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. May I say as far as I am concerned that on this occasion as on all other occasions I am searching my own conscience and judgment as to what should be done. As far as I am concerned, I am not getting into any alliance except on that basis.

Mr. SABATH. I hope that applies to every Member.

Mr. Speaker, I move the previous question.

Mr. HARNESS of Indiana. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The question is on ordering the previous question on the resolution.

The question was taken; and there were—yeas 211, nays 177, not voting 44, as follows:

[Roll No. 40]

YEAS—211

Abernethy	Cox	Harless, Ariz.
Adams	Cravens	Harris
Allen, La.	Curley	Hart
Anderson, N. Mex.	D'Alesandro	Hays
Andrews, Ala.	Daughton, Va.	Hébert
Andrews, N. Y.	Davis	Hedrick
Angell	De Lacy	Heffernan
Baldwin, Md.	Delaney, James J.	Hendricks
Barden	Delaney, John J.	Herter
Barrett, Pa.	Dickstein	Heselton
Barry	Dingell	Hoch
Bates, Ky.	Domengeaux	Hoeven
Beckworth	Doughton, N. C.	Holmes, Mass.
Bell	Douglas, Ill.	Holmes, Wash.
Bennet, N. Y.	Drewry	Hope
Bland	Durham	Huber
Bloom	Earthman	Jarman
Bonner	Eberharter	Johnson, Calif.
Boykin	Elliott	Johnson, Okla.
Bradley, Pa.	Engle, Calif.	Judd
Brooks	Ervin	Kean
Brown, Ga.	Fallon	Kee
Bryson	Fernandez	Kefauver
Buckley	Fisher	Keogh
Bulwinkle	Flannagan	Kerr
Burch	Folger	Kilburn
Burgin	Forand	Kilday
Byrne, N. Y.	Gamble	King
Camp	Gathings	Kopplemann
Cannon, Fla.	Gibson	Lanham
Carlson	Gore	Latham
Carnahan	Gorski	Lea
Case, N. J.	Gossett	Lesinski
Case, S. Dak.	Granger	Link
Celler	Grant, Ala.	Lyle
Chelf	Gregory	Lynch
Clark	Gwynne, Iowa	McCormack
Clements	Hale	McGehee
Cochran	Hall, Leonard W.	Mahon
Cole, N. Y.	Hancock	Maloney
Colmer	Hand	Manasco
Cooley	Hare	Mansfield, Mont.
Cooper	Harless, Ariz.	Mansfield, Tex.
Courtney	Harris	Marcantonio

Martin, Iowa	Randolph	Sullivan
May	Rankin	Sumners, Tex.
Mills	Rayfiel	Sundstrom
Monroney	Resa	Taber
Morrison	Richards	Tarver
Mundt	Riley	Thomas, N. J.
Murdock	Rivers	Thomason
Murphy	Robertson, Va.	Tolan
Murray, Tenn.	Roe, Md.	Torrens
Norrell	Roe, N. Y.	Towe
Norton	Rogers, Fla.	Trimble
O'Brien, Ill.	Rogers, Mass.	Vinson
O'Neal	Rooney	Wadsworth
Pace	Rowan	Walter
Patman	Russell	Wasielewski
Peterson, Fla.	Ryter	Weaver
Peterson, Ga.	Sabath	White
Pickett	Sasscer	Whitten
Plumley	Scrivner	Whittington
Poage	Sheppard	Wickersham
Price, Fla.	Smith, Va.	Wigglesworth
Priest	Snyder	Winstead
Quinn, N. Y.	Somers, N. Y.	Winter
Rabaut	Sparkman	Woodhouse
Rabin	Spence	Woodrum, Va.
Rains	Stigler	Worley
Ramspeck	Stockman	Zimmerman

NAYS—177

Andersen, H. Carl	Gillespie	Miller, Nebr.
	Gillette	Morgan
Andresen, August H.	Gillie	Murray, Wis.
	Goodwin	Neely
Arends	Graham	O'Brien, Mich.
Arnold	Granahan	O'Hara
Auchincloss	Grant, Ind.	O'Konski
Bailey	Green	Outland
Barrett, Wyo.	Griffiths	Patterson
Beall	Gross	Philbin
Bender	Gwinn, N. Y.	Phillips
Bennett, Mo.	Hall, Edwin Arthur	Pittenger
Biemiller		Ploeser
Bishop	Halleck	Powell
Blackney	Harness, Ind.	Powers
Bolton	Hartley	Price, Ill.
Bradley, Mich.	Havenner	Ramey
Brehm	Healy	Reece, Tenn.
Brown, Ohio	Henry	Reed, Ill.
Brumbaugh	Hess	Reed, N. Y.
Buck	Hill	Rees, Kans.
Buffett	Hinshaw	Rich
Bunker	Hoffman	Rizley
Butler	Holifield	Robertson, N. Dak.
Byrnes, Wis.	Hook	
Campbell	Horan	Robsion, Ky.
Canfield	Howell	Rockwell
Cannon, Mo.	Hull	Rodgers, Pa.
Chenoweth	Jackson	Rogers, N. Y.
Chiperfield	Jenkins	Sadowski
Church	Jennings	Savage
Clevenger	Jensen	Schwabe, Mo.
Coffee	Johnson, Ill.	Schwabe, Okla.
Cole, Kans.	Johnson, Ind.	Shafer
Cole, Mo.	Jones	Sharp
Corbett	Jonkman	Short
Crawford	Keefe	Simpson, Ill.
Crosser	Kelley, Pa.	Simpson, Pa.
Cunningham	Kelly, Ill.	Smith, Ohio
Curtis	Kinzer	Smith, Wis.
Dolliver	Kirwan	Springer
Dondero	Knutson	Stefan
Douglas, Calif.	Kunkel	Stevenson
Doyle	LaFollette	Sumner, Ill.
Dworshak	Landis	Talbot
Ellis	Lane	Talle
Ellsworth	Larcade	Thomas, Tex.
Elsaesser	LeFevre	Tibbott
Elston	Lemke	Traynor
Engel, Mich.	Lewis	Voorhis, Calif.
Feighan	Ludlow	Vorys, Ohio
Fellows	McConnell	Vursell
Fenton	McCowen	Welchel
Flood	McDonough	Welch
Fogarty	McGlinchey	Wilson
Gallagher	McGregor	Wolcott
Gavin	McMillen, Ill.	Wolfenden, Pa.
Gearhart	Martin, Mass.	Wolverton, N. J.
Geelan	Mason	Woodruff, Mich.
Gerlach	Michener	
Gifford	Miller, Calif.	

NOT VOTING—44

Allen, Ill.	Fulton	LeCompte
Anderson, Calif.	Gardner	Luce
Baldwin, N. Y.	Gordon	McKenzie
Bates, Mass.	Hagen	McMillan, S. C.
Boren	Heidinger	Madden
Chapman	Hobbs	Merrow
Clason	Izac	Mott
Combs	Johnson, Luther A.	O'Toole
Dawson		Patrick
Dirksen	Johnson, Lyndon B.	Pfeifer
Eaton		Robinson, Utah
Fuller	Kearney	Sheridan
Sikes	Stewart	West
Slaughter	Taylor	Wood
Smith, Maine	Thom	
Starkey	Weiss	

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mrs. Luce for, with Mrs. Smith of Maine against.

General pairs:

Mr. Hobbs with Mr. Taylor.
Mr. Pfeifer with Mr. Allen of Illinois.
Mr. Luther A. Johnson with Mr. Eaton.
Mr. Madden with Mr. LeCompte.
Mr. O'Toole with Mr. Clason.
Mr. Sheridan with Mr. Anderson of California
Mr. Lyndon B. Johnson with Mr. Fuller.
Mr. Gordon with Mr. Merrow.
Mr. Slaughter with Mr. Baldwin of New York.
Mr. Combs with Mr. Kearney.
Mr. Weiss with Mr. Dirksen.
Mr. Chapman with Mr. Hagen.
Mr. Izac with Mr. Bates of Massachusetts.
Mr. Sikes with Mr. Fulton.
Mr. Robinson of Utah with Mr. Heidinger.

Mr. LESINSKI changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER appointed as conferees on the part of the House Messrs. MAY, THOMASON, BROOKS, ANDREWS of New York, and SHORT.

COMMODITY CREDIT CORPORATION

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 293) to continue Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and for other purposes, with a House amendment thereto, insist on the House amendment, and ask for a conference with the Senate.

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

There was no objection.

The SPEAKER appointed as conferees on the part of the House Messrs. SPENCE, BROWN of Georgia, PATMAN, WOLCOTT, and CRAWFORD.

EXTENSION OF REMARKS

Mrs. BOLTON asked and was given permission to extend her remarks in the RECORD and include a letter.

Mr. KNUTSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LATHAM. Mr. Speaker, I ask unanimous consent to extend the remarks I expect to make on the State, Justice, and Commerce appropriation bill and include a copy of a bill which I have today introduced relating to veterans.

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

There was no objection.

Mr. HAND asked and was given permission to extend his remarks in the RECORD.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. MASON asked and was given permission to extend his remarks in the RECORD in two instances and include an editorial in each.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD and include an address delivered by the gentlewoman from California [Mrs. DOUGLAS] on March 12, 1945.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include a copy of a resolution adopted by the Board of Supervisors of Los Angeles County.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that tomorrow, at the conclusion of the legislative program of the day and following any other special orders heretofore entered, I may be permitted to address the House for 10 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD and include a statement by prominent Americans, together with their signatures, supporting the stand of the War Department on the subject of loyalty tests.

Mr. SUMNERS of Texas asked and was given permission to extend his remarks in the RECORD.

Mr. SULLIVAN asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a speech he recently delivered before the chamber of commerce at Gardner, Mass.

Mr. WOODRUFF of Michigan asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. JONES asked and was given permission to revise and extend the remarks he expected to make later today in the Committee of the Whole, and include certain portions of tables and other extraneous matter.

Mr. STEFAN asked and was given permission to extend his remarks in the RECORD and include a broadcast overseas made for him.

Mr. HINSHAW asked and was given permission to extend his remarks in the RECORD and include a resolution by the poultry section of the Farm Bureau Federation of Los Angeles County.

GOVERNOR DEWEY KEEPS POLITICAL PLEDGES

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

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

There was no objection.

Mr. BENDER. Mr. Speaker, I want to draw this body's attention to an outstanding political figure in the United States, who, strangely enough, in these days, keeps his political pledges. Gov. Thomas E. Dewey, of New York, pledged in the following words:

We shall establish a fair-employment practices commission as a permanent function, and authorized by law.

Unlike many political figures, Governor Dewey meant his promises, and only recently in New York signed an antibias law which through his efforts was overwhelmingly passed, creating a commission in New York State similar to the F. E. P. C.

We must remember, we Republicans, that that was not Governor Dewey's individual pledge alone which he so nobly fulfilled, but we in our platform pledged to create a permanent F. E. P. C. I, as an ardent Republican, shall do my utmost to see that the Republican Party carries out its promise.

STATE, JUSTICE, COMMERCE, THE JUDICIARY, AND THE FEDERAL LOAN AGENCY APPROPRIATION BILL, FISCAL YEAR 1946

Mr. RABAUT. 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. 2603) making appropriations for the Departments of State, Justice, Commerce, the judiciary, and the Federal Loan Agency for the fiscal year ending June 30, 1946, and for other purposes; and pending that motion, I ask unanimous consent that general debate on the bill continue during the remainder of the day and not to exceed 2 hours tomorrow, the time to be equally divided and controlled by the gentleman from Nebraska [Mr. STEFAN] and myself.

Mr. STEFAN. That is perfectly satisfactory, Mr. Speaker.

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

There was no objection.

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. 2603, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. RABAUT. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, we bring before the Committee today the appropriation bill for the Departments of State, Justice, and Commerce, the Federal judiciary and the Federal loan agency known as the Reconstruction Finance Corporation.

While the total amount in this bill is approximately $259,000,000, it does not seem large in comparison with other appropriations that are passed by this Committee. Nevertheless it is a huge sum, involving many items of appropriation and calling for extensive hearings, which hearings were started on January 16. I would be remiss in my position today as chairman of the subcommittee were I to fail to pay proper tribute to the devotion of my colleagues for their attention and interest during the committee hearings. Their records and long membership in the House for the most part are well known to the Committee. This subcommittee is composed of Messrs. KERR, HARE, O'BRIEN of Illinois, STEFAN, JONES, and the new member, DEAN M. GILLESPIE. All members took a very decided interest in the bill and I could very properly refer to the committee as a well coordinated team. I know that the committee individually and collectively would endorse my full appraisal for the work of our executive secretary, Russ Orescan. It can be said of him that he measured neither time nor effort in his devotion to his task.

In order to give the Committee an accurate picture of the appropriations for these departments I would like to refer you to page 2 of the committee report wherein it will be noted that the amount of the war overtime appropriation for the current fiscal year is not included in the fiscal year 1946 estimates and has been deducted for comparative purposes; that the amount recommended when compared with the current year's appropriation reflects an increase of something over $23,000,000. The deductions effected by the committee total approximately $13,500,000 under the Budget estimates.

The committee was not unmindful of the present debt of the Nation resulting from the huge expenditures necessary for the war program and its sentiments in this regard are set forth in the report. The committee recognizes that this is not a partisan matter but is the concern of every Member of the House. However, it should be borne in mind that this appropriation is made to four of the old line agencies of the Government all of which have had their individual part to play in the war effort both directly and indirectly.

DEPARTMENT OF STATE

The amount of the increase that is being recommended for the Department of State is something over $24,000,000. Of this increase about $1,000,000 is for the departmental service in Washington and $21,500,000 for the maintenance of the Foreign Service organization abroad, which at the present time consists of 250 missions and consular offices. Provision was made in the First Supplementary Appropriation Act, fiscal year 1945 for the opening of 32 additional consular offices and the increase recommended for this Service is, in the main, to continue on a full-year basis the program already authorized for a part of the year

The cost of maintaining the State Department on a full-year basis according to the estimates as presented is less than it costs to wage war, as it is waged today, for approximately 8 hours. I should like to quote Mr. Grew:

The Department of State, under the direction of the President and in close cooperation with the Congress, is responsible for the achievement of our foreign policy objectives. On several recent occasions the Secretary has outlined our major foreign policy objectives. They are:

First. The fullest possible support in the conduct of our foreign relations for our armed forces so that the war may be won at the earliest possible moment;

Second. Effective steps to prevent Germany and Japan, after victory by the United Nations, from again acquiring the power to wage aggressive war;

Third. Establishment at the earliest possible moment of a United Nations organization capable of building and maintaining the peace for generations to come. Resolutions passed by both Houses of Congress support this policy. An overwhelming majority of the American people favor it.

Our fourth objective is to promote a great expansion of our foreign trade and of productiveness of trade throughout the world so that we can maintain full employment in our own country and, together with the United Nations, enter an era of constantly expanding production and consumption and of rising standards of living.

Fifth. Encouragement of all those conditions of international life favorable to the development by men and women everywhere of the institutions of a free and democratic way of life in accordance with their own customs and desires.

The achievement of these objectives is a tremendous responsibility. Only the strongest possible Department of State can deal successfully with the many difficult problems that are involved.

I would like to repeat that for the membership of the House: The cost to maintain the State Department on the basis proposed for 1946 is a cost less than it costs today to wage war for 8 hours.

The State Department carries on when the Army and the Navy lay down their weapons. The walks they take with the diplomats of the other nations, their dealings in all the ramifications of national life, are the things that either hold for peace or make for war. So let us remember the State Department deserves a great consideration at the hands of the Congress.

The economic and commercial relationships of nations has definitely become a real function of the State Department and it was principally on the basis of these additional responsibilities that increases are being recommended.

The committee is also in accord with the philosophy of the Department, as reflected in the increased personnel requested for the Office of Public Affairs, better to inform the people of this Nation as to its foreign policies and thereby better fortify itself with the backing of public opinion which is so vital to effective international dealings. It has often been stated that this is the peoples' war and it should follow, no less, that we should have a peoples' peace. The present and proposed activities of the Foreign Service may be divided into four main classifications, namely, political, economic and commercial, consular and administrative, and public and cultural relations. It has become obvious during the past decade that mere political reporting on the part of our foreign representatives is not sufficient in this industrial and economic age. This reporting must cover all of the interrelated happenings and forces within a country, including of course, the commercial and economic. Furthermore, this country will no doubt embark upon an era of greatly expanded foreign trade. Accordingly, if this Government is to be of any assistance to the manufacturers and exporters of this Nation, it must be

in a position to supply all the information dealing with the economic life of the world, not only as between this country and the importing and exporting country, but also as between the trade activities between third countries.

The committee called to the attention of the Department the huge expenditures for telegrams and it suggests that the Department advise the various division heads in Washington as well as the field offices throughout the world of the amount of money that is being expended for this service yearly with a view toward reduction.

The House might be surprised to learn that in the total amount of something over $51,000,000 being recommended for the Foreign Service the amount of $16,000,000, an increase of $14,500,000 over 1945, is to provide financial assistance for the American nationals in the various internment camps in enemy occupied territory. At the time of the hearings it was testified that 26,000 individuals were so detained. During the fiscal year of 1945 there was available for this purpose the sum of $11,000,000 which amount included balances from the preceding year. The actual payments to these American nationals are being handled for us by the Swiss Government who in the years past purchased Chinese dollars on open markets at considerably less than official rates. The principal reason for the increase this year is due to the fact that the Japanese compelled the Swiss to purchase these dollars through the Yokohama specie bank at official rates which increased tremendously the cost of this service. These payments to internees are made in the way of loans, most of which the Department hopes to collect as the nationals are released and as they become economically self-sufficient. The amount of $242,000 has already been refunded by the original recipients.

The amount of a little over $9,000,000 is being recommended for international obligations.

The purpose of this appropriation is, in the main, to cover the share of the United States for certain international commissions, congresses, bureaus, or other international associations of which it is a member; to provide funds to defray the costs of sending representatives of the United States to international conferences abroad or for the expenses of conducting international conferences in this country, and to carry out the program of cooperation with the American republics in accordance with the agreements and resolutions adopted at Buenos Aires, Argentina, in 1936, and Lima, Peru, in 1938.

The largest single item under this category is the cooperation with the American republics program for which the amount of $330,000 is included in the bill. The basic principles involved in this program are designed toward a better understanding between the peoples of this Nation and the peoples to the south of us, as well as development of stronger inter-American security and the extension of our post-war opportunities. The program is conducted by some 12 departments and agencies of the Government. The ones principally interested are the Department of Agriculture, which has devoted itself to the development of agricultural products including rubber; the Department of Commerce, which is aiming to the development of the aviation industry in those countries for the general security of the Western Hemisphere and for the creation of markets for our products in this field; the Federal Security Agency, which is endeavoring through the Office of Education and Public Health Service to improve general conditions in those countries in these fields; and the Department of State, which is striving toward the attainment of a better understanding by the peoples to the south of us of our culture and arts, and conversely toward our better understanding of their culture and arts, with the long-view objective of cementing hemispheric solidarity.

DEPARTMENT OF JUSTICE

Concerning the Department of Justice, the committee has recommended the amount of approximately $93,000,000 for this Department, a considerable deduction from the current year's appropriation but an increase of a little over $1,000,000 in the Budget estimates. This increase is due to the deviation by the committee from its usual practice of not recommending amounts in excess of Budget estimates. However, testimony disclosed that in connection with the Federal Bureau of Investigation that if the amount allowed for this Bureau by the Bureau of the Budget was allowed to stand the Federal Bureau of Investigation would have been forced to close 5 field offices and to dispense with the services of approximately 600 employees. The committee was not disposed at this time to jeopardize in the slightest degree the security program of this Nation. Activities included in this Department of the Government are the Claims Division, the Lands Division, the Immigration and Naturalization Service, and the Federal Prison System, under the able direction of James Bennett.

On the general subject of prisons I intend to extend my remarks, and I hope the Members of the House will give some attention to these remarks because, for the most part, the county jails of this Nation are a cancer upon the American Government. Read what happened to John Emberg, a 16-year-old boy, in the King County jail in Seattle, Wash., under the subheading "County jails."

FEDERAL PRISONS

Mr. Chairman, because our natural inclination these days is to concern ourselves almost exclusively with problems and programs directly related to winning the war and to establishing a sound peace, the attention of some of us may need to be called to a Government program which now lies on the fringe of the war effort, but which will assume signal importance when the war is won. I refer to the program of the Federal Bureau of Prisons, to which I have called your attention in the past and whose appropriation for the next fiscal year is now under consideration. I should like to elaborate a little further on the work of this Bureau for the information of the House.

There are three reasons why the Federal prison program is of special interest today: First, the substantial number of violators of the Selective Service Act and of other wartime laws, and of prisoners from the Army, presently confined in Federal prisons; second, the war production in Federal prisons and other contributions of Federal prisoners to the war effort; and, third, and perhaps most important, the Bureau of Prisons' position of leadership in the correctional field and the relation of this position to the increase in crime generally expected after the war.

VIOLATORS OF WARTIME LAWS

At the end of the last fiscal year, 6,837, or more than a third of the sentenced prisoners in Federal penal institutions, were violators of the Selective Service Act or other wartime laws, or were former members of the armed forces convicted by court martial of serious crimes and committed to the Bureau for long-term imprisonment. There were 1,417 of these military prisoners in Federal civil prisons last June 30; since then their number has increased to approximately 2,000.

Selective Service Act violators in Federal prisons numbered 4,679 on June 30, 1944, of whom more than half were members of the Jehovah's Witness sect. These individuals, though claiming no objection to war service for others, believe that they should be classified as ministers—IV-D—and thus exempted both from military service and from the alternative types of service provided for bona fide conscientious objectors. More troublesome, however, are violators of the act who do claim strong conscientious objection to war service. These prisoners either had been unable to convince their draft boards of their sincerity or, if classified as conscientious objectors, had refused to accept assignment to civilian public-service camps. Then there are the violators of the act who are neither Jehovah's Witnesses nor conscientious objectors—the draft dodgers and technical violators. While almost none of the Jehovah's Witnesses and very few of the conscientious objectors have criminal records, nearly half this latter group have had previous commitments under sentence.

Other special wartime offenders confined in Federal penal institutions, of whom there were 741 last June 30, were committed for such offenses as wearing military uniform illegally, prostitution in military areas, rationing and price-control violations, espionage, sabotage, sedition, and treason.

WAR SERVICE OF FORMER PRISONERS

More than keeping pace with the transfer of military prisoners to Federal civil institutions is the movement of former Federal civil prisoners into the armed forces. No estimate is possible as to the number of former prisoners inducted since 1942 when Army regulations were modified to permit the service of certain individuals with felony records. However, on January 1, 1945, out of a total of 4,725 individuals who had been released on parole from Federal institutions and whose full-term sentence expiration dates had not been reached, 819

or nearly 1 out of 5 were in the Army. There have been many reports of creditable, and in some cases of outstanding military service by former Federal prisoners. Take for instance the case of Harry B——, a youthful offender and a product of a broken home, who was sent to prison because he stole wallets and watches from passengers on trains running between my home city of Detroit and Chicago. Harry was sent to the Federal Reformatory, Chillicothe, Ohio, where he was selected for training in the airplane mechanics school. He made an excellent record in the school and was released on parole after he had completed slightly more than half his 3-year sentence. Two months after release his parole supervision was suspended to permit his induction. He is now crew chief of an Army transport plane, and has been awarded the Purple Heart with one Oakleaf Cluster; also the Silver Star, and a Presidential citation for ground action in evacuating wounded men from a combat zone. Corporal B——, when on leave in this country in December, visited the airplane mechanics school at Chillicothe. He says he owes his success in the Army entirely to the training he received there.

WAR PRODUCTION

Not only have former Federal prisoners made good in the Army, but prisoners now in Federal institutions are also contributing notably to the war effort. They purchased War bonds to the amount of more than a half million dollars up to June 30, 1944; they have contributed thousands of pints of blood to the Red Cross, served voluntarily as human guinea pigs in medical experiments, and toiled like free workers in the production of war goods. Last fiscal year the sales of Federal Prison Industries totaled more than $17,000,000. All products manufactured go to Government agencies, and 95 percent are for war purposes. Products include cargo and landing nets, bomb fins, berths and lockers for merchant ships, loading pallets for Army warehouses, canvas specialty goods, shoes, gloves, mattresses, brooms, and brushes.

POST-WAR PRISON POPULATION

While the sentences of most of the violators of the Selective Service Act and of other wartime laws will terminate soon after the war is ended, it seems probable that their places will be more than filled by the social casualties of the period of post-war readjustment. The prison population in this country decreased substantially both during the Civil War and during the First World War, and, as perhaps should have been expected, there was a 23-percent decrease in the population of State prisons and a 16-percent decrease in the population of Federal prisons from the end of 1940 to the end of 1943. Both the Civil War and the First World War were followed by increases in prison population, and there seems reason to believe that the economic friction and social disorganization which will accompany demobilization and the shift from a war to a peace economy will again fill our prisons and create a pressing need for new ones.

CORRECTIONAL PHILOSOPHY OF FEDERAL PRISONS

I find that the outstanding characteristic of Federal prisons is that, insofar as possible considering legal limitations, they are operated in accordance with a broad correctional and treatment philosophy. What does this mean? Simply that in the Federal system while all necessary consideration is given to the important matter of custody, the primary emphasis is upon what imprisonment should do to, or for, each inmate. Individualization is the keynote of what is known as the classification process. Inmates are assigned to institutions on the basis of their characteristics—the younger offender is separated from the older, those deemed most improvable from those whose future seems less hopeful, the first offender from the recidivist. Within each institution the process continues. When a sentenced prisoner arrives at a Federal institution he is held for about 30 days in quarantine while members of the institutional staff review his personal and vocational background, consider the character of his past behavior both outside and inside institutions, determine his mental level and attitudes, his education, and his physical condition. Then the institution classification committee decides where in the institution he shall live and specifies various programs for him—of work, of training and education, and perhaps of medical, psychiatric, or social work treatment.

THE CLASSIFICATION PROCESS

Thus classification connotes a broader process than merely placing similar prisoners together, and fitting round pegs into round holes. It embodies all those services, resources, and techniques which may be applied or made available to inmates to aid in their reformation. Of particular service in the classification program are the 1 or more staff members of each Federal institution called parole officers. The title, which now carries too limited a connotation, comes from an earlier and almost exclusive occupation with parole planning. Today their responsibilities, which all focus on the inmate as an individual, start with the collection and recording of social information concerning the newly received prisoner. Within the limits of their full schedules—for there are all too few of them—parole officers are more and more assuming the role of inmate counselors, and through the avenue of counseling, that of liaison officers between the inmate and his outside world. Their function is of utmost importance in classification and individual treatment in Federal institutions. There should be at least 1 of them for every 200 prisoners.

But beyond classification there must be institutional facilities and resources. Classification on the basis of inmates' physical and mental health requires adequate medical and psychiatric personnel. Prisoners who need trade-training assignments cannot receive this form of treatment unless there are adequate shops and qualified instructors. For those who need real work at real pay and the satisfaction of being able to contribute to the support of needy dependents, there must be paying prison industries. For illiterate or undereducated prisoners there must be school facilities and teaching personnel. And so on. Such resources and facilities are provided in Federal penal and correctional institutions. Top-notch medical, dental, psychiatric, and psychological service is furnished by the United States Public Health Service. Vocational and trade training run the gamut from airplane mechanics to rug weaving; academic education, from reading and writing to college-level courses. And there is the program of Federal Prison Industries which has already been discussed.

PROPOSED FEDERAL CORRECTIONS ACT

Earlier I stated that Federal prisons are operated in accordance with a correctional philosophy "insofar as possible, considering legal limitations." Here is what I meant by "legal limitations." During an inmate's stay in a Federal institution the warden and staff decide everything concerning the application to the prisoner of the institution's facilities and services—everything, that is, except the all-important question of how long these facilities and services need to be applied; that is, how long the inmate shall remain in the institution.

I do not claim, nor do I believe, that the staffs of penal institutions should have the full responsibility, or anything like it, for the determination of release dates of inmates. However, I think the correctional function of Federal prisons is somewhat belied by a situation under which those who plan, administer, and apply correctional treatment have nothing to say concerning how much time is needed in specific cases to accomplish rehabilitation. Most prison officials can recall scores of prisoners who have adjusted well and made good use of the rehabilitative resources of an institution for perhaps 2 or 3 or 4 years, and have then appeared to be fitted to return to the community; but because their sentences run for 6 or 10 or 15 years or more, they retrogress, become "prisonized," and finally go out broken, dispirited, and embittered.

There is no simple solution to the problem presented by such situations, and certainly none which would be generally accepted today. However, the proposed Federal Corrections Act, introduced by my colleague the distinguished gentleman from Pennsylvania [Mr. WALTER], H. R. 2445, if enacted, would represent a step forward in the fitting of sentences to the needs of individual offenders. It would also, I feel sure, tend to reduce the wide district-to-district disparities in average sentences. For example, during the fiscal year 1944 the average sentence imposed upon liquor-law violators was 2 months in Nevada, 4 months in southern Alabama, 9 months in southern New York, 14 months in eastern New York, and 25 months in northern Alabama. The Federal Corrections Act proposal, as will be remembered, would delay imposition of sentence in felony convictions for not more than 6 months after commitment to the institution. During the interval the proposed Federal Board of Corrections would study the case, interview the offender, and recommend a

sentence, which the judge might, but need not, impose.

I hope H. R. 2445 will soon be favorably reported and enacted. It would be if the Members of Congress took the interest in the program of the Federal Bureau of Prisons and its problems which their importance warrants. Unfortunately, however, genuine interest in penal institutions seems almost exclusively confined to those who run them and those who are incarcerated in them. Local jails are a notorious horrible example of neglect and indifference.

COUNTY JAILS

Let me give you an example of what is happening in these jails. On December 24, 1944, the eve of the great festival commemorating the birth of our Saviour, young John Emberg, a sensitive boy of 16, was brought to the King County jail in Seattle, Wash. He was booked only for delinquency. He was placed in the so-called juvenile section of the jail, which later investigation showed to be a hellhole of brutality and perversion. He was then promptly forgotten. He was not even given a preliminary hearing. Before anyone got around to his case his lifeless body was found—the victim of a brutal and sadistic murder by other inmates of the jail. During the month he was forgotten and held without a hearing he was persecuted, literally tortured and subjected to the most atrocious indignities, and finally beaten to death by other stronger boys because he refused to participate in their bestial activities. He was frequently tried by the "kangaroo court," which was permitted to operate in the jail, because he would not engage in their orgies. He was tied to the bars with his feet high, the weight of his body resting on the back of his neck on the floor, and cigarettes and matches were burned between his toes. After 3 weeks of such unbelievable torture, death came to John Emberg's rescue. And, mark you, all of this occurred within a few yards of the office of the jailers.

During the court's investigation concerning this case a jailer testified that he knew that smaller boys were beaten and tortured by older boys and that a kangaroo court ruled the juvenile quarters but he did nothing about it; and the sheriff who was elected by the people and in whom they placed their confidence and trust to fulfill his responsibilities and obligations and to protect the individuals committed to his care, knew that the kangaroo courts and their unspeakable abuses flourished in the King County jail.

The Federal Bureau of Prisons inspector pleaded with the jail officials, when he inspected the jail in 1943, to abolish the kangaroo courts and warned them of their dangers. But these warnings fell upon deaf ears, and with the knowledge and approval of the jail officials the kangaroo courts continued to rule the juvenile section in the King County jail. These courts are vicious organizations operated under the guise of self-government with the result that the most brutal prisoners can take advantage of the weak and helpless. It is a common practice for the members of these courts to extract money from newcomers. When a prisoner has no funds and when he refuses to pay the fines demanded he is assigned degrading tasks.

This episode I have related is not the first of its kind. It is like a second performance with a new cast and a new setting of a play staged in the Denver County Jail, Colorado, in 1938. The same scenes and the same acting took place when young George Coover paid the penalty with his life at the hands of the unscrupulous actors of the kangaroo court. In these theaters of crime made possible through the negligence of jail officials young boys—our citizens of tomorrow—are being trained. I am constrained to ask—if such training continues without intervention what effect may we expect it to have in the shaping of things to come, and what will be our responsibility for the consequences?

The system which permits conditions to exist such as I have described affects a much larger group of prisoners than the juvenile population. Its evils reach every person taken into custody—a serious or a casual violator—and worse still, it affects the innocent as well as the guilty.

The local county jail, unquestionably the most important prison unit, is a blot on American civilization. The Bureau of Prisons records disclose that more than 75 percent of 3,156 jails inspected by inspectors of the Bureau in connection with their use for Federal prisoners have been disapproved, because of their lack of the bare essentials for decent housing and treatment of prisoners, and because of conditions indescribably revolting and conducive to the spread of crime. The use of about 10 percent more is limited to emergency cases.

There are many deficiencies in these jails which account for the action of the Bureau. The insecurity of jails due to poor buildings and more often to lack of supervision by jail officials is one. Special privileges to a favored few, especially to the more influential and sometimes notorious; the mishandling of prisoners' funds—one prisoner was inveigled into paying $600 each to two lawyers who did not perform the services promised, and $250 to the jailer who recommended the lawyers; and lack of medical attention, inadequate food, especially where the fee system exists, are others.

Newspaper accounts of jail tragedies such as the Emberg and the Coover cases, and the occasional articles concerning jail conditions which appear in magazines—recently Women's Home Companion and Reader's Digest—aroused the indignation of those who read them, who frequently say we should rise up in our wrath over such conditions, and why does not the Government do something about these conditions. But all too soon through the indifference of the public the jail is forgotten until another tragedy occurs.

The Government has no control over county jails, and has no authority to establish jail standards. A few States have established authority in a central State agency for the control and supervision of local jails and all offenders against the law. In these States notable improvements have been made.

Without some central direction and guidance in each State toward jail betterments and more orderly treatment of jail prisoners we cannot look too hopefully for a high morale in our future communities.

I beseech every Representative from each State to take a personal interest in this problem and to commend to his Governor the consideration of measures to bring these jails under some sort of supervision.

It is my hope that these ideas will be crystallized into action promptly through the interest of every Member of this Congress. I believe that it is our inescapable responsibility to give leadership in preventing a continuation of the bad jail conditions I have described. We must take appropriate action, lest by our silence we condone these deplorable conditions. I intend soon to introduce a bill giving some authority to the Federal courts to take cognizance of these conditions. I would appreciate your suggestions and support.

Regarding the F. B. I. this subject will be dealt with at length by my distinguished colleague the gentleman from North Carolina [Mr. KERR] when he addresses the Committee.

DEPARTMENT OF COMMERCE

For the Department of Commerce the committee is recommending an appropriation of something in excess of $79,000,000 as compared with the current year's appropriation of $81,000,000. In this Department are located the following major activities: Civil Aeronautics Administration, the Bureau of Foreign and Domestic Commerce, the Civil Areonautics Board, Patent Office, Weather Bureau, National Bureau of Standards, Census Bureau, and the Coast and Geodetic Survey.

It may be stated in general that the bulk of the work of this Department is the rendering of technical and fact-finding information to other agencies of the Government and to the general public. The Department has, through many of its bureaus, been rather heavily involved in the war effort, and without any substantial increase in appropriations for the Department as a whole. This was made possible by the fact that many of the regular activities of the bureaus could not be carried on to the fullest extent during the war period. However, upon the cessation of hostilities, the Department will no doubt revert to its former position of advising and guiding, from a technical and fact-finding standpoint, the business enterprises of the Nation as well as supplying the regular agencies of the Government with information necessary for the conduct of their special activities.

The largest item of appropriation in the Commerce Department is for the C. A. A. for which the committee is recommending the amount of a little over $41,000,000. The subject of aviation is one of increasing importance not only during this war period but in the postwar era as well. The purpose of this program as expressed in the enabling

legislation is the development and promotion of aviation in this country. This is being accomplished principally through the establishment and the maintenance and operation of air navigation facilities for the commercial enterprises as well as private individuals. This organization is responsible for the enforcement of air safety regulations as prescribed by the Civil Aeronautics Board. The principal item of increase is in connection with the establishment of very high frequency radio equipment on the Federal air ways system. My colleague, the gentleman from Nebraska, will go into the workings of this agency in detail. The Coast and Geodetic Survey is active internationally in the war program. Practically its entire facilities are now devoted to the war effort. This agency, as the committee well knows, is under the able direction of Admiral Colbert.

In the National Bureau of Standards, we have our old friend, Dr. Lyman Briggs. This Bureau is in a similar category and has been signally successful in supplying necessities greatly needed by the armed forces both in the way of developing substitutes for critical materials and in the way of actually constructing implements of warfare.

THE WEATHER BUREAU

This committee puts to flight the statement of Mark Twain that "Everybody talks about the weather but nobody does anything about it." This Department is spending $12,000,000 annually studying the weather and Commander Reichelderfer and his staff are busy throughout the world with technical equipment rendering invaluable and vital assistance to our flyers and to the military programs. This service has not neglected its devotion to the activities wherein it was born—namely, agriculture.

THE PATENT OFFICE

The Patent Office has done its proper share in its individual field in the war program. Its Director, Mr. Coe, is also a member of the Inventors' Council.

THE BUREAU OF THE CENSUS

For the most part, the committee was almost unanimous on the many items for this agency. There was, however, a difference of opinion in respect to the appropriation for some items in the Census Bureau. Especially did I differ with the committee in its elimination of the entire increase requested for its activities, referring especially to the item for the new annual sample census of operation and the expanded labor force statistics and reports. These studies were represented to the committee as being definitely tied up with our reconversion period and the many ills that will be attendant thereto. Both of these activities are in my opinion closely related to the economic situation of this country and we should, through this Bureau, place the Government in a position to render the utmost service to our post-war economy and in the shortest period of time possible.

JUDICIARY

There is contained in this bill for the first time in a number of years the appropriation items for the Federal judiciary. The amount of a little over $14,000,000 is being recommended. This amount will cover the financial requirements of the United States Supreme Court, the other Federal courts, and the Administrative Office of the United States Courts. During the course of the hearing the committee was surprised to learn of the many inadequacies and handicaps under which our judicial system has been operating during the past years. The Federal judiciary is now attempting to find itself, and I for one would not like to be a party to any action that would be in any way inimical to the rendition of proper justice in this country to both rich and poor.

I want to call the attention of the membership to the fact that a number of eminent and honored jurists appeared before the committee including the Honorable D. Lawrence Groner, Chief Justice of the United States Court of Appeals of the District of Columbia; the Honorable J. Biggs, of the United States Circuit Court, Third Circuit; the Honorable Albert B. Morris, United States circuit judge, third circuit; the Honorable J. J. Parker; and the Honorable John C. Knox. All of these gentlemen considered the items of appropriation for the Federal judiciary of such importance as to take their valuable time to come to Washington to appear in behalf of the requests that were being made.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I am wondering if the gentleman feels that the provisions modifying the existing law by way of limitation will enable the judges to have the clerks and the stenographic assistants that they need for the transaction of their business.

Mr. RABAUT. May I say to my colleague that we are making every effort possible to try and effect that very thing.

Mr. WHITTINGTON. I would assume it is an improvement over the situation as presently obtains if the proposed modifications recommended by the committee are adopted.

Mr. RABAUT. We hope so.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

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

Mr. BENDER. Did the committee follow the recommendations of the Bureau of the Budget in cutting down the appropriations for the Federal Bureau of Investigation.

Mr. RABAUT. Mr. J. Edgar Hoover of the Federal Bureau of Investigation in appearing before the Budget made two requests. One was based on a war on one front and the other was based on a war being fought on two fronts. For the war on two fronts he asked for somewhere in the vicinity of $39,000,000; for the one-front war he asked $35,000,000. That subject will be treated at greater length when Judge KERR takes the floor. But the Bureau of the Budget cut it $2,729,000. The committee called the Bureau of the Budget before it, and after hearing them we decided that the funds for the F. B. I. should not be curtailed. We have arranged in this bill to restore the funds originally requested for the one-front war, which is satisfactory to the agency at this time. Accordingly, the total allowed is $35,729,000.

Mr. BENDER. That is, Mr. Hoover's request was complied with?

Mr. RABAUT. Yes.

Mr. BENDER. I commend the gentleman on taking that action, because I think the Bureau is doing one of the finest services that is being performed by any Government agency.

Mr. RABAUT. I would say that the full committee felt the same way about it when we presented the item to them.

The complete testimony on all of the items will be found in the hearings, and I strongly urge each Member to read the hearings on the Federal judiciary in order to better familiarize himself with the needs of this great branch of our Government.

Mr. Chairman, the Government of this country is divided into three great subdivisions. For my part, I think for too long a period of time the legislative branch has neglected itself as a great branch of the governmental system, and that likewise it has neglected the Federal judiciary. I think that in a way they might be referred to as the stepchildren of the United States Government. In this bill we propose to do for the judges what we have done for Members of Congress on a somewhat lesser scale, that is, give them the right to hire a private secretary and a law clerk for their own offices. This would be for more efficient justice, and at savings to the Government, inasmuch as it would speed up the processes of justice.

Take for instance the probation system, the size of which has not kept pace with the needs for this service, principally because of the lack of adequate funds. The rising tide of juvenile delinquency in this country demands concrete action rather than any mere discussion of the subject, which has been taking place of late. We have too much talk going on and too little action.

The testimony before the committee by J. Edgar Hoover, Director of the F. B. I., and James Bennett, Director of the Federal Prisons System, indicates that the arrests of 17- and 18-year-old offenders are at an all-time high. The delinquency of girls under 18 has taken a new jump of 137 percent greater than before. It is the probation service that must be strengthened if we are to render the proper justice on the basis of fact and understanding rather than on the basis of expediency in the handling of individual cases.

It was pointed out that of the 6,700 probationers in the Army only 42 had been dishonorably discharged and 6 have been awarded decorations for praiseworthy actions in the service. Probation is the greatest means of saving lives and restoring them to usefulness and at the same time of saving money for the Government that we know of.

Under the miscellaneous salaries are included the secretaries and law clerks to judges. It is inconceivable how the Federal Judicial System has been able to render the service it has with the limited assistance provided for the judges as a result of inadequate appropriations. It cannot be denied that the administration of justice is increasingly complex.

The lack of qualified law clerks and secretaries to Federal judges has no doubt reduced the effectiveness of the judges' services on the bench.

The augmentation of appropriations for the services is strongly urged. Proper assistance will not only enable the judge to render more accurate decisions and reduce the number of appeals to higher courts but will also considerably speed up the work of the courts by enabling each judge to dispose of cases to which he could not give the full amount of time if obliged to look up the numerous laws and references involved.

An item included in this bill for the first time is the salaries of court reporters. Considerable testimony was had on this item and there appeared before the committee, our colleagues, the Honorable SAM HOBBS and CLARENCE HANCOCK, members of the Judiciary Committee, in addition to representatives of the National Shorthand Reporters Association and other reporter groups. The Federal judges that appeared before the committee in behalf of this item were unanimous in their endorsement of the reporter system.

The purpose of the enabling legislation, as explained to the committee, was to provide each court with an official record of proceedings and to eliminate certain abuses in connection with the sale of transcripts by contract reporters to litigants. It was testified that the courts in every State with the exception of two have systems for the employment of official court reporters. The amount approved for this item will enable the judiciary to at least inaugurate this service on a partial basis. The Honorable Judge John J. Parker, Sr., United States circuit judge, stated:

I want to say to you that I think that this is the most important matter affecting the administration of justice in the Federal courts now before the Congress.

THE FEDERAL LOAN AGENCY

This item was formally carried under the Commerce Department portion of the bill. It is now carried under the separate title in consequence of the recent enactment of legislation recreating the Federal Loan Agency. As the committee knows, the amounts for the administrative expenses of the Reconstruction Finance Corporation and its subsidiaries are not appropriations out of the United States Treasury but are rather authorizations of amounts of corporation funds that may be used for administrative purposes. The committee recommends an authorization of $33,000,000 for the administration of the Reconstruction Finance Corporation and its subsidiaries, a reduction of $2,600,000 under the budget estimates.

This is an important bill. It deals with the four old-time agencies of the Government.

Mr. STEFAN. Mr. Chairman, I yield myself 25 minutes, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Chairman, as ranking minority member of the committee which brings this bill before you today, I want to express my deep appreciation to the members of the entire committee who have labored so long together in order to bring to you the best possible bill we could under the circumstances of war and from the justifications presented to us by the representatives of the various agencies who appeared before the committee justifying the requests.

I especially want to commend the chairman of this committee, the gentleman from Michigan, the Honorable LOUIS C. RABAUT, for his courtesy and fair consideration of all members of the committee. It has been a great pleasure and inspiration to work with him and the other distinguished members of the committee, who include the Honorable JOHN H. KERR, of North Carolina; the Honorable BUTLER B. HARE, of South Carolina; the Honorable THOMAS J. O'BRIEN, of Illinois; the Honorable ROBERT F. JONES, of Ohio; and the Honorable DEAN M. GILLESPIE, of Colorado; and to the very efficient clerk of this committee, Mr. Corhal D. Orescan. To Mr. Orescan I want to pay a special compliment because of his most efficient and thorough work.

While the bill we bring before you does not contain as large an amount as some of the appropriation bills that have been brought to you heretofore, it does include activities which, in my opinion, are of great importance to the people of the United States and to the people of the entire world. While the committee endeavored strenuously to hold down the number of pages of hearings in order to save unnecessary material and labor, they do contain over 1,200 pages of fairly complete information regarding the activities of the four Departments with which these appropriations deal, namely, the Department of State, Department of Justice, Department of Commerce, and the Federal judiciary. The estimates for the entire bill amounted to $272,729,800. The committee allowed $259,109,700, or a decrease as compared with the Budget estimates of $13,620,100. In only one of the Departments represented in the bill is an increase shown, namely, the Department of Justice, and the increase deals entirely with the activities of the Federal Bureau of Investigation. The reason for that increase will be fully explained by myself and other members of the committee as we proceed in this debate. I am sure that the committee will agree that the increase is fully justified.

The decrease of $13,620,100 made by your committee should not be construed as meaning that this amount represents a saving because in a number of cases represented in this figure of decrease are items which will later appear in future appropriations and were taken out of this bill because there was no authority of law for them.

I shall not take up the time of the Committee now to detail all of the items in the four categories as represented in this bill, because I wish to confine myself to one Department, namely, the Department of State.

THE DEPARTMENT OF STATE

Mr. Chairman, the pending bill, if passed, will make $71,848,400 available to the Department of State for the fiscal year 1946.

The Department of State, like all other departments and establishments of the Government, has experienced unusual and, perhaps, unknown and unsuspected growth, both in functions and in personnel, during the past decade; and the end is not yet.

In 1933, the budget request for the Department of State was for $16,694,071.89, with 858 employees in the Secretary's office; and for the fiscal year 1946, the request was for $77,988,900 with 4,141 employees in the office of the Secretary. The Department now has a total of over 10,000 employees and asks for a total of 11,597.

In 1933, the sum of $2,039,740 was requested for personnel in the Secretary's office; and the request for the same item for the fiscal year 1946 had grown to $11,362,200.

In 1933, the Department requested $3,440,000 for 775 Foreign Service officers; and the request for the fiscal year 1946 was for $4,900,000 for 1,010 such officers.

In 1933, the request was for $2,716,439 for the salaries of 2,030 Foreign Service clerks; and the 1946 request was for $4,287,000 for 2,344 such clerks.

In 1933, there was no request for an item now found in the Budget, namely, "International obligations," for which $9,921,400 was requested for the fiscal year 1946.

In 1933, the request was for $100,000 for allowances for living quarters abroad; and for the fiscal year 1946, there is requested for that item $2,200,000.

The hearings on this bill show that the Department of State has undertaken, and is proceeding with, a sweeping reorganization, a reorganization which, in many respects is unusual and revolutionary in character. The reorganization has already brought into the Department top officials and heads who are neither trained nor experienced in statecraft, diplomacy, or international affairs; and, along with those new acquisitions have come many officials and employees of lesser rank who, likewise, have not been trained in handling the affairs of this Government abroad. What is, perhaps, more significant is that the reorganization has brought forth, and large appropriations have been requested for, many world-wide plans which, in some instances, are extensions of plans of former years, and, in other instances, plans that reflect what many people regard as strange and unusual functions in the field of diplomacy and international relations. Some of the plans are largely sociological in nature and call for their operation and execution in all parts of the world.

Your committee has, by agreements and compromises, recommended reductions in various amounts requested for the fiscal year 1946; and the committee's action has recommended the elimination of a few of the proposed items of expenditures.

My own feeling, Mr. Chairman, is that the Congress and the people should be informed as to some of the activities and plans of the Department of State; and it may well be that the Congress itself

will desire to make further reductions in the Department's request for funds.

CHANGES IN PERSONNEL

Our new Secretary of State and his latest assistants require no extended discussion, due to their long tenures in public offices not connected with the foreign affairs of this country, in the accepted and usual sense in which the phrase "foreign affairs" is used. Suffice it to say that those gentlemen are not, and they do not claim to be, trained and experienced in the orthodox handling of international affairs and diplomatic relations of this country with the rest of the world. Yet, Mr. Chairman, their present positions leave them at the head of this great Department with its many new plans for the future, which I shall discuss briefly in the course of these remarks.

COOPERATION WITH AMERICAN REPUBLICS

For some years, we have been appropriating funds for the practice and furtherance of cultural relations with the countries of South America. This activity, worth while or not, has grown from modest proportions at the beginning to an ever-widening scope, correspondingly increased costs. While, under existing law, these cultural relations are supposed and required to be fostered and furthered cooperatively, it becomes more and more apparent each year that the United States is doing most of the cooperating and paying, while the other countries remain on the end where lie the benefits—benefits which, in some instances, result to persons and individuals not intended to be served individually, either by this country or their own.

At any rate, our cultural-relations activities with the Latin-American countries have been carried to the point of extending to those countries the benefits of our knowledge of agriculture, mining, and many, many other business pursuits, along with education, music, the sciences, the arts, and other lines of human endeavor.

And, looking at the 1946 Budget, pages 597–598, it is found that it takes better than two pages of very fine print to list and describe the functions and the classifications and descriptions of the Department's personnel engaged in cooperation with the American republics. Those enlightening pages of the Budget show that those activities for the year 1946 will occupy 515 man-years and cost an estimated total of $4,430,000, including the unusual item of $1,439,046 for travel. Judging by the personnel classifications mentioned, we are indulging in very many things in the Latin-American countries of questionable value, aims, objects, and benefits, and they suggest, very clearly, that some of our activities have far outrun anything Congress ever meant and intended to be done. As examples we find that we have employees of the following kinds, among many others, included in the 515 man-years:

One principal social scientist, $5,600.
One pathologist, $5,800.
One agronomist, $4,350.
One chief anthropologist, $5,600.
One senior agricultural economist, $4,600.
Four senior social-science analysts, $18,700.
One senior educationist, $4,600.
Two specialists on Latin-American education, $9,200.
One specialist in the English language, $4,600.
One senior consultant in social services for children, $4,800.
One senior consultant, maternal and child-health services, $4,800.
One senior consultant in nutrition services, $4,600.
Three senior consultants in child welfare, $13,800.
One agronomist, $3,800.
One specialist, child-welfare services, $650.
One labor economist, $3,800.
One labor economist—trilingual—$4,000.
One visual education specialist, $3,800.
One press officer, $3,800.
Four principal agriculturists, $22,600.
One principal botanist, $5,600.
One principal soils technologist, $5,800.
One director—agricultural project—$5,600.
One principal geologist, $5,600.
One protocol officer, $5,600.
Four senior agronomists, $18,400.
Two senior agricultural economists, $9,400.
Two senior animal husbandmen, $9,400.
One senior biometrician, $4,600.
One senior biochemist, $6,900.
One aquatic biologist, $4,000.

And there are many others of like questionable character and value.

Pages 598 to 599 of the 1946 Budget also reflect many questionable projects operating under the function "Cooperation with the American Republics," including: Development of rubber production; fellowships in rural electrification; public administration, statistics; magnetic and seismological observations; tours of the United States by Latin-American journalists and exchange of fellows and professors; fellowship in the fishery science; cooperative investigations in anthropology; grants to visiting professors and hemisphere leaders; grants for cultural centers and materials; the Miami reception center, and the like.

It may be, Mr. Chairman, that Congress meant and intended that all those things should be undertaken, and that we should spend money from the Treasury for the employment of persons of the classifications shown; but I feel it my duty to bring these matters to the attention of Congress and, through Congress, to the attention of the people so that, if, with me, there is sufficient question concerning the propriety of the things mentioned, appropriate action can be taken.

OTHER CULTURAL RELATIONS PROGRAMS

The 1946 Budget and the justifications submitted in support of the appropriations requested, reflect that the Department of State has already launched a broad cultural relations program for China and the Far East, with funds made available from the President's Emergency War Fund. The Department now asks $1,390,000 for the enlargement and perpetuation of that program. And Assistant Secretary of State MacLeish stated frankly to your committee that it is proposed to extend that program of cultural relations to the entire world. Your committee has refused to include appropriations for the China-Far East cultural relations program.

It seems to me, Mr. Chairman, that Congress should be consulted before money from any source is expended on such programs as the one mentioned; and it is clear that such assistance as our taxpayers can give to China ought to be directed toward winning the war before cultural relations and new ideologies are extended.

In passing, it is proper to observe that officials of the State Department frankly admitted that there was no statutory authority for a cultural-relations program with any country or countries other than those of Latin America. It, therefore, behooves Congress to go on record as to whether any more such programs shall be launched unless and until Congress, after their consideration, shall have approved and appropriated for them.

LECTURERS SELLING THE DUMBARTON OAKS CONFERENCE

Assistant Secretary of State MacLeish frankly admitted that a large number of high-salaried officials and employees of the Department of State have been and are being sent over the country lecturing on, and trying to sell the public, the principles of the Dumbarton Oaks Conference. Those officials and employees are diverted from their regular and official duties for the lecturing purpose, and their traveling expenses are being paid from funds appropriated by Congress for the attendance at meetings, gatherings, and conferences pertaining to the Department's usual business and affairs.

No one can read Mr. MacLeish's testimony without reaching the conclusion that the American people are being high-pressured and propagandized into accepting the principles of the Dumbarton Oaks Conference; and the conclusion is inescapable that the administration, by those methods, is attempting to gain support of the public and, through that support, to put pressure upon, and to obtain favorable action by, the Senate on any peace plan that will embody substantially the principles of that conference.

To my mind, Mr. Chairman, it is a principle new to a republican form of government that the taxpayers are surreptitiously required to support and maintain a propaganda organization to sell the American people the policies of the administration, either on national or international affairs. We all know that we have, for many years, had a gigantic and questionable propaganda machine which has molded public opinion on the domestic front; and it is now, without semblance of authority, directed to the same end in respect of foreign affairs and international policies.

For my part, I have not consciously or intentionally voted for any appropriation of funds for any such purpose, and will not do so. And when the Department

of State assigns its regular officials and employees to the unofficial and unauthorized task of selling the American people a bill of goods, then the Department is deliberately and willfully causing the misapplication of appropriated public funds to uses and purposes not authorized by law. All such expenditures should be disallowed by the Comptroller General in the accounts of appropriate disbursing officers.

I am sure the Members of the House will find much interest in reading the nine and one-half pages of fine print—pages 280–289—required to list the places where lectures have been delivered on the Dumbarton Oaks Conference, and the statements of education, training, background, experience, and salaries of the officials and employees who delivered those lectures. In reading that important data, it will be well to note that many of those officials and employees appear to have been employed and selected as of recent dates, indicating that they may have been recruited for the specific purpose of lecturing on the Department's foreign policies and the Dumbarton Oaks Conference plan.

In concluding these remarks on the Department's force of lecturers, I suggest that the testimony of Mr. MacLeish is susceptible of but one meaning, namely that the lecture scheme for selling the administration's peace plans was adopted in the light of the fact that it might serve to accomplish those plans, whereas Woodrow Wilson's plans failed for want of efficient propaganda. In this connection, the following from the hearings is most significant:

Mr. STEFAN. Is it the view and feeling of the State Department that the State Department's policies may be made successful by publicizing and advertising them to the American public whereas Wilson's plans for lasting peace failed for want of publicity and education?

Mr. MACLEISH. I would like to consider the two parts of that. I am not sure that I would agree with the reference to Wilson's policy. As to the first part, I think we feel that the people of the United States have been invited to consider in great detail the Dumbarton Oaks proposal. This is the first time that a group of nations have submitted a proposal to the people of the world for consideration, and my view is that the people of this country, who are faced with that great decision, have a right to know everything that it is possible to know about the proposal and the background of it and the problems it proposes to deal with.

I, myself, think that the one policy Wilson defended and advocated most was the policy that a thing of this sort be taken to the people.

Mr. STEFAN. In other words, it is hoped that such a plan of publicity may create such public sympathy that the people will influence the Senate in the acceptance of the Department's policy?

Mr. MACLEISH. That is not the fact. The feeling is that if the facts are known and are put to the people, the facts will speak for themselves.

The hearings further disclose that, in addition to the lecture program, the Department of State was and is participating in extensive radio and motion-picture programs for publicizing the Dumbarton Oaks Conference and the Department's policies and views.

One other danger signal is inherent in the hearings on this bill, from the standpoints of future diplomatic practices and policies, the propaganda policies and practices of the future, and the over-all functions of the Department of State, namely: Assistant Secretary of State MacLeish admitted quite frankly that it would be the Department's purpose, as part of its reorganization and future cultural relations activities, to absorb at least a part of the functions and personnel of the Office of War Information which, as everyone has thought, was a temporary war agency. It seems, however, that the Department of State means and intends to take over part of the O. W. I.'s large personnel and tie them and their activities into the Department's world-wide cultural relations programs and other activities. Here, again, Mr. Chairman, is another matter on which Congress should be consulted; but the testimony of Mr. MacLeish and others make it apparent that, unless the interests of the public and the powers of Congress are vigilantly and properly watched and safeguarded, we may awake some fine day to find that we already have a world-wide ministry for the sale of our one-world thoughts and ideologies to all the earth's peoples.

With such evidence before us it is less hard to believe the recent report that a world-wide gestapo has been seriously proposed for this Government. So many unusual things have already been saddled on the people without authority of law, that bypassing Congress and disregarding the wishes and the will of the people have become commonplace, indeed. What shall we do about such things? Shall we stand idly by and permit our institutions to be changed, or even destroyed, because we are too timid to speak? To be forewarned is to be forearmed; and, as to these things concerning which we have extracted information in advance, something should be done, and done now.

Whither are we headed in these matters? Are we, under the guise of cultural relations and the advancement of new ideologies, to spend the taxpayers' money in all corners and quarters of the globe? Are such programs at all likely to produce any true good will for this country among the peoples of the earth? Are such programs properly a part of the diplomatic functions of this great country? Shall it henceforth be our policy foolishly to attempt to buy as so much meat or lard, the good will of other nations? Lastly, Mr. Chairman, are not such policies likely to grow into a new world order of our own, one which our public servants, in response to the human element inherent in all men, will attempt to force upon the peoples of other countries? Those are not mere possibilities—they are real dangers, and dangers which we should avoid as we would a plague.

An educational commission has been established in London with which this country cooperates; and who, then, can say that we may not be laying the ground work for forcing our own thoughts as to education on the peoples of other nations?

Are these cultural relations, educational, and other matters things that were discussed at Yalta? Were they discussed at Teheran, Casablanca, and elsewhere? Will they be discussed at San Francisco? And have they been discussed from the State Department's angles and viewpoints in the lectures which have been given throughout the country by the Department's staff of salesmen?

RESPONSIBILITIES OF STATE DEPARTMENT OFFICIALS

Mr. Chairman, there has been some inquiry as to the duties and responsibilities of the principal officers in the Department of State. For the information of the Committee I submit a brief explanation:

UNDER SECRETARY JOSEPH C. GREW

The Under Secretary is the principal assistant of the Secretary and serves as Acting Secretary in the Secretary's absence. He assists the Secretary in directing all of the Department's activities. He is vice chairman of the Secretary's staff committee.

ASSISTANT SECRETARY DEAN ACHESON

He is responsible, under the direction of the Secretary of State, for liaison with the Congress on all matters affecting the work of the Department, except those of an administrative or budgetary character which are the responsibility of the Assistant Secretary in charge of Administration, Julius C. Holmes. In performing this function, Mr. Acheson directs, first, the drafting of proposed legislation (including treaties and conventions) in collaboration with the appropriate officials of the Department and of other Federal agencies; second, the presentation of proposed legislation to the subcommittees and committees of the Congress, including the appearances of qualified witnesses; third, the review of proposed legislation upon which the Department is requested to express a viewpoint; fourth, the consultation of departmental officers and Foreign Service officers with the Members of Congress; fifth, the handling of congressional correspondence pertaining to proposed legislation. He has general responsibility for coordinating the work of the Department in connection with the conduct of international conferences. He serves as a member of the Secretary's staff committee.

ASSISTANT SECRETARY JAMES C. DUNN

He is responsible, under the direction of the Secretary of State, for the formulation of over-all United States foreign policy with the countries of Europe, the Far East, the Near East, and Africa. With respect to these countries, he guides the conduct of our relationships with them, taking the initiative in matters which are primarily political in character and coordinating the activities of other officials of the Department and other Federal agencies who have primary responsibility in specialized fields such as economic policy or information policy. He is responsible for keeping these officials informed concerning emerging problems in the over-all foreign policy field. He directs the substantive work of Foreign Service establishments in

those countries included within the areas of his jurisdiction in the same manner as he directs the work of the offices under his supervision in the Department.

ASSISTANT SECRETARY NELSON A. ROCKEFELLER

His responsibility, under the direction of the Secretary of State, is identical with that of Assistant Secretary James C. Dunn, except that the countries involved are the other American republics.

ASSISTANT SECRETARY WILLIAM L. CLAYTON

Under the direction of the Secretary of State, he is responsible for the formulation and coordination of policy and action in the participation by the United States in international economic affairs. He directs the Department's liaison with other agencies of the Government which participate in international economic affairs with a view toward coordinating their activities within the framework of United States foreign economic policy and relating such policy to the over-all United States foreign policy. He is concerned with both wartime and peacetime activities. The activities include principally the following: First, the protection and promotion of American commercial and agricultural interests in all foreign countries; second, the formulation, negotiation, and administration of commercial treaties, reciprocal trade agreements, and commodity agreements; third, international financial and monetary agreements and arrangements; fourth, international industrialization and development projects and programs; fifth, foreign funds and property controls; sixth, production and distribution in international commerce of major commodities such as petroleum, wheat, rubber; tin, coffee, sugar, and cotton; seventh, international fisheries; eighth, cartels and related arrangements; ninth, international labor, social, and health affairs; tenth, international aviation, shipping, transportation, and telecommunication matters; eleventh, procurement and development abroad of materials needed in the prosecution of the war; twelfth, wartime trade controls; thirteenth, lend-lease; fourteenth, disposition of surplus war property; fifteenth, administration of the proclaimed list of certain blocked nationals; sixteenth, economic blockade of enemy and enemy-occupied territories, and so forth. He serves as a member of the Secretary's staff committee.

ASSISTANT SECRETARY ARCHIBALD MAC LEISH

Under the direction of the Secretary, he is responsible for the formulation and coordination of policy and action regarding the informational and cultural relations aspects of United States foreign policy. He directs the Department's liaison with other agencies of the Government which are concerned with international information and cultural relations with a view toward coordinating their activities within the framework of the United States international informational and cultural relation policy and relating such policy to the over-all United States foreign policy. The work which he directs falls into three broad categories, namely, first interpretation and analysis of United States foreign policy within the United States, second, overseas dissemination of information concerning the United States and its foreign policies, and third, planning, coordinating, and putting into effect programs of the Department of State, and programs undertaken through other agencies of the Government, which are designed to encourage mutual understanding between the peoples of the United States and other nations through the exchange of persons, such as students and technicians, exchange of information, such as books and other publications, and the conduct of scientific and technical projects on a mutual basis. This includes direction of the program for cultural cooperation with the other American republics, and the program for cultural cooperation with China and neighboring countries and the countries of the Near East and Africa. He is also concerned with the United States participation in the Conference of the Allied Ministers of Education in London. He serves as a member of the Secretary's staff committee.

ASSISTANT SECRETARY JULIUS C. HOLMES

Under the direction of the Secretary he is responsible for the administration and management of the departmental and Foreign Service. He is responsible for liaison with the Congress in all matters pertaining to administration, in particular for liaison with the Appropriations Committees of the Congress with regard to estimates of appropriations for the Department, the Foreign Service, and all other activities affiliated with the Department. His duties include supervision over the following: First, recruiting, placing, training, and promoting personnel of the Department and the Foreign Service; second, planning for more efficient management of the Department and the Foreign Service; third, preparation of budget justifications and presentation before the Bureau of the Budget and the Appropriations Committees of the Congress; fourth, fiscal control and management of appropriated funds; fifth, purchasing, space control, mail and messenger service, duplicating, and other housekeeping services; sixth, control and handling of telegraphic communications and other forms of communication, including coordination and review of all correspondence; seventh, administration of the Department's record system; eighth, control of travel; ninth, administration of the consular activities of the Foregin Service such as service to seamen, invoicing, handling of estates, whereabouts and welfare of Amercan nationals abroad, and so forth; tenth, administration of the cryptographic system; eleventh, coordination of the administrative management of international conferences; twelfth, handling of protocol matters; thirteenth, administration of laws and regulations relating to the control of American citizens and nationals leaving and entering territory under the jurisdiction of the United States—passport laws; fourteenth, administration of laws and regulations pertaining to alien visa control; fifteenth, the relief and rehabilitation of American nationals interned in enemy and enemy-occupied territory; sixteenth, evacuation and repatriation of American nationals; seventeenth, liaison with the protecting powers and the International Red Cross in connection with the handling of civilian internees and prisoners of war; eighteenth, intelligence and censorship matters. He serves as a member of the Secretary's staff committee.

THE LEGAL ADVISER, GREEN HACKWORTH

Under the direction of the Secretary, the legal adviser is responsible for handling the legal or quasi-legal aspects of problems which arise in the conduct of our international relations. He initiates action in many cases, and in others advises officials of the Department and he collaborates in this work with the officials of other governmental agencies. Legal questions are involved in all phases of the Department's work, therefore, it would not be possible to list all of the activities in which he engages; however, they include the following: First, interpretation of treaties, conventions, and agreements and participation in the drafting of such instruments; second, war crimes; third, shipping matters; fourth, protection of American interests in foreign countries, generally; fifth, claims resulting from war operations; sixth, international boundary questions; seventh, international fisheries and international waters, eighth, immunities of diplomatic and consular officials; ninth, matters relating to nationality, immigration, extradition, and so forth. He is a member of the Secretary's staff committee.

SPECIAL ASSISTANT TO THE SECRETARY, LEO PASVOLSKY

Under the direction of the Secretary, he is responsible for the formulation and coordination of policy and action in connection with international organization and security affairs, with special emphasis on the maintenance of peace and security through organized international action. This includes, first, United States participation in the establishment of an international organization for peace and security; second, relations of the United States with the proposed organization; third, activities of the proposed organization affecting the dependent areas of the world; fourth, relations with existing international organizations such as the Pan American Union; fifth, development of background studies, trend analyses, and appraisal of conditions and developments in foreign countries which bear upon United States foreign policy. In conducting this work the Office of Special Political Affairs, which is under Mr. Pasvolsky's jurisdiction, works in close collaboration with other offices and divisions, particularly the geographic divisions under Assistant Secretaries Dunn and Rockefeller, and with other governmental agencies, particularly the War and Navy Departments. He is a member of the Secretary's staff committee.

THE SECRETARY'S STAFF COMMITTEE

A description of the duties and responsibilities of the principal officers of the Department would not be complete unless some mention were made of the organization and responsibility vested in the Secretary's staff committee. The members of this committee are the Secretary, who is the chairman, the Under

Secretary, who is the vice chairman, the Assistant Secretaries, the legal adviser, and the special assistant to the Secretary for International Organization and Security Affairs. The primary responsibility of this committee is to assist the Secretary in the determination of current and long-range foreign policy. It is available for consultation instantly with the Secretary on all matters pertaining to the full range of activities and interests of the Department. The committee meets at least triweekly and frequently on a daily basis. In this committee major foreign policy matters are considered on a joint basis by the principal officers of the Department. The result is that when a final determination is made as to the course of action to be taken, every phase of the problem has been considered in the light of the responsibilities and interests vested in each of the principal officers.

Mr. BENDER. Will the chairman yield?

Mr. STEFAN. I yield.

Mr. BENDER. I think it is only fitting and proper that since the gentleman is paying tribute to the other members of the committee that there be some recognition of the gentleman's services as well. The gentleman from Nebraska for many years has rendered fine service on this committee. I think it is a great testimonial to the subcommittee to have so little controversy existing in connection with this appropriation. There seems to be universal satisfaction with its work, and has been for a long time. I am sure the gentleman from Nebraska has had a great part in doing this splendid job.

Mr. STEFAN. I thank the gentleman from Ohio [Mr. BENDER] very much. The gentleman has always been helpful to us. Let me say to the gentleman that there are some wide differences of opinion among members of the committee, but notwithstanding that, we strive to the best of our ability to bring before you a bill after very careful consideration.

In passing I want to say I am sure those of you who are interested in the Federal Bureau of Investigation will be satisfied with the amount allowed to that great organization. However, the concern of the gentleman from Ohio [Mr. BENDER] regarding this appropriation need not be of concern to him any longer, because I am sure those 600 employees will not be separated from the service, nor will the 400 highly paid special agents be separated from the service. The service will be continued in status quo.

Mr. BENDER. I know the gentleman has always supported this program and I know he would not permit such a thing to happen. I am pleased to have the gentleman's comment on that question.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

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

Mr. HINSHAW. The gentleman mentioned a moment ago that the State Department gave some indication that they would like to take over a part of the functions of the O. W. I. Perhaps the gentleman heard the Chairman of the Federal Communications Commission state the other evening here in Washington that perhaps the Federal Communications Commission also would be taking over some of the functions of the O. W. I. Does the gentleman have an idea that that function might be the handling of propaganda broadcasts to the peoples of the world, or the censorship of world news, or what?

Mr. STEFAN. I understood Mr. MacLeish to say that when the war is over some of the employees of O. W. I. may be taken over by the Cultural Relations Department over which Mr. MacLeish has charge, for the purpose of developing the cultural-relations program which may be extended to Europe when the new legislation is passed by Congress.

Mr. HINSHAW. The gentleman is referring to "kultur"?

Mr. STEFAN. Cultural relations.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. Are those cultural relations to be confined to foreign countries, or is he going to give us in this country a little of his cultural relations ideas?

Mr. STEFAN. It is the cultural relations program that is going on in Central and South America and Mexico.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I was interested in the gentleman's statement with respect to the use of funds to create the Division of Cultural Relations. It is not anything that is done without the authorization of Congress, is it?

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. STEFAN. Mr. Chairman, I yield myself 2 additional minutes.

What I referred to was the matter of extending cultural relations to China and the Near East, which is now going on through the President's fund. We did not allow that because we did not want to do it in this bill. If they continue it, they will do it through the funds they receive from the emergency fund of the President.

Mr. REES of Kansas. I was also interested in the gentleman's statement with respect to the propaganda program that is going on at the present time, as the gentleman suggested, by which the administration is spreading its views with regard to the Dumbarton Oaks and other proposals that are being considered by the people of this country. Of course we want the people to know about those questions.

Mr. STEFAN. So do I. The people should be informed on true facts. My objection is that in these bills we appropriate certain funds for officials of the departments to attend conferences, but here is a long list of highly paid employees who are taking valuable time away from their regular duties to make these trips. I think an appropriation should be requested specifically for that purpose if they are going to continue it. I am trying to guard the appropriations in order to inform the Congress as to what is being done with the taxpayers' money.

Mr. REES of Kansas. I appreciate the gentleman's position, but it is a fact, after all, that these representatives of the administration are going out and expressing the views of the administration on the question.

Mr. STEFAN. Yes. People do not want views, they want facts. You will find more information in the hearings which are available to you now.

Mr. REES of Kansas. If we want the people to know about these questions, then all sides should be presented.

Mr. STEFAN. There is no reason why the people should not get all sides of problems which will affect the future of government for years to come.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mrs. ROGERS of Massachusetts. May I say to the gentleman that in Mexico City there were a good many experts from the United States there. They worked tremendously hard. I know several of them who worked all night until 5 o'clock in the morning in order to get the information out and to make translations from Spanish into English of the acts and resolutions we passed.

Mr. STEFAN. Yes; I do not doubt that some of them work hard, but I doubt that some of these functions are being accepted by those foreign people. Some of those activities do not make common sense to the people there nor to us here. We did not intend to have a lot of those things done, in my opinion.

Mrs. ROGERS of Massachusetts. I think that may be true in some cases, but I would like to say how extremely hard the representatives of the Department of State worked, and, as you all know, they were so very successful in solidifying the republics of the Western Hemisphere.

Mr. STEFAN. The gentlewoman has made a very important contribution.

Mr. KERR. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, countless speeches have been made and numerous resolutions passed by millions of Americans all over the country in protest against the notorious Chamberlain White Paper of 1939, which restricted and later closed the immigration of Hebrews from Europe to Palestine. An overwhelming majority of Members of this House and Members of the Senate have expressed themselves without any reservation as opposing this arbitrarily enforced rule by the mandatory for Palestine. Indeed, experts in international law maintain that Britain, as the mandatory power, has acted illegally, since the Mandates Commission of the League of Nations, an authority which supersedes the mandatory government, has rejected the white paper policy because it found that policy to be in contradiction with the terms of the mandate.

The Hebrew Committee of National Liberation maintains that in view of these circumstances, and particularly in view of the terrible plight in which the surviving Hebrews of Europe find themselves after 5 years of German pillage and murder, these people have both the moral and legal right to go to Palestine,

even if the British colonial administration there does not think so. They are determined, therefore, to organize the immediate transfer to Palestine of all the Hebrews in Europe who are anxious to go there.

Prior to the beginning of the war, members of the Hebrew committee were instrumental in organizing the transfer to Palestine of some 40,000 Hebrew men, women, and children from Europe. The British Colonial Administration of Palestine fought this effort, tried to disrupt it and termed it illegal, but these 40,000 illegal immigrants are alive in Palestine today where they are making a most valuable contribution to the prosecution of the war. Several thousand of them have volunteered into the Hebrew Palestinian units of the British Army; thousands of others are engaged in essential war production and farming to supply the needs of the United Nations' forces in the Mediterranean theater of war. If Britian's colonial officials had had their way, these Hebrews, too, would have been dead today—as are other millions of Hebrews in Europe.

Mr. Chairman, I ask unanimous consent that there be printed at this point in the body of the RECORD the text of a statement of policy by the Hebrew Committee of National Liberation on the entry of Hebrews into Palestine:

ON HEBREW IMMIGRATION TO PALESTINE
A STATEMENT OF POLICY

In view of the vital and desperate needs of our Nation at this time, the Hebrew Committee of National Liberation publicly declares that it maintains it to be both morally and legally right and proper for every Hebrew in Europe, who has survived the holocaust of German murder, to proceed to Palestine and live there if he so desires.

The Hebrew Committee of National Liberation maintains that the regulations which the British Government has enforced and which bar the immigration of Hebrews to Palestine are illegal since they have been rejected by the Mandates Commission of the League of Nations.

It must always be remembered that Palestine is not and never has been a British territory. It is an international territory, mandated to Great Britain for the purpose of transforming it into a free and independent country and restoring it as the national territory of the Hebrews.

We are not proclaiming a rebellion against the mandatory government of Palestine. We wish to stress most emphatically, as we have done in the past, the need for complete cooperation with the administration of Palestine in all its regulations and decisions, even those which we bitterly oppose, but in this one respect—the right of the Hebrew to live in Palestine rather than die or be oppressed and humiliated in Europe—we do mean to take practical measures in accordance with the spirit of the mandate rather than the present British regulations based on the white paper policy which has been repudiated by the Mandates Commission of the League of Nations.

We do so because too many lives have been lost already due to the present policy. We do so because of our regard for the "opinion of mankind." Fifty-two nations have publicly and solemnly proclaimed that Palestine is the national home of the Hebrews. Whatever a home means it certainly means that one can seek refuge there from death. We do so because the British policy has been condemned repeatedly by an overwhelming majority of the leaders of the American people, as indeed it has been condemned by many of Britain's own leaders.

The Hebrew Committee of National Liberation solemnly proclaims that it will do everything within its power to assist every Hebrew in Europe who desires to go to Palestine, and will endeavor to land him there in complete disregard of the inhuman and illegal regulations which the Colonial Office enforces in Palestine.

During the years 1937 to 1940, members of the Hebrew committee were instrumental in originating and organizing free immigration to Palestine which resulted in the entry of some 40,000 Hebrews, most of whom would have been dead today had we bowed unconditionally to the rules of the Colonial Office. It is typical of the whole situation that several thousand of these "illegal immigrants" are fighting with the Hebrew Palestinian units of the British Army in Italy and many of them lost their lives in their gallant participation in the battles of Egypt and north Africa.

On behalf of all those Hebrews, survivors of the holocaust in Europe, who are determined to leave the scenes of horror and destruction, we appeal to the governments and peoples of the United Nations and the nations associated with them, to give their full assistance to such individuals so that they may reach their destination safely and without additional sufferings.

The Hebrew in Europe today is no longer a beggar, hopelessly knocking at the gates of every nation of the world. The Hebrew in Europe today is a voyager on his way home, and as such should be given all possible aid and comfort.

We have good reason to believe that over 500 000 Hebrews are clamoring for an opportunity to go to Palestine immediately, and we shall do our best to get them there in the nearest possible future.

We are making these decisions public because in the past British colonial officials found it possible to machine-gun transports carrying Hebrews and to force them back to sea. The understanding and support of the governments and people of the United Nations is our only hope that Britain's colonial administrators will refrain from such criminal brutality in the future. We wish to avoid the tragic necessity of post mortem protests which has too long been our lot. While we are in need of help we well realize that our chance for survival lies only in our own determination. We pray for God's grace and for the assistance of His followers the world over.

Mr. RABAUT. Mr. Chairman, I yield 20 minutes to my colleague the gentleman from North Carolina, Judge KERR.

Mr. KERR. Mr. Chairman and members of the Committee, my distinguished colleague on this committee the gentleman from Nebraska [Mr. STEFAN], has again endeared himself to members of this committee on which he serves, by making complimentary statements with respect to his colleagues on that committee. I desire to thank him for what he said about me and to assure him that each member of our subcommittee appreciates the kind words he has spoken in respect for us and our secretary, and that each member of our committee has a very deep affection and greatest respect for him. I think this House shares that respect and that love, because he is not only an able man, but he has impressed us with his sincerity, with his candor, and his honesty, in his wise approach to all matters involving the interest of our country.

I have taken this occasion to speak to you today in reference to the activities and the achievements of the F. B. I., which is doing what we all must concede is a magnificent work in the interest of the welfare of this Nation and of the world.

The Federal Bureau of Investigation is a bulwark of American democracy. Guided by its watchwords of "Fidelity," "Bravery," and "Integrity," it has made a record which is one of the most laudable in our Nation.

The F. B. I.'s wartime accomplishments cause every patriotic American to tingle with pride, but we learned to depend on this organization long before Hitler became a major menace.

It is not difficult for us to remember the terrible days of uncertainty in the early thirties. Bank robbers had established themselves as a definite part of the American scene. Cashiers and tellers looked with suspicion on every stranger who approached, for robberies were occurring at a rate of almost two every business day.

This terrible situation, this rampant threat to American business, reached its crest in 1932. During that year alone there were over 600 bank robberies, and the robbers divided more than four and one-half millions among themselves. After another bad year in 1933, Congress acted. The Federal Bureau of Investigation, an organization which already had proved its mettle under the leadership of its Director, John Edgar Hoover, was given jurisdiction over these crimes.

Then the bank-robbery barometer began to decline. In 1935, there were 229 robberies, and the all-time low came in 1943 with 22. Bank robbery, once considered a choice way for a criminal to get easy money, now is an extremely dangerous profession.

All of us know the story with respect to kidnapings. Of 275 kidnapings, the F. B. I. has solved all but 2, and the G-men are still working on them.

These accomplishments were not accidents. The gangsters and other vicious criminals against whom the F. B. I. declared war were not easy foes. Their orders were enforced with blackjacks and with guns, and they had quick ways of rubbing out colleagues who turned on their mobs.

It took a two-fisted organization to handle these deadly hoodlums. But the F. B. I. did the job with cool efficiency. Its men moved unobtrusively about their task of cleaning up. They pitted brains and persistent work against criminal cunning. Dozens of tough mobsters said they never would be captured alive, but most of them were.

As this threat from the criminal element was being brought under control, the F. B. I. recognized a new menace. The Japanese and Germans began to show a more-than-ordinary interest in our activities, particularly of a military nature. The F. B. I. acted, in accordance with its tradition, quickly and efficiently. Its men and methods proved just as effective against agents for foreign nations as they had been against criminals.

Between 1936 and 1938, several spies who were working for the Germans and the Japanese were caught and convicted. The F. B. I. knew others were active, but

they were protected by the cloak of diplomatic immunity.

Meanwhile, the Hitler menace was growing in Europe. In the United States, offshoots of this Old World fanaticism threatened the security of our own Nation. The first real opportunity for the F. B. I. to go into this mushrooming mass of antidemocratic activity came, strangely enough, in the form of a request to conduct an investigation into the background of threats on the life of Adolf Hitler. At that time, of course, Hitler's armed conquests had not begun and we were at peace with Germany.

As war clouds gathered over Europe, and broke into an awful storm of uneven conflict, the Nation's leaders naturally turned to the Federal Bureau of Investigation as the logical agency to coordinate all internal security matters. Here was an organization of trained men which was accustomed to tackling hard jobs and doing them well. Here was a group whose integrity was unimpeachable and whose efficiency was a standard for all others in Government work.

The F. B. I. already possessed volumes of significant information on the enemy underground. It had built up, in its war on the criminal, a simple but extremely effective organization which could go into action in every part of the Nation on a moment's notice.

In a directive to the heads of all Government departments in the summer of 1939 and in a general directive dated September 6, 1939, the President delegated specifically to the F. B. I. the gravest responsibilities ever placed on a civilian organization.

The directive set forth the nature of the assignment and gave an excellent insight into the reasons for designating the F. B. I. to handle the job. I quote from it:

> The Attorney General has been requested by me to instruct the Federal Bureau of Investigation of the Department of Justice to take charge of investigative work in matters relating to espionage, sabotage, and violations of the neutrality regulations.
>
> This task must be conducted in a comprehensive and effective manner on a national basis, and all information must be carefully sifted out and correlated in order to avoid confusion and irresponsibility.
>
> To this end I request all police officers, sheriffs, and all other law-enforcement officers in the United States promptly to turn over to the nearest representative of the Federal Bureau of Investigation any information obtained by them relating to espionage, counterespionage, sabotage, subversive activities, and violations of the neutrality laws.

The tempo of the G-men's quiet war against this Nation's secret enemies increased. Open conflict was beyond the conception of many citizens, but the F. B. I. proceeded to prepare for the worst. Special agents, after thorough training for the job, checked 2,300 strategic war factories throughout the land for weak spots which might make it easy for the spy and saboteur to do their dirty work. Worker and employer alike joined in the consistently wholehearted response to recommendations for physical improvements to make our industrial fortress secure.

In early 1940 the F. B. I. had an opportunity to apprehend 3 known spies. Instead, the G-men infiltrated the ring and controlled its information outlets while other spies made their true colors known. By watching patiently and working tirelessly, these protectors of our Nation were able to catch 33 spies in this ring and 9 in another—42 in all—within a few months prior to Pearl Harbor. If these enemy agents had not been controlled and caught, they could have been responsible for untold damage, and many of them no doubt would be working against us today.

While the working spies were being watched, the F. B. I. was collecting an amazing amount of information on potential foreign agents and saboteurs. This work had to be done despite the opposition of some few well-meaning Americans who were hoodwinked into supporting the Axis sympathizer and the subverter. But the work was done, and proof that it had been done well came during those frightening days immediately after Pearl Harbor. For the F. B. I. ably assisted by local peace officers, apprehended dangerous alien enemies at a rate exceeding 100 an hour for a time after the Jap bombs fell. The G-men knew the dangerous enemy aliens and where to go to get them. Approximately three-fifths of the 16,000 alien enemies who have been apprehended have been interned or paroled. The F. B. I. has found arsenals of weapons, ammunition, and explosives, along with warehouses of cameras, short-wave radios, and other equipment in approximately 26,000 searches of alien enemy premises.

The enemy's reserves in this country were taken, and the effects are particularly noticeable in the field of sabotage. Not one case of enemy-directed sabotage has occurred in the United States since the war emergency began, and most of the 2,000 technical cases of actual sabotage have been traced to spite work. The F. B. I., as an efficient, Nation-wide organization, was ready for its job of controlling sabotage, and its record of accomplishment is truly remarkable.

As the F. B. I.'s responsibilities multiplied many times, it recruited and trained new special agents. The organization's educational program was enlarged to take care of new types of investigations. No special agent went to work until he was qualified to do a job consistent with the high standards already set, for I know from personal contact with the F. B. I. through the Appropriations Committee that Director Hoover has insisted that there be no letdown in efficiency and qualifications despite the emergency requirements.

Today, the Federal Bureau of Investigation is at a peak of efficiency. It has developed in direct response to the needs and desires of our citizenry, and the people of this Nation consider it a model and a standard. It gets results, and Americans like that kind of an organization.

Overconfidence is a current danger. If it grips us in its stranglehold, a dangerous relaxing of vigilance and effort will follow. Victory will be ours—that is certain—but we can keep the price down by maximum effort and constant vigilance during this crucial period.

The F. B. I., as guardian of the home front, is aware of the dangers of counting our victories before they are won. Director Hoover's previous words of warning were underscored recently with the capture of two German spies newly arrived by Nazi submarine. We know that others have been trained for similar missions and we must make certain that they receive an equally appropriate reception.

New pages are being added daily to the F. B. I.'s record of security work, but meanwhile it has continued to deal successfully with the criminal element. During the last fiscal year, there were 13,616 convictions in Federal cases within the F. B. I.'s jurisdiction and these carried sentences of 23,615 years. These ranged from impersonation act to kidnaping violations. Here is more of the record for the year: $21,490,000 in fines, savings, and recoveries; 14,695 fugitives located, and 6,632 automobiles recovered. Since the F. B. I. received the job of enforcing the selective-service law it has handled approximately 460,000 investigations.

One of the most striking tributes to the F. B. I. is its collection of 95,132,000 fingerprint cards, which has grown from a start of 800,000 cards in 1924. This collection of identification data has inestimable value to law enforcement throughout the world, and is a result of cooperation which has been fostered and consistently promoted by this Bureau. The F. B. I.'s efficiency is evident in its identification work, for no more than a few hours are required for answers in criminal cases.

There are many other important features to the F. B. I.'s work. Its crime-detection laboratory is a nightmare for criminals. During 1944, 154,511 examinations were conducted, including 2,478 for other Government agencies and local officers. The F. B. I. technicians develop information from fingernail parings, dust specimens, automobile paint chips, bloodstains, and other insignificant bits of evidence.

Work of training local officers in latest methods of crime detection began, through the F. B. I. National Academy, in 1935. When classes now in session graduate in the spring of this year, this institution will have more than 1,000 alumni representing more than 100,000 local law-enforcement officers. I have come in contact, in my home State of North Carolina, with some of the graduates of this F. B. I. school, and I know they have accomplished wonders in giving us more efficient and more economical protection.

The F. B. I. is on the job. I know that it plans to stay alert, not only against our foreign enemies, but against the subverters and the criminals at home. It will continue to do outstanding work, if given the assistance and wholehearted support of the people it protects.

When the history of this country is written, there will be inscribed on its pages the life story of many remarkable men and women embracing every human attainment. This Nation has made an outstanding contribution to the world's progress politically, industrially, and spiritually. No nation and no race can

ever be judged by any one individual or group of individuals; it is the combined intellect, virtue, genius, and industry of that race or that nation which measure its importance and fix its destiny.

It has been well said by Carlyle, "Blessed is he who has found his work; let him ask no other blessedness." In my opinion, one of the most useful men who ever served this Nation is Hon. J. Edgar Hoover, the Director of the Federal Bureau of Investigation.

He has created within a few years an organization which has been more effective in the prevention and eradication of crime than any other ever perfected on this earth. Mr. Hoover's work and success are marvelous in our eyes, his measure of efficiency in the duty committed to him is matchless, and this Nation will be his debtor and every home will extol his service a thousand years after his spirit has winged its way to its eternal home.

It has been said that half of the world seems to have found uncongenial occupation. Not so with Mr. Hoover; he found his place. The world does not demand that you be a lawyer, minister, doctor, farmer, or scientist, but it does demand that you master whatever you undertake. That is what J. Edgar Hoover has done, and in doing so he has perfected an organization which has no equal in human history.

In the great race of life common sense has the right-of-way. Wealth, a diploma, a pedigree, talent, or genius cut a small figure without tact and common sense. The incapables and the impracticables, though loaded with diplomas and degrees, are left behind. Not what do you know, or who you are, but what are you, what can you do, is the interrogation of the century. Those of us who know something about the F. B. I. are well aware that the rare genius both before and behind this division in our Government has proved what he and his associates can do, and their accomplishments are a high tribute to this generation and to this Nation.

Mr. STEFAN. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, the Federal Bureau of Investigation requested an original appropriation for the fiscal year 1946 in the amount of $39,671,810 on the basis that the war would continue on both the European and Pacific fronts.

At the request of the Bureau of the Budget, the Federal Bureau of Investigation submitted an appropriation estimate for the fiscal year 1946, with Germany out of the war, in an amount totaling $35,829,008. The Bureau of the Budget, in considering the request of the Federal Bureau of Investigation, approved an estimate for the fiscal year 1946, based on Germany being out of the war, of an amount of $33,100,000, or a reduction from the request submitted by Mr. Hoover, the Director of the Federal Bureau of Investigation, of $2,729,008. The committee restored this amount for the following reasons:

The contemplated cut in the appropriation estimate of the Federal Bureau of Investigation in the amount of $2,729,008 would make it necessary for the Federal Bureau of Investigation to reduce its field investigative staff by 400 agents under the number it feels it needs to handle the work which will be referred to it during the fiscal year 1946. The Federal Bureau of Investigation, in its estimate, requested sufficient funds to employ on a full-year basis 3,900 field special agents. Under the reduced appropriation estimate approved by the Bureau of the Budget, only 3,500 special agents could be employed, or a reduction of 400 special agents would be necessary. These men are on the rolls now, which means that there would have been an actual reduction of personnel and not a theoretical reduction if the Budget estimates were approved as submitted. It would also have been necessary for the Federal Bureau of Investigation to reduce its field clerical staff by 200 clerical employees. The request of the Federal Bureau of Investigation, in its estimates for the fiscal year 1946, based on a 1-front war, was for 2,000 clerical employees and under the proposed reduced Budget estimates, only 1,800 were allowed.

In summarization, it would have been necessary for the Federal Bureau of Investigation to reduce its field staff from its original estimate of 5,900 employees to 5,300 employees, or a total reduction of personnel of 600 employees.

In addition to the necessary reduction in personnel under the Budget estimates, it would have been necessary in order to stay within the estimate allowed for the Federal Bureau of Investigation to close at least five of its divisional offices located throughout the country. This would have made it more difficult to handle work being referred to the Federal Bureau of Investigation. The committee's action will result in keeping these offices open.

The condition of the field work of the Federal Bureau of Investigation reflects a delinquency of approximately 33 percent in the handling of investigative matters. This is caused by the fact that sufficient special-agent personnel is not available in the field service to handle on a current basis all of the work being referred to the Federal Bureau of Investigation for attention. Approximately 23,000 investigative matters are in such a delinquent status, it not having been possible for the field investigative staff to give any investigative attention to these 23,000 matters for a period of at least 45 days. Each field special agent carries an average case load of 1[illegible].36 cases. Experience has shown that an agent can give the best investigative attention and secure the maximum investigative results when he is assigned no more than 10 investigative matters.

From the current statistics furnished, it had been definitely determined that there is an increase in cases being referred to the Federal Bureau of Investigation for attention. Many of these investigative matters being referred at the present time are in the most complicated investigative categories, necessitating multiple assignment of agents and investigations spreading into many communities in the continental United States. It is not expected that there will be any decrease in the work referred to the Federal Bureau of Investigation during the next fiscal year; and if the field investigative staff had been reduced from the absolutely necessary minimum staff as estimated by the Federal Bureau of Investigation, the condition of the field work would not and could not improve.

The accomplishments of the F. B. I. in the pre-war days are well known to the American public. It promptly stamped out the menace of kidnaping which threatened so many American homes. Following the passage of legislation by Congress giving the F. B. I. investigative jurisdiction over bank robberies, such crimes were reduced from 600 in 1932 to 22 in 1943. Extortion and other similar types of crimes were promptly solved by F. B. I. agents.

With the coming of war, the F. B. I. was designated by the President to coordinate all internal security matters. Working in close cooperation with Military and Naval Intelligence, the F. B. I. has performed its work in a manner which has met the approbation of all right-thinking citizens. Espionage has been kept under control, and scores of enemy spies have been sent to prison. Not one single act of enemy-inspired sabotage has occurred during the present war. As early as 1939, F. B. I. agents were making surveys of hundreds of strategic war factories with a view to making sabotage more difficult. Within a matter of minutes after the Pearl Harbor disaster, special agents of the F. B. I. were arresting dangerous enemy aliens who might have committed sabotage at that time. The work of the F. B. I. in the war effort has been such that it has been characterized by the President of the United States as closely akin to the responsibilities and work of the armed services.

Many new phases of work have been added to the F. B. I. as a result of the war. The F. B. I. has had the job of enforcing the selective-service law and has handled over 450,000 investigations in this field. In addition, it has handled thousands of investigations pertaining to escapes of prisoners of war, impersonation, war frauds, thefts of Government property, hijackings of scarce commodities, and similar crimes.

The fingerprints files of the F. B. I. now contain approximately 100,000,000 sets of fingerprint records. During the war period receipts of fingerprints have included persons in the armed services, civil-service employees, workers in plants manufacturing war materials, and alien enemies, as well as the fingerprints of persons arrested by law-enforcement agencies. This great collection of identification material will be of increasing value in the post-war period to law-enforcing agencies.

Other important factors of the F. B. I.'s work of value to all law-enforcement agencies throughout the Nation include its crime-detection laboratory, where any evidence found at the scene of crime can be analyzed, and also the F. B. I. National Academy, where selected officers from local communities are afforded specialized training in order that they may, in turn, impart this knowledge to their fellow officers in their home communities.

Many thinking citizens feel that it is possible that we may experience a seri-

ous post-war crime situation. This belief is based upon several premises, one of which is the startling increase in juvenile arrests which has occurred during the war period. It seemed false economy to reduce the appropriation of the Federal Bureau of Investigation and to eliminate from its service trained and experienced employees. Members of Congress have been very much impressed over the years with the fact that Director Hoover of the F. B. I. has practiced every possible economy in the operation of the F. B. I. On a number of occasions he has returned large sums of money to the Treasury at the end of the fiscal year which it was possible for him to save as a result of economical operation. I believe it would have been shortsighted if Members of Congress permitted a cut in the appropriation of this Bureau, which commands the respect of all decent Americans.

It is for these reasons and some other important ones which we are not permitted to discuss because of their security nature that your committee restored the funds which were denied to the Federal Bureau of Investigation by the Budget Bureau. I hope the House will approve the action of the committee and allow the total amount which is being requested in this bill for the operation of the F. B. I. during the next fiscal year.

Mr. STEFAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I call your attention to two of the most important documents affecting the western part of the United States which are likely to come before Congress in some time. I particularly invite the attention of the members of the Appropriations Committee and of the Members of Congress from the seven States of the Colorado River Basin.

One of these documents is a volume of 386 pages, still in tentative form and not yet submitted to Congress, called the Colorado River—A Natural Menace Becomes a National Resource. It contains Secretary Ickes' inventory of projects in the Colorado River Basin. His synopsis on page 6 says that the report includes 76 potential irrigation projects of the upper basin and 20 for the lower. The total estimated cost—page 9—is stated as $2,439,000,000, to benefit 2,413,820 acres—page 6—or a cost of about $1,000 per acre. Of this amount, $480,000,000 would be spent in Colorado, or about $3,000 per capita of the present population. One million seven hundred eighty-six thousand acre-feet would be exported or taken out of the basin by transmountain diversions, of which a substantial part are in Colorado—page 6.

This report shows that there is not enough water for the projects proposed, even if no water at all were delivered to Mexico. At page 125 the report says:

> The average annual flow at Lee Ferry in the 1931–40 period, had no upstream diversions been made, would have been 12,234,000 acre-feet. After deducting from this the 7,500,000 acre-feet allocated to the lower basin, only 4,734,000 acre-feet would have remained for the upper basin. Full upper basin depletion of 6,908,000 acre-feet could have been made, therefore, only if at the beginning of the decade the upper basin had hold-over storage sufficient to permit releases of 2,174,000 acre-feet annually throughout the 10-year period.

That is to say, over 21,000,000 acre-feet would have had to be in storage at the beginning of that decade.

The picture painted for the lower basin is just as serious. He says:

> Present, future, and potential depletion of the flow of the Colorado River as listed in the foregoing table total 9,922,600 acre-feet exclusive of the Gila River and any allocation to Mexico by international agreement. It is therefore evident that the projects discussed will need to be modified to conform with the available water supply.

That is to say the projects listed for the lower basin exceed by 2,500,000 acre-feet per year the inflow at Lee Ferry, putting to one side all reservoir and evaporation losses below Lee Ferry and what minor quantities of water flow into the river between that point and the Gila River.

In short, in a decade in which the upper basin lacks 3,000,000 acre-feet per year of what it is entitled to under the Colorado River compact in order to make good on the guaranty it gave in the compact to deliver water to the lower basin, the lower-basin projects would be short another 2,500,000 acre-feet.

In other words, there are projects waiting to be built wholly within the United States whose demands exceed by more than 5,000,000 acre-feet per year, or 50,000,000 acre-feet in 10 years, the whole available flow of the river during a period like 1931–40.

Now I come to the second document, the Treaty with Mexico signed February 4, 1944, now pending before the Senate.

I have pointed out that even without any allocation of water whatever to Mexico, the upper basin, if it lives up to the Colorado River compact, will be busted in a period like 1931–40 unless we appropriate money for tremendous storage reservoirs much bigger than Boulder Dam. The basic use of Boulder Dam storage during this period would not allow more than 8,500,000 acre-feet to be discharged, according to the figures the Reclamation Bureau gave our Appropriations Committee when it sought the funds to construct Davis Dam. Our actual contracts outstanding in the United States for the use of this water add up to 8,462,000 acre-feet.

I trust that the members of the Appropriations Committee and the members of the Colorado River Basin States have been able to keep these figures in mind. They are the water budget of the Colorado River. Water makes one budget that has to be balanced. You cannot print it and you cannot borrow it. You can save it in reservoirs, but the evaporation eats it up like interest on a mortgage, and you cannot build enough reservoirs to guarantee the whole project a water supply.

The second of these documents, the Mexican Colorado River Treaty, adds to the strain on the already exhausted water budget of the Colorado River by guaranteeing, from any and all sources and whatever its origin, 1,500,000 acre-feet per year to Mexico. For technical reasons which I will not go into, it is more likely that this guaranty amounts to 2,000,000 acre-feet, because we are only credited and Mexico is only charged with water delivered at the exact times which she orders it.

This guaranty is made a first mortgage on the river. It comes ahead of all American uses, no matter how old. Projects 50 years old will have to yield their right to water stored in works built at their own expense, such as Boulder Dam, the Roosevelt, Stewart Mountain, Horse Mesa, and Mormon Flat Dams in Arizona, and the great dams yet to be built in the upper basin. There are ambiguities in the treaty which will necessitate arbitration or a second treaty. We have an arbitration treaty—1929—which requires us to arbitrate differences in interpretation of a treaty like this one.

Without this treaty, it is true that Mexicans can stand on the bank of the Colorado River and watch some 7,000,000 acre-feet of water per year flow by them to the sea, until the users in the United States who have paid for the storage works are ready to use the water they have conserved. About 2,000,000 acre-feet per year of this would flow through Mexico during the irrigation season, and the rest during the winter, conforming to Boulder Dam power releases. The State Department knows next to nothing about the Colorado River. It stationed one engineer there for part of one summer, to prepare hurriedly for this treaty, as compared with the four decades of careful engineering work of the Reclamation Bureau, represented in the Colorado River report which I have just shown you. Nevertheless, the State Department, alarmed, I might say, almost to the point of hysteria, by the fact that 7,000,000 acre-feet of water would in fact be flowing to the sea through the Boulder Dam turbines for many years, and supposing that there is no way for the United States to regulate that flow, either at Boulder or Davis Dam, and supposing further that Mexico has some feasible physical means of getting the water out of the river, and supposing further that if she did do so, that Mexico could compel arbitration of her continued right to use Boulder Dam storage, has assured the Colorado Basin States that unless this treaty is ratified, they face a much greater danger in the future.

They overlook the fact that unless the United States deliberately regulates the discharges at Boulder and Davis so as to give this flow to Mexico in the irrigation season instead of at times when it would normally come down in response to power operations at Boulder Dam, the quantity reaching Mexico is very limited. They suppress further the fact that Mexico has never been able to successfully divert water in any large quantity on her own land, and is dependent now on diversion works located wholly in the United States. This treaty perpetuates the permission to use those diversion works, turning it into a firm right by adding an agreement to help Mexico build a large diversion dam

wholly or partly on American soil, to enable her to get not only the 1,500,000 acre-feet guaranteed to her, but as much more water as Mexico can use.

With the insistence of the State Department, apparently a number of generally level-headed citizens in the upper basin, and a few in Arizona, have jumped to the conclusion that they must force a ratification of this treaty right now, at all costs, notwithstanding the fact that the Mexican Senate does not meet to ratify it until next September.

I invite the members of the Appropriations Committee to read both of these documents: the Interior Department's plan for the development of the upper basin and particularly Colorado, and the State Department's plan to give the water needed by those projects to Mexico and to choose between them. Obviously, the upper basin cannot have both.

I cannot speak for my colleagues on the Appropriations Committee, but I think it is plain common sense to say that they will not appropriate $2,500,000,000, or any substantial part of that sum, to build works in a basin which has an inadequate water supply. According to the Reclamation Bureau report, it is already inadequate to build these American projects, and if 1,500,000 acre-feet is guaranteed to Mexico, to be made good out of the storage works we are asked to build for the American projects, and having a priority ahead of these projects, then I say the whole plan is fantastic. Certainly the taxpayers of our Nation and the citizens of the affected States must be protected. This situation is a threat to development of the Colorado Basin.

Mr. STEFAN. Mr. Chairman, I yield 40 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Chairman, we might just as well pull the screen away from the off-the-record testimony given before our subcommittee and admit that all Government agencies are growing like Topsy. There are no terminal facilities for work attempted to be done between the regular, old-line agencies, and when you add to that the special war agencies, you have confusion in government personified.

The Department of Justice is the only agency that requested less funds than they had last year. In that request, the Budget Bureau made a mistake and the committee had to rectify it by approving funds over the Budget estimate in the sum of $2,179,000. The Bureau of the Budget apparently figured the war in Europe would be over by June 1 of this year, and recommended estimates for the F. B. I. for a one-front war beginning July 1, 1945.

The Departments of State, Commerce, Justice, and the judiciary have made demands for enormous increases in personnel, and are apparently unaware that there is a war on, or that the President claims at this time that there is a critical shortage of manpower requiring a slave-labor draft. To give you some idea of the growth of the State Department in the foreign personnel field, I quote Mr. Pen Davis at page 47 of the hearings:

> The Division handles field personnel which, before the war, was roughly 3,000, is now 6,000 and for the post-war period we anticipate eventually around 9,000.

That testimony alone may give you an idea of the utter and flagrant lack of appreciation on the part of these Government officials for the need to cut appropriations after these enormous war expenditures stop, not to mention the reckless abandon with which manpower will be recruited for civilian jobs in the Government service in this year of final push for victory. No one in the Government service seems to realize that the taxpayers of the Nation producing the war materials are being forced to do a production job, especially on the farms, without the able-bodied young men of draft age. One could stand this bureaucratic self-interest in growth for bureaucracy's preservation were the special war agencies ready to request, and no doubt get, tremendous funds—billions of dollars of the taxpayers' funds—on top of billions voted for the regular agencies. These billions of appropriations hire thousands of personnel to do work which, in many cases, is sheer boondoggling and a complete waste of the taxpayers' money.

On page 103 of the State Department hearings you will find the testimony of Mr. Monett Davis, as follows:

> Mr. DAVIS. Mr. JONES has, in effect, asked me two questions as follows: "What is the relationship of the Foreign Service to F. E. A. personnel abroad?" And "Is there a duplication of functions?"
>
> In determining the relationship of the Foreign Service to representatives of the F. E. A. and other war agencies abroad, the Department has maintained the principle of a single Foreign Service as established by Reorganization Plan No. 2 of 1939. In so doing it has been guided particularly by the President's statement of May 20, 1942, clarifying its relations with the Board of Economic Warfare, which provided that the Board would recognize that all functions which are being or can be performed through the regular or auxiliary Foreign Services of the Department should be so performed and that the persons which the Board contemplates being sent to the field, other than through the services mentioned, are those needed for the specialized technical and operational functions connected with production and procurement.
>
> Arrangements have been worked out with the F. E. A. to prevent overlapping of functions. The Foreign Service has continued to do the work regularly performed by diplomatic and consular officers, while F. E. A. personnel carry on activities, such as lend-lease operations, procurement transactions, and so forth, under the general supervision of our chiefs of mission.
>
> Officials going abroad temporarily for special purposes are sent by their respective agencies with the approval of the Department of State. If such officials are to remain for protracted periods and are to do work within the province of the Foreign Service, however, the Department takes the position that they should be appointed in the Foreign Service and assigned as an integral part of the missions or consular offices in the countries where they render their specialized services.

Mr. Davis' testimony would lead to the belief that there is a clear demarcation of duties; but at page 117 of the same hearings, Mr. Charles P. Taft, describing the State Department's personnel in Belgium, a newly-liberated country, said this:

> I might have said Mr. Miller is the joint representative of the State Department and the F. E. A. The same thing is true of Mr. Labouisse, economic counselor in Paris, and Mr. Wehle, in the Netherlands, is to be the same, I think.

What show and hypocrisy to say that there is a division of functions between the F. E. A. and the State Department? By their own statements they convict themselves of misrepresentation as to their relations with the special war agencies.

In passing, I want to give another illustration: At page 205 and the following of the hearings you will find the cultural relations program with China discussed. That program was hidden under a basket and financed from the emergency war fund. Congress would never have been asked to approve it, had not the Russell amendment been adopted in the Senate requiring special request to Congress for the continuance of such programs. Bear in mind, this program has been financed for 3 years; and it is now conceded by the Department that there is no basic law authorizing it.

Specifically, on pages 208 and 209, you will notice that they are sending industrial engineers, accountants, news editors, feature writers, radio news specialists, hydraulic engineers, microfilm, publications, scientific and educational equipment to China. Lo and behold, in Saturday night's paper—Washington Evening Star—a comprehensive program for the industrialization of China was announced as having just been completed by the F. E. A. In the first place, the main objective of taxpayers' funds should be to help win the war. It is presumed that if the F. E. A. made such a survey for China, providing for a $20,000,000,000 industrialization program, it has completed, on a broad and comprehensive scale, a long-range program which the State Department says it is doing, in its field, to the exclusion of everybody else.

There have been hundreds of thousands of dollars spent by the State Department on this China program without ever giving Congress a chance to learn that there was such a program; and, of course, those large sums were diverted from legitimate war purposes the Congress intended when it voted the President's emergency war funds. Virtually a month has passed since the State Department requested $1,390,000 for cultural relations in China and the Far East, and the legislative committee for the State Department legislation still has not brought before Congress a bill to authorize this cultural-relations program, or the expenditure of funds for it. And, Mr. Chairman, rest assured that if this appropriation is granted, no such specific authorization will be pressed.

The Budget and Accounting Act in the plainest of terms requires the President to submit Budget estimates to Congress at the beginning of each term; and while he may submit supplemental and deficiency estimates to cover matters em-

braced in legislation passed after submission of the regular Budget, and to meet the public need, the Budget and Accounting Act explicitly requires that the President accompany all such supplemental and deficiency estimates with explanations as to why they were not included in the annual Budget.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. VORYS of Ohio. I do not know whether the gentleman is going to return during the course of his very interesting remarks to the connection or lack of connection between the State Department and the F. E. A. I wonder if, in the hearings or in the gentleman's remarks, there is a statement of how many each of them hire and the size of the budgets and pay-roll schedules so that we can get an idea of whether there are or are not duplications.

Mr. JONES. At the present time, may I say to the gentleman I attempted to develop that. But in the hearings on the State Department the gentleman will remember that all of the first-class men of the State Department, in the policy field from the Secretary down to the Assistant Secretaries, were either at the Yalta Conference or the Mexico City Conference. Those who did come were so busy, except Mr. MacLeish, who came very late at the very end of the hearings, we did not get an opportunity to develop the point. I will discuss that later on in my prepared statement, and I would ask the indulgence of the gentleman until I finish the statement.

Notwithstanding those provisions of the Budget and Accounting Act, the Director of the Bureau of the Budget recently reported that, according to a "practice which has grown up in the past few years," all of the annual estimate was not being submitted at the beginning of this session, and served notice that the estimates for numerous agencies—that is, the war agencies—would be sent to Congress later.

To my way of thinking, this is a willful failure to comply with the law. The people will not know until the calendar year 1945 is half gone what the total estimates are for all Government functions. In addition, this committee does not know, and apparently the State Department does not know, where the functions of the war agencies start and where their own stop.

As fairly as I can make an appraisal, the State Department has developed an inferiority complex. A man, who has seemed perfectly confident to spend $25,000,000 a year for the last several fiscal years as administrator of a separate war agency, is given two bosses to spend $4,000,000 for the alleged coordinated counterpart of his war agency program in the State Department. I now call your attention to the hearings at page 264 where the gentleman from Nebraska [Mr. STEFAN] is examining new Assistant Secretary Rockefeller:

Mr. STEFAN. Has the cultural-relations program been coordinated with some other program?

Secretary ROCKEFELLER. It has been coordinated. I will try to give you, briefly, the setup. The Department of State has two political divisions, one for inter-American affairs, and the other for European, far eastern, near eastern, and African affairs. We then have a division for economic policy, which is under Assistant Secretary Clayton, and he is responsible for economic policy. We have another division under Mr. MacLeish, which is responsible for information and cultural relations in the Department.

Mr. STEFAN. Then who will have this cultural program?

Secretary ROCKEFELLER. Mr. MacLeish.

It seems that Mr. Rockefeller was perfectly content as a Government agent of the United States, to make any kind of recording in Spanish, Portuguese, or English of this country, but as Assistant Secretary of State he seems to fear to make any broadcast, and I asked him, therefore, to touch upon the things he felt incapable of handling as Assistant Secretary of State to mold the good will of the United States with the South American republics. The record is as follows, at pages 268 and 269 of the hearing:

Mr. JONES. The public, the President, and everybody had confidence in you as the head of the C. I. A. A. and the head of South American affairs. The cultural-relations program in the past has been of a temporary nature. I wish you would specify for the record what things cannot be taken into the Department of State.

Secretary ROCKEFELLER. Well, when you say what things cannot be taken in, physically speaking, I suppose the Department of State could enlarge itself to take in any activity, so far as that is concerned. It is a question, really, whether it is desirable to take them in from the point of view of the most efficient operation. I make this point because, when you get right down to it, this is the basic problem involved: Can a policy-determining organization, the time and the energies of the personnel of which are devoted to a study of these policy questions, can they most effectively deal with these policy questions if, at the same time, they are loaded with tremendously heavy administrative and operating responsibility? That is where you really get right down to the heart of it.

Mr. JONES. Well, where would the operating responsibility come in? Would that be secret?

Secretary ROCKEFELLER. I am not talking off the record.

Mr. JONES. I mean could you specify the things?

Secretary ROCKEFELLER. Well, take the information program; take the C. I. A. A. information program, the radio activities. They are broadcasting 53 hours a day in Spanish, Portuguese, and English from this country. They have a point-to-point program with these other countries. You know all this.

Mr. RABAUT. Yes.

Secretary ROCKEFELLER. They have whole programs of recordings which are made and shipped to other countries and made available to local stations. They have programs in a majority of the countries which are sponsored locally, programs produced on the long waves. The amount of material which is produced for those, scripts and so forth, is extraordinary in volume.

Now, just in that one area alone, if the Department were responsible—if that was operated in the Department, then it becomes a question, because everything that is said on one of these programs becomes a State Department program, an official State Department statement.

Mr. JONES. I think, whether it is C. I. A. A. or State Department, it ought to be one that is sound and official, and one that you can stand by.

Some people might conclude from this statement that the State Department does not know exactly what it wants to do to win friends and influence people in South America, but my conclusion is that Mr. Rockefeller has just developed an inferiority complex. I intended going into this thoroughly with Mr. Rockefeller, but Under Secretary Rockefeller was too busy to spend much time at the committee as the following record will show at page 268:

Mr. JONES. Would it be possible for Mr. Rockefeller to come back this afternoon?

Mr. RABAUT. No; he is going away tomorrow afternoon, and I know he must be busy.

Secretary ROCKEFELLER. I will be delighted to come back when I return from Mexico.

Mr. JONES. But the hearings will be over then.

Mr. RABAUT. He will be back before we get through.

You will note it was promised that he would be back before the subcommittee finished hearings, but the subcommittee never got to see Mr. Rockefeller again before the hearings were completed.

I am sorry we could not develop any more detailed information on this subject, because I am interested in this apparent milk-toast complex.

I pursued the matter further with Mr. Frank and, lo and behold, Mr. Frank, Chief of the Division of Foreign Service Administration, has developed a lack of confidence in the Foreign Service of the State Department. I wish the committee would look at the testimony of Mr. Frank on this subject, which appears on pages 136 and 137 of the hearings:

Mr. JONES. At this time could not the Department of State do all the work in this field with reference to South America, using their Auxiliary Foreign Service?

Mr. FRANK. I doubt that stage has been reached, but I am not in a position to give a definitive answer.

Mr. DAVIS. There would have been no possibility of maintaining a centralized Foreign Service without the auxiliary. The demands were such that the Service could not have done its job if it had not been that we had the auxiliary and were able to hire officers and clerks to carry the load.

(Discussion off the record.)

Mr. JONES. Will you recruit your personnel in the Foreign Service and the auxiliary service from the several special war agencies which are tapering off?

Mr. FRANK. I can very well imagine we will. Anyone who would be interested and has the qualifications and background necessary to the efficient conduct of the work to be done, we would be glad to get. We would recruit them, of course, Mr. JONES, with the agreement of the agency. It would not be pirating.

Now the Secretary, in his statement regarding the responsibilities of the Department, said with reference to the future:

"As the war progresses and the transition to the peace begins, some of the functions of the emergency war agencies in the international relations field will cease. Those tnat remain can be assimilated in the State Department or other permanent agencies of the Government, depending upon the nature of the functions involved. This is a matter which will require an analysis of each particular case in the light of events. Our present estimates do not contemplate funds for the performance of any of the functions which may be ultimately transferred."

Mr. JONES. I am interested in having an over-all representative of the United States in foreign countries, and I would like to see that eliminated immediately and the Department of State take over the functions at once rather than tapering off.

Mr. FRANK. I think that would be a most difficult thing to do, sir. While we appreciate your confidence, we are not in a position, obviously, to do very much about it at the moment. There should first be a tapering off and the bringing to an orderly conclusion of those activities not having long-range implications. State will eventually presumably take over and continue those activities which are of long, rather than short, range.

I would not be so concerned about this testimony, but I believe that it is indicative of a general inferiority complex of our State Department in dealing with other nations. It seems the State Department has completely lost its ability in the diplomatic field. I do not know of one concession by any other country to the United States that has been obtained by anybody in the State Department. In listening to these entire hearings, I have not heard of one quid pro quo agreement with any foreign country. I asked several witnesses questions tending to elicit even a little of value for Uncle Sam and the taxpayers of the Nation in exchange for the billions of dollars spent in the liberation of oppressed countries. At page 90 of the hearings, we were discussing French hotels and other buildings requisitioned by the Army and used by State Department officials in France. I asked, in effect, "Are you getting these hotels under reverse lend-lease?" and Mr. Frank replied, "No, sir." A $50,000,000 State Department in this present fiscal year ought to make an arrangement that Uncle Sam gets these buildings on reverse lend-lease at the time a lend-lease agreement is executed to furnish and equip the French Navy, its shore installations, and its personnel with uniforms. Instead, Mr. Frank said, "I understand that is a matter of current negotiations." In addition to this apparent apathy of the State Department to the propriety of protecting Uncle Sam's interests, these hearings show that representatives of the State Department in France who are receiving $6 a day for subsistence have been and are living in that self-same hotel at a cost to them of only $1.10 a day.

The Department of State justifies the participation of the United States in a conference of Allied ministers of education in London on the following facts: That laboratory equipment in educational institutions has been destroyed by the Nazis, and that we must join the conference in order to sell technical and scientific equipment to those countries. Who are the competitors to sell those materials? The nations receiving lend-lease—England in particular—and Russia. A fair share of this proposed market for that equipment certainly should have been reserved to the United States in a quid pro quo agreement.

Dr. Kefauver, consultant, Division of Cultural Cooperation, had this to say in regard to the necessity for the United States spending $172,000 to sell laboratory equipment to European countries:

There is being developed in London lists of laboratory equipment by a commission of the conference—it happens that the secretary of the commission is British personnel * * *. They go back to their country with knowledge of the British-made equipment. If they are uninformed relative to the nature of the American equipment * * * they turn naturally to the sources they know about.

I asked:

Don't you think that would have been a good deal to make? To insist that we have the post-war equipment to sell to these institutions?

He misunderstood that question, and I repeated it:

I mean in view of the fact that we are giving them lend-lease and probably will never be paid for it, as a consideration for that the folks in the State Department, of which you are a part, might be guaranteeing those considerations?

The reply to that question was completely out of this world; it was entirely unrelated to anything I had asked. I conclude the witness never heard of quid pro quo, or of diplomacy.

I point one further example of the entire lack of capacity in the State Department which even interferes with our war effort in our diplomatic relations with other countries. At page 75 of the Justice Department hearings, we had been discussing earlier in the testimony a critical war material which one of our allies holds the exclusive right to sell. The United States needs that war material. The Antitrust Division of the Justice Department requested funds to prosecute the Americans involved in this cartel arrangement. Now it seems strange to me that the Antitrust Division would prosecute American nationals on a subject involving international trade when the United States is making tremendous expenditures for lend-lease to save those countries. The following colloquy occurred concerning this matter:

PROCUREMENT OF CRITICAL WAR MATERIALS AT REASONABLE COST

Mr. JONES. Earlier in your testimony you mentioned some cases involving getting our war materials cheaply or not getting them. I hope that you will put this on the record. I wonder if you have referred these matters to the Foreign Economic Administration and the Lend-Lease Administration.

Mr. BERGE. Yes.

Mr. JONES. Has any report been made back to you?

(Discussion off the record.)

Mr. Chairman, that off-the-record testimony did not lend any credit to the State Department and its diplomats.

If an American or an American concern held up a vital war material needed by one of our allies he would not only be branded a Nazi or a Fascist, but he would be vigorously prosecuted by the Department of Justice. If he tried to charge an excessive price the renegotiation statute would catch him, or he would be in violation of the Price Control Act. There is no escape for the American, but the State Department yells, "Bravo," and promises more lend-lease to the foreign countries.

Further to drive the point home that the State Department has lost all semblance of diplomacy and interest in guaranteeing for us a post-war foreign trade, either in exchange for lend-lease aid and other expenses incurred in their behalf, or otherwise, I refer to the hearings, page 252, where I said:

I note on page 291 of the justification there is a paragraph in which you state "the expanded activities of foreign governments in the cultural field in the other American republics are competing with and challenging the prestige of this Government."

The competing countries referred to were not named in the record of the State hearings.

Now it is interesting to note while the World War No. 2 clouds were gathering in Europe the administration insisted that the Congress reenact an expression in the Monroe Doctrine. The expression for the aged and tried Doctrine was unanimous. Lo and behold! the State Department has lost all faith in its potency and instead of relying upon the principles enunciated by President Monroe ask for an increase in cultural relations funds to save the prestige of Uncle Sam.

At page 299 of the State Department hearings, I questioned Mr. Archibald MacLeish, Assistant Secretary of State for Public and Cultural Relations, in an effort to learn whether the "uplift and sociological" branch of the State Department had any conception whatever of diplomatic and trade functions and here is what I heard:

CONCESSIONS FOR AIRPORTS BUILT IN FOREIGN COUNTRIES

Mr. JONES. I have heard considerable concern expressed, and I expressed it in 1942, in regard to concessions for airports that the Army and Navy had built in foreign countries, that lend-lease had built. I notice that two Senators who came back home point out that we will not have any rights at all to land on them for commercial purposes. I wonder if that has any relation to the cultural-relations program?

Mr. MACLEISH. I do not think it would have in those terms. I should think it would be a political problem.

Mr. JONES. I am quite concerned about the commitments we have made on lend-lease. We are giving favorable consideration to the problems of other countries, and the United States has lost by giving special concessions to the people we are buying from. It seems to me that is why there is a failure to make friends with those with whom we are dealing. Where is the failure in connection with those programs?

Mr. MACLEISH. My answer would be that those programs only go part of the way; that you really do not get the basic, underneath understanding through such relationships. We want people abroad to know what we are thinking and writing and working at. We want them to know about our scientific knowledge and about our culture.

Mr. JONES. I am putting the shoe on the other foot. In the Revolutionary War we got help from France through General Lafayette and the American people have always been friends of the French people because of that relationship. In this war we have given them $31,000,000,000 in lend-lease and loans of many more billions, with no strings tied to the purchases. Why has not this sort of thing made friends for the American people?

Mr. MACLEISH. A large part of the close relation between our people and the French is due not only to what you referred to, but to the fact that all during those early years people came here, French travelers, and wrote books about us, and our people went to France. Franklin went to Paris not so much as our Minister as our cultural attaché. Our relation to the French was based on the fact, and enriched by the fact, of the cultural relations we have had with them. But I agree with you.

Mr. JONES. That brings up the fact that Benjamin Franklin was our dispenser of good

will to the French. It also brings up the question whether the personnel of the F. E. A. are the type of men that Franklin had epitomized. It was a job for the Ambassadors.

I am concerned about the increasing appropriations for the State Department because I do not see anything that is settled. I cannot understand why the State Department cannot get concessions favorable to the United States when we have been spending these enormous sums of money. Other countries go out and propagandize and publicize and we go out and spend American dollars, but instead of making for peace and good will it is building up competition with the increased credits. It is a growing thing and we will have spent —— —— dollars in cultural relations because we have not been good diplomats. I wish somebody would give me an answer to that.

After the present war it is proposed by Admiral Land that we give 50 percent of our ships away. I wonder if that policy was established by the State Department.

Mr. MACLEISH. I cannot reply to that.

Mr. JONES. That is not a part of the cultural relations program.

Mr. MACLEISH. I think that is the kind of relations you referred to before. That is way beyond my field.

In 1941 this cultural relations program with the American republics cost $370,500; in 1946, $4,430,000 was requested, and $4,330,000 was approved by your committee. This is the program that the State Department will expand to cover the entire world. It has no practical business sense; and the expenditures of money show that the Department has no faith in the mutual respect of nations, through traditional diplomatic give-and-take. Can America afford to build airports all over the world without the right to land on them? Can America underwrite two-thirds of the cost of stabilizing the currencies of the world? Without reserving to herself the right to sell a portion of our products in the world market?

I emphasize this point because this program of the State Department is the only one outlined to us in concrete terms. In the diplomatic field, no witness knew whether it was or is to be our policy to give 50 percent of our surplus ships to other countries after the war. Nobody in the State Department knew what this country's rights are as to airfields built by us in foreign countries. Nobody seemed to know anything from the State Department except that they want to carry the ideologies of the New Deal to all parts of the world. The thought seems to be that this country can only prove her unselfishness by completely impoverishing herself for the benefit of all other nations.

Can it be that we fear hearing once again the cry of "Shylock" if we ask for as much as $1 in return for our assistance?

I gain the impression that the only persons who can talk for their own countries are Stalin and Churchill without running the risk of being called a Fascist or a Nazi. Certainly that is the philosophy of the New Deal's propaganda in international affairs.

I have already mentioned the efforts of our subcommittee to learn of our rights on foreign airfields built with lend-lease and Army and Navy funds. Nobody in the State Department could enlighten us. After the hearings were concluded and the bill was in process of being marked up, the Attorney General of the United States, Mr. Biddle, advised the country, the great English nationalist, Mr. Churchill, and the great Russian nationalist, Mr. Stalin, that we have almost no rights in the airfields. Of course, I expected that; but I did not expect the information from the Attorney General.

There are no terminal facilities between departments, but the committee stuck to the traditional functions of the Attorney General's Office when we examined its representatives.

So I will now call your attention to the hearings which give some little information about the internal administration of justice within the United States and our possessions.

The Attorney General's efforts in international law, first on the destroyer-exchange decision and then with the lend-lease airport decision, indicate he is incapable of making any legal determination with reference to them, and I am constrained to discuss only internal affairs in the administration of justice.

I have always thought the Attorney General was kissing around with the Communists, and I am now satisfied that the record has not falsified my impression.

It will be recalled that there were rumors that Mrs. Earl Browder, the wife of our No. 1 Communist, had been or was to be ordered from this country by the immigration authorities. She was a former librarian in Russia, under the Communist regime, in the Lenin School at Moscow, where students are trained in subversive tactics for use in other countries. In any event, that deportation was never carried out, and she is in this country. So I asked the Attorney General about her case. The colloquy follows from pages 23 and 24 of the hearings:

REENTRY OF MRS. EARL BROWDER

Mr. JONES. What part, if any, did the Department of Justice play in the reentry of Mrs. Browder?

Mr. BIDDLE. The matter was considered by the Board of Immigration Appeals. The Board of Appeals is in the Department, so in that sense it came to the Department.

Mr. MCGRANERY. It had the approval of the regular board set up by——

Mr. BIDDLE. As I remember it, she went out of the United States to correct a technical defect in her status—a preexamination, I believe it is called, and when she perfected that she came back and was passed by the usual procedure, which is by the committee consisting of the F. B. I. and Immigration Service of the Department, the Army, and the Navy. The case came to the Board of Appeals first, I think, before she went out.

Mr. JONES. Did the Department of Justice approve her reentry under those circumstances?

Mr. BIDDLE. I stated to you the manner in which it was approved. It came before the Board of Appeals, and they approved her going out to establish or to correct a technical defect in her status.

Mr. JONES. And that makes her eligible to remain in the country, does it?

Mr. BIDDLE. Yes.

Mr. JONES. Permanently?

Mr. BIDDLE. Yes.

Mr. JONES. She is a citizen now, is she?

Mr. BIDDLE. I do not think so. She is married to a citizen, but she herself is a Russian, I think.

Now let us see how the regular deportation cases are handled. I examined Mr. Finucane, of the Board of Immigration Appeals, and you will find in the following colloquy how the regular deportation cases are handled, from page 55 of the hearings:

VOLUNTARY DEPARTURES

Mr. JONES. In a case of a deportation order that is submitted by the immigration officials, and the party involved protests, does that protest come to your Board?

Mr. FINUCANE. Yes. The procedure is this: The alien is given a hearing; the presiding inspector makes his findings. If the alien does not agree, he will file exception and he can come before us and present oral argument, or have his attorney do so. We hear oral arguments every day at 2 o'clock.

Mr. JONES. Suppose an inspector orders a person deported, and he comes before your committee and you also order him deported. Can that person go to Canada or Mexico and then come back in and clear up any past differences?

Mr. FINUCANE. If there is an order of deportation, no matter whether he goes voluntarily or is physically deported, he has to remain out of the country for at least 1 year. He can come back thereafter only if, prior to his application for admission, he receives permission to reapply, which permission may be granted by the Immigration and Naturalization Service. But an order of deportation is a bar to the man's return.

Now you will see how Mr. Biddle opened the arms of Uncle Sam to Mrs. Browder, through the services of Mr. Finucane, his chairman of the Board of Immigration Appeals. At page 56 of the hearings will be found the following:

THE CASE OF MRS. BROWDER

Mr. JONES. Take the case of Mrs. Browder. How did she get back in?

Mr. FINUCANE. There was not an order of deportation against her when she left the United States. She was given what we term a "voluntary departure," which is permitted by section 19 of the Immigration Act of 1917.

Mr. JONES. Of what country is she a national?

Mr. FINUCANE. She was born in Russia and claimed to be stateless. She claimed to have no nationality status.

Mr. JONES. Did you advise her to go to Canada?

Mr. FINUCANE. We did not advise her to go to Canada. She applied for permission to depart voluntarily, so that she could then apply for an immigration visa and come back in the regular manner.

During Mr. Biddle's questioning, Mr. Biddle tried to have the F. B. I., the Army, and the Navy share responsibility for her reentry from Canada; but I want to call your attention to the fact that the Department of Justice and the Department of Justice alone gave Mrs. Browder the legal right of reentry, as the following testimony on page 56 of the hearings further show:

Mr. JONES. Who is responsible for allowing Mrs. Browder the privilege of taking a voluntary departure?

Mr. FINUCANE. That case came before our Board and we authorized a voluntary departure and preexamination.

Mr. JONES. Your Board alone?

Mr. FINUCANE. Our Board alone authorized it.

Now it seems the Department of Justice took Mrs. Browder's word for it that she is not a Communist. Remember, she came before Mr. Finucane's Board in

the Department of Justice, and that gentleman claimed inability to find any evidence whatever that she was a Communist, as shown by the following from page 57 of the hearings:

Mr. JONES. Did they submit factual evidence to you?

Mr. FINUCANE. We had a transcript of the record. That is the basis upon which we act.

Mr. JONES. And you found nothing in her record at all.

Mr. FINUCANE. Not a thing in her record.

Mr. JONES. Not even a suggestion?

Mr. FINUCANE. There was no evidence of any character whatsoever suggesting that Mrs. Browder was a Communist.

Mr. JONES. She had never attended a Communist meeting, or anything?

Mr. FINUCANE. She denied that she had attended a Communist meeting.

Who in the United States of America can believe that the wife of our No. 1 Communist never attended a Communist meeting at Madison Square Garden or elsewhere, either on the arm of her distinguished husband or otherwise? She is not the wife of a rank-and-file Communist who, in our country of private enterprise, has been duped by Communist propaganda emanating from Russia and earns his living by the sweat of his brow in some war factory. She is the wife of a man who earns his bread and butter by spreading and indoctrinating unsuspecting Americans with the class hatreds of a foreign ideology. The bread he puts on his table, the rent he pays for their little communistic love nest are paid for with assessments laid upon his misguided American dupes. Even the clothes on Mrs. Browder's back, until Stalin drove the American Communists underground, no doubt were paid for by her husband's earnings from a foreign government. Can it be assumed that the wife of this No. 1 Communist could live in peace and tranquillity with him, accept the fruits of his evil labor, bear his children, and share the joys of his Presidential release from prison without going to Madison Square Garden arm in arm with him to share the joy with the American Communists for the return of the native?

Mrs. Browder is the wife of the convict who was released by the President, with Mr. Biddle's approbation, in the interest of national unity, they said at the time; but now Mr. Biddle gives a different reason. At page 24 of the hearings, Mr. Biddle said:

Mr. BIDDLE. His sentence was commuted. Earl Browder got a sentence of 4 years for using a false name in an application for a passport, if I remember accurately. I think there was no doubt that the sentence was far too long and was imposed on account of his being Communist and not for the crime that he had committed.

The President had a great many letters requesting the commutation of his sentence, including some from such leading Republican citizens as George Wharton Pepper, a former president of the American Bar Association. I discussed the matter with the President myself, that the sentence should be brought in line with the usual sentences which were given for such offenses.

I think there were practically none that had run over 2 years, so he served for practically 2 years, as I remember.

Can anyone doubt that the Browders have had favors at the hands of Mr. Biddle, which no other persons could get, whatever their ideologies, national or international? Put the Browder cases beside the soldier who refused to drill because he did not believe in killing people, and who was, at first, given capital punishment and then had his sentence reduced to life imprisonment.

I asked Mr. Ugo Carusi, Commissioner of Immigration and Naturalization, how many cases there were like Mrs. Browder's case during the last 2 fiscal years and the first 6 months of this year, and, at page 143 of the record, he inserted the following table:

Preexamination cases

	Applications received	Completed
Fiscal year 1943	4,054	4,011
Fiscal year 1944	4,863	4,538
Fiscal year 1945 (6 months)	1,909	1,608

The statistics of the Immigration and Naturalization Service on immigration problems are entirely inadequate. The naturalization of aliens has increased by leaps and bounds within the past few years. It is my opinion that this has been encouraged, if not fostered, by the Justice Department. The concentration of large alien blocs in large cities presents not only an economic problem, as the relief records show, but a security problem for the American way of life. I asked the Immigration and Naturalization Service for statistics on naturalization, by cities, and Mr. Savoretti said: "It would be a terrific job, it would exceed $2,000,000," and "the total naturalized since 1907 is over 5,000,000, since 1941 there were 1,308,570 up to January 30, 1944." Mr. Savoretti said that, for the last 3 fiscal years, "it would cost close to $1,000,000." Mr. J. Edgar Hoover makes a statistical report in any form desired covering Federal crimes and those reported by State and local officials throughout the United States at a cost of $41,496.24.

It is apparent that the Immigration and Naturalization Service was not interested in furnishing statistics unless they believed such data would support their request for large appropriations. It is to wonder, too, whether the requested data might not disclose information which the Department prefers not to have known.

I have been interested for some time in the widespread operations of the Government in the field of private enterprise. I think it is time for Congress to become interested in that subject too, because of the Government's activities in the field of banking, insurance, home-building, construction and operation of powerplants and the sale of electric energy, and other endeavors. It will be noted that Mr. Berge first said that the Antitrust Division had made no reports to Congress on the question of "Government monopoly." Reluctantly he admits at the end of his testimony on this subject that this might, after all, be a good subject for the Antitrust Division to investigate. The colloquy appears at page 76 of the Justice hearings:

GOVERNMENT IN BUSINESS

Mr. JONES. The spirit of the antitrust law is to preserve private enterprise in America, is it not?

Mr. BERGE. Yes.

Mr. JONES. You have mentioned these reports that you have to make under the War Reconversion Act and under the Surplus Property Act. Have you ever made any reports to Congress, or have you been requested to make any, on the question of the Government monopolizing an activity, or of a situation where there is danger of the Government monopolizing an activity as against private enterprise?

Mr. BERGE. Where the Government is monopolizing an activity?

Mr. JONES. Yes; the Government, in its own activity, is monopolizing certain business.

Mr. BERGE. No.

Mr. JONES. I refer specifically to the small bank situation. There was the situation when Government loans were first started through the Agriculture Department and through other agencies. Now I have a flood of mail coming over my desk from small banks, small-town banks, that do not have any connection with big banks at all. They have money to loan, but the Government has taken away all of their prospective borrowers. Have you ever given any consideration to that problem?

Mr. BERGE. Of course, that relates to another field.

Mr. JONES. Well, it is monopoly, is it not?

Mr. BERGE. I would not quite say that. It seems to me, whether we like it or not, that there was a period when Government financing became more or less a necessity.

Mr. JONES. I grant that.

Mr. BERGE. And certain Government instrumentalities for loaning money did in certain fields supersede private banking. There is a problem there, an economic problem, that, frankly, I do not think falls in our field. I have not any expert opinion on it. I think it is a question of policy.

Mr. RABAUT. Does it come within your Division?

Mr. BERGE. I do not see how it does, Mr. Chairman.

Mr. JONES. If the Government were guilty of monopolistic practices in loaning money, that would not come in your Division?

Mr. BERGE. I do not think it is a matter of monopoly. I think it is a matter of public policy. If the Congress and the policymakers of this country thought Government financing was necessary in certain fields, certainly the Government has the power to go into it.

Mr. JONES. But you are going to make reports to the Congress on legislation, or under legislation that has been passed; section 205 of the Reconversion Act and section 20 of the Surplus Property Act specifically calling for that. I was just wondering if you would take cognizance of Government competition with private enterprise, in making those reports.

Mr. BERGE. It may well be that in any report we make on banking we would discuss as an economic proposition the effect of Government financing on small bank operations. That may come up. But that would be discussed as an economic problem and not as a problem of antitrust law violations, because the Government has the power to take over the whole banking system of the country and operate it if it wants to. That is a matter of policy.

Mr. JONES. You would not make an analysis of the question whether there was any danger of that?

Mr. BERGE. Yes; I think we might well do that.

At page 83 of the Justice hearings it is made to appear from the testimony of Mr. Berge that, through inattention to duty by the Department of Justice, by a decision of the Supreme Court or other-

wise, the Department has been ousted of jurisdiction in the matter of violations of the antitrust and monopoly statutes in the field of radio broadcasting. Mr. Berge's testimony on that subject is as follows:

RADIO BROADCASTING INDUSTRY

Mr. JONES. In connection with the radio broadcasting industry, the F. C. C. investigating committee records are interesting in this connection. You say you had this case pending in the Hoover administration against the radio networks.

Mr. BERGE. We have no case against the radio companies under the antitrust laws at this time. The Hoover administration maintained a case against the R. C. A. and they got a consent decree, which has been in effect since. I speak now without having freshly reviewed the situation, but I do not think the consent decree in the R. C. A. case covered at all the practices that were involved in the F. C. C. cases against the radio networks. You have a different problem with radio, because you cannot have absolutely free competition in radio. There are only so many places on the dial and somebody has to decide who shall get them. There has to be some regulation of the number of stations and program distribution, and that sort of thing. That is not true with the vast domain of American business.

Mr. JONES. As a result of the Supreme Court decision approving F. C. C. regulations, does that not give the F. C. C. the antitrust power over radio stations, instead of you folks?

Mr. BERGE. To some extent the F. C. C., of course, has powers with respect to monopoly and restraint of trade questions; no doubt about it. But I would not want to say, and I do not mean to concede by that that the radio is entirely outside the scope of the Antitrust. I do not think it is. But whenever you give particular powers and authority to an administrative tribunal, to that extent it may create an exception to Antitrust.

Mr. JONES. My point is this: We have had a lot of monopoly discussion in the F. C. C. hearings, and the F. C. C. itself has mentioned it in press releases. The F. C. C. deals with transfers of licenses. You folks have no cases pending. So I assume from that that you have been ousted from jurisdiction over this field by that Supreme Court decision.

Mr. BERGE. I would not want to say we have been entirely, but the particular problems involved in those cases are within the F. C. C.'s jurisdiction, I assume.

Mr. JONES. You have no file on that and you are doing no investigating on it at all?

Mr. BERGE. We do not have enough men, of course, to spread around into every situation. I do not mean to say that there may not be some antitrust violations by radio stations or radio chains or radio corporations. I do not know. The fact is, whether it is a good fact or a bad fact, we are not investigating that field at the moment. Maybe we should be, but we are not in it and we do not have enough men at the moment to go into it.

Mr. JONES. At the present time your answer is no investigation; is that right?

Mr. BERGE. Yes.

The Comptroller General of the United States recently told a committee of Congress that this Government stands to lose $50,000,000,000 through waste, mismanagement, fraud, and so forth, in the war effort. If you want to know why Government officials do not take seriously positive terms of law which would save that enormous fund, or why Government contractors can get away with robbing and pillaging Uncle Sam, read the following testimony of Mr. Tom Clark, head of the Criminal Division, Department of Justice, and Mr. Francis M. Shea, head of the Claims Division of that Department, at pages 92–94 and 224–230, respectively, as follows:

TAMPA AND WATERMAN SHIPBUILDING CASES

Mr. JONES. Did the Attorney General rule that there was no basis for the fact reported by the Comptroller General as to the transaction between the Maritime Commission and the Navy Department in the Tampa Shipbuilding Co.?

Mr. CLARK. Yes.

Mr. JONES. How long ago was that ruling made?

Mr. CLARK. About a year and a half ago, or 2 years. We investigated that very thoroughly. I had two lawyers down there and 10 or 15 F. B. I. men, as well as the Comptroller General's report.

Mr. JONES. The Comptroller General's report criticized the legality of it.

Mr. CLARK. I was passing only on the criminal prosecution. You have to have a good case to convict a man before a jury criminally. We turned those cases over to Mr. Shea. I do not know whether he filed a suit or not. I imagine that there was a civil suit for damages.

Mr. JONES. Was there a criminal case in the Waterman Steamship Corporation?

Mr. CLARK. There was not. We investigated that. That was over the transfer of bottoms, as I remember. That is when I first came to Washington from California. It must have been about 1942.

Mr. JONES. I have heard the report of the committee, and I thought that there was some irregular stuff in that. How about that?

Mr. CLARK. We would have to show that there was a violation of some Federal statute; second, that there was some intent involved, something that would violate the statute.

Mr. JONES. As I remember, there were irregularities.

Mr. CLARK. I do not remember the details. I have thousands of these cases. I will be glad to look it up. As I remember, there were some bottoms that were traded, and the Maritime Commission originally sold them and bought them back, and we looked into it, talked to Admiral Land and everybody over there. The F. B. I. also looked into it. We could not find anything to base a criminal prosecution on.

Mr. JONES. There was a considerable loss to the United States Government and a scathing rebuke by the Merchant Marine and Fisheries Committee and the Comptroller General. I just wondered why they would not be guilty of criminal violation on that basis in view of the fact of the specific wording of the Maritime Commission law.

Mr. CLARK. You cannot prosecute a person for bad judgment. We turned it over to the Claims Division for any civil action. You see, if somebody makes a mistake of judgment—I am not saying this was a mistake of judgment—but if that is true in that case we could not prosecute them criminally unless they had some criminal intent.

Mr. JONES. You would not presume under the Federal statutes that the natural result of their action would presume intent?

Mr. CLARK. No, sir. If that were true, I am afraid that we would all get prosecuted. I know that I make mistakes, but I believe that I have no intent to do wrong. I might make a mistake over some case. I probably have.

Mr. JONES. Both of these cases, the Waterman Co. and the Tampa Shipbuilding Co. were referred by you to the Claims Division for action?

Mr. CLARK. Whatever action there might be under the facts as we investigated them, sir.

Mr. JONES. Did you make any investigation of the Truman committee report concerning the concrete barge program?

Mr. CLARK. Yes. Mr. McAvoy, I think, was the name.

Mr. JONES. Were there any criminal violations there?

Mr. CLARK. Not on the barge program; no sir. We have a case now against the same parties in Newark, N. J., that involves war housing. I believe that the name is McAvoy.

We heard a lot about concrete barges, something along the same line that happened after the last war, and we got busy on them. I sent Mr. Broome and some lawyers down to Savannah, and they got the F. B. I. and they tried to prove, as I remember—I handle a good many cases so I hope you will pardon me if I am wrong—that Mr. McAvoy transferred some old dilapidated machinery in Newark that he had already owned and that he had leased and rented it to the Government for an exorbitant amount. One item was a truck that he had allegedly bought some years back for $75, and he was renting it to the Government for several hundred. We could find nothing on which to substantiate the claim or complaint.

Mr. JONES. All these war-fraud cases do not involve cases where the United States Treasury has been fleeced. They have to do with inferior equipment, and so forth?

Mr. CLARK. Oh, no. We are working on cases where there is criminal intent to violate a statute of the United States.

Mr. RABAUT. You have to prove intent?

Mr. CLARK. Yes. Take the statistics, and what you say is true. We do not prosecute, I would say, 10 percent of the cases we investigate. The reason is we cannot find anything on which we think prosecution could be successfully conducted and by which we think we can prove guilt.

Mr. STEFAN. There was no proof in the McAvoy case?

Mr. CLARK. That is right. We have had returned 1,067 indictments in war frauds alone. I will wager that we have investigated 10,000 war frauds since we started.

Mr. STEFAN. In that McAvoy case, I understand he bought a truck for $75 and leased it to the Government.

Mr. CLARK. That was just one little part.

Mr. STEFAN. That is just an illustration.

Mr. CLARK. That is an illustration of what we find. We get these letters, you know, many of them anonymous, but we take them up. They say that so-and-so did so, and I will have the F. B. I. look them up, and if it is within the Treasury's bailiwick, they will look them up. If there is any criminal responsibility, we will prosecute them.

Mr. JONES. On these shipbuilding cases I do not understand them. The Maritime Commission says that a certain formula shall be followed in the payment for ships, requisitioned ships, and if it goes over that amount, how do they escape criminal violation of the law in that kind of case?

Mr. CLARK. We would have to show that they did it in order to defeat the Government and that somebody made some profit out of it, or somebody got the money.

Mr. JONES. They made a profit out of it. I went into that very thoroughly, and it showed the amount they made. They have a special income-tax-evasion provision. They made enormous profits, and there is a law that everybody should know. I do not know how they could escape criminal prosecution in a transaction of that kind. I would like to have an explanation of it.

Mr. CLARK. I will look it up in detail. I am not sure offhand.

Mr. RABAUT. Bring the details to Mr. JONES.

(NOTE.—This information will be supplied to Mr. JONES.)

Mr. KERR. How are your investigations carried on?

Mr. CLARK. The F. B. I. carries on a great many of our investigations. We do not do any investigating in the Criminal Division. We use the F. B. I. exclusively. We have to have witneses that will stand up pretty strong in court. I would say that we handle 90 percent of the F. B. I. investigations in this division.

Mr. KERR. The evidence is evidence of the F. B. I.?

Mr. CLARK. Yes. In this spy case we have all sorts of tests that have been made of clothing to determine whether or not it has been in a submarine, tests of handwriting, hundreds of tests. It takes a lot of time.

Mr. RABAUT. Is there anything further that you want to tell us?

Mr. CLARK. Just that I am glad to see you again.

THE TAMPA AND WATERMAN CASES

Mr. JONES. Do you recall these claims that are referred to you by the Comptroller General on war-fraud claims?

Mr. SHEA. The Comptroller General refers to us all varieties of claims—pay cases, shortages in Government accounts, defaulted contracts, and everything that you can think of.

Mr. JONES. For instance, I asked about the Waterman Steamship Lines and the Tampa Shipbuilding Co. case. I read the record of the hearings in the Merchant Marine and Fisheries Committee, and it seems to me on its face—and I made an argument on the floor of the House and spent a lot of time in research—that the Government purchased these ships, or the Maritime Commission purchased the ships, in violation of a positive formula, and if they had followed the formula of the merchant-marine law, the taxpayers would not have to stand such a terrific loss.

Do I understand that you washed those cases out so that there would be no recovery against the Tampa Shipbuilding Co. and the Waterman Steamship Co.?

Mr. SHEA. If you are talking about the particular cases that I have reference to——

Mr. JONES. I am talking about the purchase of requisitioned ships. I believe that there was over $2,000,000 worth against the Waterman Co., if I remember correctly.

Mr. SHEA. I would like to speak about those cases if you will permit me to correct the record in case my recollection is not accurate.

Mr. JONES. You may wait and put it in the record.

Mr. SHEA. Let me tell you about it. My recollection of the Waterman case is this: The Maritime Commission sold ships to the Waterman Co. and under the terms of the contract of sale the Commission was entitled to purchase them back at a specific price, or a formula price.

Mr. JONES. Was it the old War Shipping Board that sold the ships?

Mr. SHEA. I thought that it was the Maritime Commission. In any event, there was a contract which permitted the United States to requisition them back at a price which could be calculated by a formula. The complaint which was made by the Comptroller General was that instead of requisitioning back those ships, the War Shipping Administration purchased five other ships and paid at a higher rate for those five other ships than they would have had to pay for the ships which they were entitled to requisition under that contract arrangement. What the Comptroller General suggested was they should have requisitioned the ships which they could have had at a lower price rather than purchase the others at the higher price. As a matter of fact, subsequently those five other ships were bought by the War Shipping Administration at the price they were entitled to under the earlier contract. My recollection of the reason why War Shipping Administration did not requisition those five vessels but purchased a different five vessels was that at the time they had not gotten into a requisitioning program.

Mr. JONES. I would like to know at what date the Attorney General's Office came to the conclusion that the emergency existed for the purpose of requisitioning ships under this present emergency.

Mr. SHEA. I am sure we never gave any opinion.

Mr. JONES. That would be determinative of your issue.

Mr. SHEA. I do not believe that they questioned the fact that they had the power to requisition as of that time, but as a matter of policy they had not entered into a requisitioning program.

Mr. JONES. But the price they would pay for the ships was determined as of a certain date, and it is important to know what date the requisitioning took place.

Mr. SHEA. I wonder if you are not getting into another problem. The Comptroller General and the War Shipping Administration had a different view in respect of the provision in the Requisitioning Act against including in the price of requisitioned vessels enhancements resultng from the causes necessitating the taking or use. Is that the problem that you are talking about?

Mr. JONES. That is involved in this question; that is right.

Mr. SHEA. And Judges Parker and Learned Hand and Hutchison were called in to give them aid, and they gave them an opinion which, to the best of my knowledge, the War Shipping Administration is trying to follow.

Mr. JONES. I read that opinion and thought it was of doubtful value, and I would like to know if you have come to any conclusion that there was any legal conclusion for the appointment of Judge Learned Hand and the other judges that you mentioned.

Mr. SHEA. I think there is no doubt about the fact that the President can ask any distinguished citizen to advise him.

Mr. JONES. What was that?

Mr. SHEA. They did not advise him as a court.

Mr. JONES. Is your Claims Division bound by the decision that these three judges reached in your decision not to prosecute?

Mr. SHEA. We litigate only.

Mr. JONES. I understand, but you have to make a decision if you are going to litigate.

Mr. SHEA. If a matter is referred to us and there is a substantial basis for litigation, we litigate it.

Mr. JONES. Have you litigated these cases?

Mr. SHEA. Involving the question of——

Mr. JONES. We are talking about the Tampa case and the Waterman case.

Mr. SHEA. No. As I have said in the Tampa and Waterman matters to which I have referred, we did not see how we could make out a case.

Mr. JONES. I differ with you. I have read those records, and I believe the taxpayers have been fleeced. I am particularly interested because of the form of statute that was repealed, and there is nobody standing between the taxpayer and the man who has stolen from the Government, or gotten an excessive price from the Government except in this Division right here.

Mr. SHEA. I think that I have given you the facts accurately. I would be grateful to you if you would give me a theory for a cause of action.

Mr. JONES. In the opinion of the Comptroller General and of the Merchant Marine and Fisheries Committee, there was an excessive price paid for both those classes of ships that you have described to me—the five they originally took, but not in accordance with their original agreement to repurchase the ships, and the other five they later purchased, which were sold by the War Shipping Board to this company.

Mr. SHEA. My understanding is that the five they were entitled to requisition under that original agreement were purchased at prices set in the original agreement. Do you have any different information?

Mr. JONES. I have different information. They were not purchased at the formula laid down by the maritime law, and there was some changing of dates by Admiral Land as to the date the emergency started from which the formula would apply as to the market price of the ships. I would like to have you state what date your office came to the conclusion that the emergency arose for the determination of the price of the ships. That would have to be answered in order for you to tell whether there was a lawful taking at a proper price.

Mr. SHEA. The Attorney General was not asked for an opinion on that.

Mr. JONES. If we are not going to recover any money in connection with these war frauds, we might as well eliminate the bureau.

Mr. SHEA. I want to say to you, sir, if you have any information in respect of Waterman or any information with respect to Tampa which has not come into our possession, I would like very much to have it; secondly, I would like to have any theory on which a lawsuit could be started in either of those cases. If there is a basis for a lawsuit, I would like very much to bring it. After a very thorough investigation and analysis, I was unable to arrive at any basis on which I thought we even had a chance of winning a lawsuit in either of those cases. However, there is still time.

Mr. JONES. I made an exhaustive speech on the floor—and I am not tooting my horn here—but I went very thoroughly into the Bland committee on ship subsidies and the formulation of the formula under the maritime and merchant marine law, and I am thoroughly convinced that the taxpayers have been fleeced in this case. My speeches are in the record on a couple of occasions, and the Senate has also discussed it—Senator AIKEN, of Vermont, made a very thorough study of it, and there have been debates in the Senate on that subject.

Were it not for the Merchant Marine and Fisheries Committee reaching an adverse opinion on that, and the scathing rebuke of the Maritime Commission regarding the purchases, I would not think so much of my opinion standing alone; but everything I have said has been confirmed by the committee. It seems to me for you to say there is no cause for action is rather strange.

Mr. SHEA. There is a report of the committee that there was something wrong in the Maritime Commission or the War Shipping Administration's behavior?

Mr. JONES. Yes.

Mr. SHEA. I did not know that to be the case. The Merchant Marine and Fisheries Committee asked the Attorney General if he had any objection to their publishing in a report on the Waterman matter correspondence with the Comptroller General. The Attorney General supplied copies of the full correspondence, and suggested publication of the whole thing. The committee limited itself to publishing the final letter of the Comptroller General. The Comptroller General's conclusion and that of the committee on the specific matter which I have been discussing was that, in view of the facts developed, no further action appeared called for on the part of the Attorney General. I shall be glad to lay this matter before you in as full detail as you may wish. You can go over it. If you have any facts not known to us, or if you can suggest a sound cause of action which has not occurred to us, we shall be glad to go forward with the lawsuit.

I should like here to make this further statement. As I suggested at an earlier point in the record, Mr. JONES appears to have been directing his inquiry not only to the Waterman case which I was discussing, but to a further question. He was also, if I correctly understand him, addressing himself to the question of whether a point of difference which arose between the Comptroller General and the Administrator of War Shipping Administration should not be submitted to litigation. This point of difference regards the appropriate application of a condition stated in section 902 of the Merchant Marine Act of 1936, as amended. Section 902 authorizes requisition or purchase during the national emergency, of vessels owned by citizens:

"When any such property or the use thereof is so requisitioned, the owner thereof shall be paid just compensation for the property taken or for the use of such property, but in no case shall the value of the property taken or used be deemed enhanced by the causes necessitating the taking or use."

It is not a controversy peculiar to any transactions with the Waterman Steamship Co. It has to do primarily with valuation for purposes of determining just compensation for all vessels requisitioned by the Maritime Commission or War Shipping Administration. By analogy or inference from the specific provisions in question, the Comptroller General has raised for consideration the question of whether the enhancement limitation is not also applicable to valuations for purposes of insuring chartered vessels and also for purposes of voluntary purchases. It is only in this latter connection that the matter has to date been brought to the attention of the Department in regard to transactions with Waterman Steamship Co.

Quite obviously these cases involving the Waterman Steamship Co. present the most difficult situations in which to test out by litigation the Comptroller General's views. This is so because the enhancement clause clearly relates to requisitions. It may be related to insurance coverage and voluntary purchases only by hurdling additional problems of at least substantial difficulty. Normally, therefore, one would select for the first test a requisitioning case to present the main issue squarely, unencumbered by the additional hazards.

The issue in question is one of complexity and genuine difficulty. The Department of Justice has had the matter under consideration for some time and is continuing to give it study. It will in all probability be presented to the courts in pending litigation involving ship requisitions.

To explore adequately the differences between the Comptroller General and the Administrator of War Shipping Administration would take many pages. It may perhaps be roughly summarized by two quotations. The first is from the Comptroller General's decision of November 28, 1942, reading as follows:

"Hence, it would appear reasonable to conclude that the enhancement clause in said section 902 (a) prohibits the payment of compencation for such vessels to the extent that it may be based upon values in excess of the values existing on September 8, 1939, provided such excess be determined as due to economic conditions directly caused by the national emergency."

The second quotation is an excerpt from rule 4 of the report of the advisory board which has been adopted by War Shipping Administration in determining values. This advisory board was composed of three judges of the courts of appeals, who, I think, enjoy among the bar as high reputations for learning, judgment, and integrity as any members of the judiciary. The excerpt in question reads as follows:

"Rule 4: From the value at the time of taking, there should be deducted any enhancement due, to the Government's need of vessels which has necessitated the taking, to the previous taking of vessels of similar type, or to a prospective taking, reasonably probable, whether such need, taking, or prospect occurred before or after the declaration of the National Emergency of May 27, 1941. Enhancement due to a general rise in prices or earnings, whenever occurring, should not be deducted. In the application of this rule neither the proclamation of limited emergency of September 8, 1939, nor the facts existing at that time are in themselves of significance."

The Attorney General has never expressed an opinion on the question at issue. He was never asked for such an opinion. His traditional policy of reluctance to render an opinion on a matter respecting which he is likely to be called upon in the immediate future to appear as an advocate for one side would in this instance have made him reluctant to render an opinion. I, therefore, hesitate to express any view at this time. It does appear to me, however, that any careful trial lawyer before plunging into litigation on this issue will remember as a caveat this sentence in the submission of the three capable jurists who advised the Administrator of War Shipping Administraton:

"We did not undertake to consider how far the rules we are submitting would in practice reach different results from the rules recommended by the Comptroller General. It is conceivable that in application the difference might turn out to be far less than has at times been assumed, and that the dispute would appear to be more in the reasoning by which the problems were solved than in the answers reached."

As a trial lawyer I should feel warned by this unanimous judgment of three jurists of no mean capacity that only on the most careful factual presentation shou'd any test of these conflicting views be attempted. Should we in the course of our investigation find a substantial factual basis for urging that application of the formulae adopted by War Shipping Administration has in good probability resulted in enhancement of value beyond that permitted by the statute, we shall test the issue in the courts. But I should add this. My responsibility is not confined purely to the exercise of the shrewd guesses of a trial lawyer. The Administrator of War Shipping Administration has had put upon him the gravest responsibilities. No one denies that his primary job of supplying the essential shipping for victory has been well done. No suggestion of corruption in the activities of War Shipping Administration has ever to my knowledge been charged. Certainly no such suggestion has been brought to my attention in the considerable matters relating to that agency which I have had in charge. Some latitude certainly must be allowed the Administrator for the exercise of judgment. In my view reasonable deference is due him in respect of matters where he has the initial and primary responsibility for judgment. I believe the Comptroller General recognizes this. I have high regard also for the integrity and competence of the Comptroller General. After making allowance for the appropriate deference due the man carrying the primary responsibility, conflict of view between these two officers may appropriately be the subject for litigation to resolve the issue.

I do think it shou'd be stated in conclusion that any fair reading of the patient, conscientious effort on both sides to resolve this dispute between the Comptroller General and the Administrator of the War Shipping Administration must lead any temperate inquirer to these conclusions stated by Judges Hand, Parker, and Hutchinson in the letter submitting their report to Admiral Land:

"We have been greatly impressed not only with the care and consideration which the record discloses that both you and the Comptroller General have given to the matters involved, but with the moderation and judgment exercised by all concerned in endeavoring to work out a solution consistent with the interest of the United States and the justice of the case. In closing, we take this opportunity to record our great appreciation of the fact that this has been so."

Mr. JONES. It is quite apparent from your answer that the taxpayers are fleeced out of nearly $2,000,000 on this case; that the Department of Justice apparently intends to do nothing about it, and it is made doubtful whether the Comptroller General who has control over public expenditures, has taken or will take any steps for the protection of the funds of the taxpayers. It indicates a great laxity on the part of the Department of Justice and other responsible officials of the various departments, charged with the duty of protecting public funds.

The hearings on which this bill is based clearly reflect that, when the notorious Browne and Bioff were convicted, the Federal judge presiding and imposing the sentences was procured by the Department of Justice to hold open the term of court so that, if Browne and Bioff thereafter talked and furnished evidence for the trial and conviction of others, their punishment could be, and it was, lessened. At page 25 of the hearings, I asked:

Mr. JONES. What is the procedure? They came up before him?

Mr. MCGRANERY. The procedure was this: As you know, after the term of court expires, it passes beyond the control of the presiding judge. Judge Knox, the presiding judge in this case, kept the term open until these two fellows began to talk. They first began to talk because Browne's wife's life was threatened, and they came to the court and said they would talk, and pretty soon it became evident that the Government was getting some very good information in Chicago with the result that the gang back there made certain threats. Bioff and Browne decided they would then come out in the open and said that they would not only tell about the gang but they would testify in open court, which they did, and it is quite apparent from the action taken that Judge Knox had all of this in mind.

Mr. BIDDLE. The action that he took was to keep the term open.

Mr. JONES. Who are the folks that were convicted as a result of their turning state's evidence?

Mr. McGranery's testimony would lead one to believe that the court held the term open on its own motion, and that Browne and Bioff, the extortionists, volunteered damaging evidence which assisted in the conviction of their prior associates. Judge Knox came before our committee to get an appropriation for probation officers, and I learned, lo and behold, that the Department of Justice was responsible for leaving the jail door ajar for lessened sentences for those two convicted men. At page 23 of the judiciary hearings, this fact is established, as follows:

Mr. JONES. Judge, would you tell us about Bioff and Browne. I understand that you held the term open on those cases.

Judge KNOX. I did at the request of the United States Government. When these men were convicted before me I sentenced them to jail. They were two of the worst crooks that ever came before me. At that time it was in contemplation that other people would be indicted, people who could not be convicted unless Browne and Bioff decided to tell what they knew. They were known as the Chicago gang, or the Chicago mob. It was utterly impossible, I was assured by the prosecutor, to bring those people to justice, unless Browne and Bioff talked. So they went out to the penitentiary, and they were there for a period of, I think, 3 years and 3 months, or thereabouts. Meanwhile, they decided to talk, so the Assistant Attorney General put them under guard and finally they took their statements.

Mr. JONES. The point is that the district attorney's office asked you to hold the case open?

Judge KNOX. At the time. I very frequently do that, not only in that case, but in many cases I hold the term of court open so that if anything eventuates that makes it desirable to take action that could not be taken otherwise, it can be done. I did it for that purpose.

Mr. JONES. And in that case they asked for it?

Judge KNOX. I don't recall whether they asked for it, but my recollection is—that was 4 years ago—that they told me at that time that they hoped to break this whole crowd but that Browne's and Bioff's testimony would be necessary to do it.

Mr. JONES. So that they must have asked you.

Judge KNOX. The probabilities are they did.

It is interesting to note that the Department of Justice did not bring to the court's attention, when Browne and Bioff came up for a shortening or change of their sentences, after 2 years, 3 months, and 1 day in the penitentiary on sentences of 8 years for Browne and 10 for Bioff with a $20,000 fine, that Browne and Bioff had stolen $2,000,000 from their union, and had not repaid it. I asked Judge Knox about this:

Mr. JONES. I have a recollection that after they were released it was alleged that they had gotten away with some $2,000,000 of union money. Was that brought to your attention or to the attention of the Department of Justice?

Judge KNOX. It was not brought to my attention when they were brought up before me and when they asked me to place them on probation.

This handling of the Browne-Bioff cases sets a new standard of criminal procedure, and it is significant to me that the Department of Justice did not inform the judge about the $2,000,000 they unlawfully took from the union they headed, nor have they since probation been prosecuted for this alleged misappropriation of union funds. It reminds me of the statement made by Mr. Biddle that the New Deal is tied up with the labor movement, and apparently the tie-up is with crooked labor union leaders, rather than with the honest laboring man.

The Department's justification in support of requested funds for the Office of the Assistant Solicitor General recites a duty of that office to advise the President concerning the form and legality of all Executive orders. The record on that subject (pp. 281–290) clearly shows that, if such a duty is so vested, it is not being performed with any appreciable degree of fidelity, efficiency, or effectiveness. It is common knowledge, as one or more congressional committees have reported, that the majority of Executive orders issued so far exceed the Presidential power that they have come to be, and are, regarded as instruments of one-man rule and epitomize a government of men rather than of law. Further appropriations should be refused the Department of Justice for these purposes, in view of the inefficient advice concerning Executive orders and the unconstitutional actions which so frequently follow their approval.

Outside of the Federal Bureau of Investigation, there are represented in this bill increases for the departments over the 1945 bill, as follows:

State	$24,807,812
Justice	3,953,618
Commerce	6,804,476
Judiciary	1,690,702
Total	37,356,808

These figures do not include overtime for either 1945 or 1946.

In conclusion, Mr. Chairman, I am thoroughly for giving responsibility to the old line agencies. The State Department, I believe the record shows, is in a fog and further has developed an inferiority complex that is not worthy of an increase in personnel or funds in the fiscal year of 1946 as compared with the funds given in 1945 excluding overtime pay. I am terribly distressed that such a record has been made at these hearings by the Attorney General and his underlings with the exception of the F. B. I. The condonation of Communists, and the failure to prosecute those who have robbed the Government of billions of dollars in war contracts, and the kid-glove policy toward the labor racketeers, to my mind, make them certainly unworthy of an increase in funds and personnel, if the record does not prove that the Attorney General is undeserving of his salary as a result of his conduct of the high office of the Attorney General of the United States.

I have talked about just two agencies because their records were outstanding in fundamentals that are necessary for the welfare of our Nation at home and abroad. Observations regarding the commerce and judiciary agencies will be made when we reach those portions of the bill under the 5-minute rule. The record of all the agencies shows that there is no regard in the public service for doing the jobs assigned, with less men and money to set an example for the rest of the country. If I had my way, we would recommit the bill to the Committee on Appropriations and approve the same amount for the agencies involved as they had in 1945 without overtime, with the exception of the F. B. I., which I would leave as the committee has reported it.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. WIGGLESWORTH. The gentleman has made some very serious charges against the Department of Justice. As I understand it, there is now pending before the Committee on Rules a resolution contemplating the investigation of that Department as a result of charges made by Mr. Littell, a Democrat, a former office-holder in that Department who recently resigned. Does not the gentleman think the charges he has made this afternoon might well be incorporated in a thorough-going investigation of the entire picture in the Department of Justice?

Mr. JONES. I really and sincerely feel they should be. I have no grievance personally against Mr. Biddle. He has never done anything against me personally. But from the standpoint of our country, it seems to me the conduct of Mr. Biddle as shown by this record demands an explanation, which this Congress should be interested in delving into. I think there ought to be further explanations. The Committee on Appropriations, in hearings on the request of the Department of Justice for funds for the fiscal year 1946, with propriety could not go into it more thoroughly.

Mr. RABAUT. Mr. Chairman, I yield 30 minutes to the gentleman from West Virginia [Mr. NEELY].

Mr. NEELY. Mr. Chairman, the Nation-wide observance of Brotherhood Week, for the purpose of promoting tolerance, charity, and love among men, ended on the 26th day of last month. Unfortunately, that religiously sponsored observance was so marred in this House that if such illustrious former Members as Henry Clay, Abraham Lincoln, Bourke Cockran, William Bryan, and George Norris had miraculously returned to this Chamber on Washington's Birthday, they might well have cried out:

Ancient of days! * * * where,
Where are thy men of might, thy grand in soul?
Gone—glimmering through the dream of things that were:
* * * * *
A schoolboy's tale, the wonder of an hour!

Your attention is respectfully invited to the reason why this might have come to pass.

On the 22d of February the gentleman from Michigan [Mr. HOFFMAN], in the course of an address to the House, severely disparaged Mr. Justice Frankfurter to my twofold regret. First, because, in my opinion, the disparagement of this eminent educator, jurist, and statesman was without a scintilla of justification; and, second, because the charges insinuated against him will tend to encourage bigotry, racial hatred, and disunity in this time of surpassing peril when domestic tranquillity, singleness of purpose, and harmonious action are indispensable to the early winning of the war, the preservation of American liberty, and the perpetuation of our democratic mode of life.

Please let me endeavor to avert or at least neutralize the unfortunate consequences of some of the gentleman's observations, innuendoes, and speculations. He, by quotations from a 3-year-old Detroit paper, informed the House that Judge Frankfurter was born in a foreign land and that he is a member of a persecuted race. The latter part of this revelation appears to be neither more nor less than a euphemistical charge that this great and good man is a Jew. Upon this foundation of foreign birth and Jewish race, laid during Christian Brotherhood Week with such propriety as it is your privilege to perceive and not my pleasure to portray, the gentleman proceeded to revel in idle rumor, defamatory insinuation, and fantastic speculation concerning one of the outstanding men of the Nation. The gentleman charged that Judge Frankfurter "is proposing himself, or some of his friends are proposing, that he take the position of chief justice on an international court," which would, among other things, determine whether the armed forces of the United Nations shall be used for security purposes after the war. Then was made this highly informative and convincing assertion of wicked desire: "They want Frankfurter sitting on that court, or Frankfurter wants Frankfurter on that court—somebody does." The pronoun "they" is without an antecedent either immediate or remote. But it seems rea-

sonably deducible from the entire address that if the word "they," as thus used, means anything, it means those who believe in international cooperation; it means the foreign-born, the Jews, the Communists, the C. I. O.'s, the P. A. C.'s, Secretary of War Stimson, and all the innumerable throng of others whom the gentleman from Michigan does not love.

The gentleman further asserted:

A few days ago the War Department announced that it was going to accept Communists as officers in the armed services.

After this assertion, the following amazing speculation was, with funereal solemnity, proclaimed:

In view of the * * * statement that Frankfurter and Stimson have long been intimate friends and that Frankfurter has influence in the War Department, some of us are beginning to wonder whether the acceptance of the Communists as officers who can send our sons to death on foreign soil is due to Frankfurter's influence?

Thus the gentleman added to his previously laid foundation the insinuation that Dr. Frankfurter is a Communist, and that he is seeking to have his fellow travelers made officers in the United States Army. But the gentleman's longing for aspersion was still unsatisfied. Therefore, he continued:

Let me read you something of what a Mr. Roosevelt said about him:

"* * * When the I. W. W. was making trouble during the last war, President Wilson sent Frankfurter to investigate. He denounced the citizens who had taken care of the disturbance with the result that former President Theodore Roosevelt wrote him a public letter which said, in part:

" 'You are taking an attitude which seems to me to be fundamentally that of Trotsky and other Bolshevik leaders in Russia. You are engaged in excusing men precisely like the Bolsheviks, who are also murderers and encouragers of murderers, who are traitors to their allies, to democracy, and to civilization, as well as the United States.' "

Thus by quotation and insinuation we have still another defamation of the great Jewish judge. It is to the effect that he has excused murderers and traitors, and that he has been tainted with bolshevism—the policy of the terroristic branch of the social democratic party that gained ascendancy in Russia in 1917. If we accept as gospel Huxley's aphorism that "in the criticism of life the assertion that outstrips evidence is not only a blunder but a crime," we must shudder to think of the verdict that would be rendered against the gentleman from Michigan if he should ever be brought to trial before a jury of his peers for having violated both the letter and the spirit of this maxim.

Dr. Frankfurter's friends, with much pleasure, remember that he was long since acquitted of insinuations of communism, anti-Americanism, bolshevistic taint, and other crimes and misdemeanors identical in substance with 'those which the gentleman from Michigan recently made. In January 1939 in an important official proceeding at the other end of the Capitol, Judge Frankfurter's complete exoneration was effected not by sound and fury which frequently signify nothing; not by insinuating "words that go astray," but by the duly attested action of the United States Senate. Of this action please let me refresh your memory.

It was my privilege to be the chairman of the subcommittee of the Senate Committee on the Judiciary, which conducted hearings on Dr. Frankfurter's nomination to membership on the Supreme Court of the United States. The other members of the subcommittee were: Democrats: Senators King, Connally, McCarran, and Hughes; the Republican members were: Minority Leader McNary and Senators Borah, Norris, and Austin.

Among the witnesses who appeared in opposition to the confirmation were George E. Sullivan, who made the point that Dr. Frankfurter was foreign born; Mrs. Elizabeth Dilling, who was recently on trial for sedition, and who charged Dr. Frankfurter with communism; and Allen A. Zoll, who accused the Judge of being a Jew. Witness Sullivan resurrected Colonel Roosevelt's letter to Dr. Frankfurter from which the gentleman from Michigan quoted. The letter in its entirety appears at pages 13 and 14 of the printed record of the hearings. It is followed by Judge Frankfurter's reply, of which the gentleman from Michigan failed to inform you.

The record, among many other things, discloses the following:

Senator BORAH. Are we to understand that you oppose him—

Dr. Frankfurter—

because he is a Jew?

Mr. ZOLL. Partly, sir.

Senator BORAH. So far as I am concerned, I do not propose to listen to an argument against a man because of his religion. * * * You are raising the same question that is drenching Europe in blood. * * * In this country we do not deny any man privileges because of his religion or race. * * * So far as I am concerned, I want it understood that I am strongly opposed to anyone raising the race question.

But notwithstanding all the charges, rumors, and slanders with which the Jew baiters, fomentors of racial hatred, assassins of tolerance, and gravediggers of constitutional guaranties encumbered the record, after due consideration, the subcommittee favorably reported Judge Frankfurter's nomination to the full committee without a dissenting vote. And what did the committee do? Without a dissenting vote, it instructed me to report the nomination to the Senate. And what did the Senate do? That great legislative body unanimously confirmed the nomination.

Except the charge that somebody wants Judge Frankfurter on the postwar world court, everything that the gentleman from Michigan insinuates against him was known to the Senate when it stamped its approval upon his becoming a member of the most important Court on earth. It is very respectfully contended that Judge Frankfurter needs no additional testimonial of his Americanism, patriotism, stainless character, or faultless deportment in either public or private life. But, if it were needed, the Judge could doubtless find it in his clear conscience and in the realization that he is faithfully serving the United States, contributing his all to the promotion of human welfare, and that he is held in the highest esteem by millions of his fellow men.

Against the gentleman's fears of Judge Frankfurter's conduct as a member of a post-war international court, let me record my sincere hope that this country may have the benefit of the Judge's service on this tribunal, especially if it be empowered to try the infamous Hitler and Hirohito and their cutthroat minions for having maliciously set the world on fire and having diabolically murdered millions and millions of women and children and men. In my opinion, no one else would more certainly insist upon a fair trial for these fiends; no one else would more surely and appropriately protect the peace-loving of the earth against another war by hanging the duly convicted guilty ones as high as Ahasuerus hanged Haman.

If the address of the gentleman from Michigan had been confined to expressions of his dislike or disapproval of Judge Frankfurter without any additional implications, it would not have moved me to discuss it. But it is my fear that some of the gentleman's utterances will tend to fan the flames of racial hatred and religious persecution, which have, in recent years, devastated the greater part of the world.

According to the great Edmund Burke: "It is impossible to look on anything as trifling or contemptible that may become dangerous." In my opinion, the slightest encouragement to racial or religious hatred is dangerous. The slightest encouragement to Jew baiting by any public official should be most vigorously condemned. Let us not forget that the war that is now spreading wholesale death and destruction from the fairest cities of Europe to the bleeding heart of China and from the Tropic of Capricorn to the Tropic of Cancer was begun and its frightful technique was developed by persecuting, torturing, and exterminating Jews.

Let us remember that in a few months' time Hitler, with his storm troops, imprisoned more than 80,000 of this unoffending race in Germany because they were not Aryans, and, on the same preposterous pretext, ruthlessly robbed and persecuted 90,000 more of these defenseless victims of his lust for blood and plunder until they fled from the fatherland in tatters and torture and tears and became heartbroken, helpless, hopeless wanderers on the face of the earth.

Let us not, by thought or word or deed, emulate in the slightest degree the injustice, the insanity, and the barbarism of Hitler and his hordes who have—

Poured the sweet milk of concord into hell,
Uproared the universal peace, confounded
All unity on earth.

Instead of hindering ourselves with domestic hatred and handicapping our war efforts with racial disunity and religious discord, let us dedicate ourselves to a rebirth of devotion to the spirit of the Declaration of Independence, which reaches the height of its sublimity in the assertion that all men are created equal. Let us intensify our fidelity to the Constitution, which expressly prohibits the

making of any law against the free exercise of religion and, by clear implication, forbids discrimination against anyone because of race or creed or place of birth.

During the First World War, President Wilson said in an address to the Daughters of the American Revolution:

> Some of the best stuff of America has come out of foreign lands, and some of the best stuff in America is in the men who are naturalized citizens of the United States. * * * The vast majority of them came here because they believed in America; and their belief in America has made them better citizens than some people who were born in America. They can say that they have bought this privilege with a great price.

Multitudes of Jews, including Judge Frankfurter, who have come to the United States from other lands deserve their full share of the general compliment which the great Woodrow Wilson thus paid the patriotic and the praiseworthy of foreign birth.

Let us once and for all forsake the degrading, dangerous habit of slandering the Jews who, to all believers in the Holy Bible, are the chosen people of Almighty God, but who have nevertheless been agonized by persecution above every other race that has ever left its footprints on the sands of time.

For the Ten Commandments—the oldest laws which we profess to revere, or strive to obey—we are indebted to the Jews.

The Sermon on the Mount—the loftiest of all combinations of words of tongue or pen—was given without money or price to a wicked world by Jesus of Nazareth, a sinless Jew.

From the dawn of sacred history to the present hour the Jews have borne more than their share of the world's burdens; they have paid more than their share of the world's debts; they have done more than their part to elevate humanity from the depths of savagery to the heights of civilization; they have surpassed every other people in pointing and paving the way from earth to heaven where the wicked cease from troubling, and the weary be at rest. Henceforth all things whatsoever we would that the Jews should do to us, let us do even so to them, for this is the law and the prophets.

As an incentive both to constitutional and Christian conduct toward all of foreign birth—whether Gentiles or Jews—who have come to America to find a better life for themselves and to help make this a better land for us all, let me conclude with a story that was told in this Chamber a quarter of a century ago by the eloquent, able, and beloved Congressman Scott Ferris, of Oklahoma:

> At a meeting of school children in New York to celebrate the Fourth of July, one boy, a descendant of native Americans, spoke as follows:
>
> "I am an American. My father belongs to the Sons of the Revolution; my mother belongs to the Colonial Dames; one of my ancestors threw tea overboard in Boston Harbor; another stood his ground with Warren; another hungered with Washington at Valley Forge. My forefathers were Americans in the making. They cleared her forests, they commanded her ships. They spoke in her council halls, they died on her battlefields. Dawns reddened and paled; stanch hearts of mine beat faster as each new star was added to the Nation's flag. Keen eyes of mine foresaw this Nation's greater glory, the sweep of her seas, the plenty of her plains, the manhives in her billion-wired cities. Every drop of blood in me holds a heritage of patriotism. I am proud of my past. I am proud that I am an American."
>
> Then a foreign-born boy arose and said: "I am an American. My father was an atom of dust; my mother was a straw in the wind to his serene majesty; one of my ancestors died in the mines of Siberia; another was crippled for life by 20 blows of the knout; another was killed defending his home during a massacre of the peasants. The history of my ancestors is a trail of blood to the palace gate of the great white czar. But then a dream came—the dream of America. In the light of liberty's torch, the atom of dust, which was my father, became a man, and the straw in the wind, which was my mother, became a woman for the first time.
>
> " 'See,' said my father pointing to an American flag that fluttered near, 'that glorious banner of stars and stripes is yours. It is the emblem of the promised land. It is, my son, the sublime hope of the humanity of all the world. Live for it. If need be, fight for it. If necessary, die for it.'
>
> "Under the open sky of my new country I swore to obey my father's admonition, and every drop of blood in my veins will keep that vow. I am proud of my future. I am proud that I, too, am an American."

Let us, by our official conduct, prove ourselves worthy of fellowship with this patriotic boy of foreign birth. Let us fully share his loyalty to the flag, his deep appreciation of our country's opportunities, his firm determination to defend its blessings, and thus qualify ourselves devoutly and joyfully to declare: "Thank God, we, too, are Americans."

Mr. STEFAN. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, no reply whatever would be made to the gentleman who just preceded me were it not for the fact that he tries, as so many others have tried during the last 10 years, without success, to place me in a false position. The gentleman from West Virginia [Mr. NEELY] mentioned the words "Jew baiter."

That term does not apply to me. I challenge any Member of this House on either side—and I notice three Members of the House who are of the Jewish race sitting here before me who have been Members of this House ever since I have been here—and, I repeat, I challenge any Member of this House to point to one word of mine, written or spoken, which ever condemned or criticized any man or woman of the Jewish race because he or she was a Jew.

I note the challenge is not accepted. No one disputes my statement.

Now, I am growing a little bit tired of this idea that because a man is a Jew he is exempt from criticism. A man should be criticized or praised for what he does, for what he is—never because of his color, lack of color, creed, national descent, or ancestry. Nor should any man who is justly subject to criticism be exempt because of his nationality, color, lack of color, religious belief, national descent, or ancestry.

All too often men subject to criticism, those subject to condemnation, because of their words or conduct, hide behind a manufactured screen of prejudice, relying upon their nationality, their religion, their color or lack of it, to claim exemption from an exposure of their records.

Nothing that I have said applies to the instant case, but is mentioned to call attention to the all too prevalent practice of yelling bias, prejudice, or persecution, or all three when none exists.

Were I a member of the Jewish race, I would be proud of that fact. I would not be running around complaining, or having some of my friends complaining, that I was being criticized because I was a member of the Jewish race.

If memory serves me correctly, the gentleman from West Virginia [Mr. NEELY] complained somewhat bitterly that, on the 22d of February—and the pertinent part of the speech to which he made reference will be found in the CONGRESSIONAL RECORD on pages 1369–1370—I criticized Justice Frankfurter because he was a Jew.

That charge is without foundation, as the gentleman will learn, as the Members of the House may learn, if they will read the speech made by me.

My criticism was directed to the point that a Justice of the United States Supreme Court was taking an active part in the political affairs of another nation; was, according to the press, attempting to guide the destinies of the New Deal faction of the Democratic Party.

If memory serves correctly—and the test as to whether the gentleman from West Virginia [Mr. NEELY] knew what he was talking about can be made quickly by a reference to the printed record—I at no time criticized Justice Frankfurter because he was a Jew.

The gentleman from West Virginia alleges that, by insinuation, I attempted to belittle the Justice because he was a Jew. Even that I did not do.

My recollection is that I did not at any time mention the word "Jew," either in my own remarks or in the remarks which I quoted.

It may be that the gentleman from West Virginia is doing more to create race consciousness by the remarks he made today than I could possibly have done in the remarks made on the 22d.

The gentleman should at least, being such a stickler for justice and for accuracy, have examined the RECORD and, had he done so, he would have learned, and well might he have told the House, that his charge, made by innuendo, that I was a Jew-baiter was without any foundation in fact.

Again, the gentleman either directly or by inference, by innuendo, charged that I attempted to discredit Justice Frankfurter because he was born across the seas. Once more I challenge his accuracy. I am confident that an examination of the RECORD will show that the only reference to the fact that Justice Frankfurter was born abroad was in the quotation of the article which appeared in the Detroit Free Press on June 1, 1942, and in which it was stated, referring to the Justice, "He was born in Austria."

It is no crime to have been born across the seas. I know no one who is so foolish,

so bigoted, as to criticize any individual because of the place of his birth, the nationality of his parents.

I do not even know where my ancestors came from. I do know that a great-grandfather was born in Pennsylvania. When as a lad of 16 or 17, suffering from that disease so common to young men, designated by some as "the swell head," father, to deflate me, to take the false pride, the youthful assurance, out of me, used to tell me that my ancestors were Hessians, hired by King George to fight the Colonists.

To me, father's statement, whether it had foundation or not, was humiliating, for, reading the books written by Coffin, one entitled "Old Times in the Colonies," and the other "Building the Nation," my sympathies, my admiration, my loyalty, were all with the Colonists and their descendants, and I had no real affection for the Redcoats or any of those who opposed our forefathers in the Revolutionary War.

In the talk of February 22, and I repeat for emphasis, no attack was made upon the Justice of the Supreme Court because he was a Jew. Let me again assert if I belonged to that race I would be boasting of the achievements of the Jews.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. HOFFMAN. Not now.

Mr. MARCANTONIO. The gentleman issued a challenge. I would like to meet that challenge.

Mr. HOFFMAN. You can put it in the RECORD any time. Well, what challenge do you mean? If you wish to deny the accuracy of my statement that I ever said or wrote a word criticizing a Jew because he was a Jew, do so.

Mr. MARCANTONIO. Does not the gentleman feel that when he singles out a person's race, when he singles out his birthplace, that he is doing so for the purpose of demeaning him and for no other reason, and in that respect the gentleman has been Jew-baiting?

Mr. HOFFMAN. No; you are entirely wrong. No such thing. I never heard of a Swede complaining because he was called a Swede—a half dozen other nationalities could be mentioned and none so far as I know ever complained or felt hurt because he was referred to as being of a certain race. I have been called a round-headed Dutchman a good many times. That is supposed to be something—well, I just do not know how to describe it; not an individual who stands at the top, in education or culture, judged by some standards, but an individual who is stubborn, perhaps narrow-minded, but beyond question thrifty and saving and religious. I never resented it when a fellow said to me I was a round-headed Dutchman. I never knew an Irishman to get angry when you called him an Irishman.

Mr. McCORMACK. Now, just a minute. Will the gentleman yield?

Mr. HOFFMAN. Yes; but you will have to get me more time.

Mr. McCORMACK. Of course, on the floor of the Congress, the only thought I have in mind is this, that we are all Americans.

Mr. HOFFMAN. You are right.

Mr. McCORMACK. The gentleman may refer to me as an American of Irish blood, if he wants to, but the gentleman should be careful about referring to Americans as of any racial group, because over and above all we are all Americans. I have never heard the gentleman called a Dutchman on the floor, because I would insist that the gentleman is an American of Dutch origin, if that is his racial origin.

Mr. HOFFMAN. Now, that is a long enough lecture.

Mr. McCORMACK. I am not lecturing the gentleman.

Mr. HOFFMAN. Oh, yes; you are feeling sorry for me as earlier in the day you felt sorry for the gentleman from Indiana [Mr. HALLECK]. I am familiar with your method and you cannot distract me.

Mr. McCORMACK. We are all Americans.

Mr. HOFFMAN. Certainly, we are all Americans. Then instead of this American and that American, an Irish-American, or a Jewish-American, why do we not forget the Jewish and the Irish and all the rest of it and let it go at that? No; that is not the way it is done. In my own district I have racial groups. There are Polish folks and there are Czechs. There are people of German descent, there are people from the Netherlands, there are Italians, there are Jews, there are Negroes. I have never had any trouble with any of them because of race, creed, color, or national origin, and I do not propose that anyone shall drag me into a position where I can be truthfully charged with being antagonistic to any group because of race, creed, color, or nationality.

Mr. McCORMACK. The gentleman has raised that question himself. He is the one who raised that, and he says it should not be raised.

Mr. HOFFMAN. That is nonsense. I did nothing of the kind. The gentleman is the one who raised that issue. Look through my speech of February 22. You will not find a word where I made any derogatory reference to anyone because he belonged to the Jewish race.

Let me go back. I say if I were a Jew, I would be proud of it. Do they not hold most of the good jobs in the Government? Do they not control the big monied businesses? Do they not control many of the big financial institutions? Do they not control the picture business? Do they not control much of the press? Are they not at the top in the professions?

Mr. SABATH. Will the gentleman yield?

Mr. HOFFMAN. No; I do not yield.

That they do is no reflection upon them as members of the Jewish race or otherwise. They do not control these things, they do not have control in business, in industry, in publications, in radio, they are not at the top in the professions, in the arts, in the sciences, because they are Jews. They have control because they have and use the ability to succeed to a remarkable degree. You know that just as well as I do. What is the use to try to make out that here in America they are persecuted? I know the purpose of all this. An effort is being made to get some excuse so that some time, in some campaign, somewhere, you can fight me with the statement that I am anti-Jewish.

That charge is completely false, and none knows that it is false better than the Members of this House and the people of my district.

There are two possible inferences which might be drawn from the speech of the gentleman from West Virginia [Mr. NEELY], and I do not charge, either directly or indirectly, for I have no personal acquaintance with him, that he had either in mind.

This much may honestly be said. One inference that a stranger might draw from the talk would be that the gentleman was making a bid for the political support of a racial group.

Another inference which the casual reader might get, if he was familiar with previous issues of the RECORD, would be that it was an effort to do me political harm because I was an opponent of the New Deal and a Republican.

Not one thing that I said on the 22d of February is as critical, as scathing, of the conduct of Mr. Justice Frankfurter as the statements contained in the remarks of the gentleman from Mississippi [Mr. McGEHEE], a Democrat, a member of the majority party, a colleague and a co-party worker of the gentleman from West Virginia [Mr. NEELY].

The gentleman from Mississippi—and his remarks will be found on page A693 of the Appendix of the RECORD—and when I made my talk I had no knowledge of the remarks of the gentleman from Mississippi—used the same statement made by Theodore Roosevelt in referring to Justice Frankfurter and of which the gentleman from West Virginia today so bitterly complained that I used on the 22nd.

The gentleman from Mississippi went further and he called for the impeachment of Mr. Justice Frankfurter. Among other things, he said:

> I want to say to you, in my opinion, which is also the opinion of thousands of good patriotic American citizens, that this man Frankfurter, together with a few others, are the Rasputins of this administration. I am suggesting to the Dies committee that they go immediately into and delve into the actions of Frankfurter, with a view of bringing impeachment proceedings against him and relegating him back to private life and, if possible, send him back to the land from which he came and let him teach his un-American doctrines there rather than to try to contaminate a patriotic American citizenship.

He also made the same charge that I did—that the Justice, and I quote, "cherishes the ambition to be chief justice of an international court of justice to be set up under the Dumbarton Oaks program."

Why did not the gentleman from West Virginia, as he waxed indignant and wrathful because of what had been said by me about Justice Frankfurter, turn his vitriol upon his fellow party member?

It can hardly be possible that he withheld his indignation—real or simulated, whichever it was—because the gentleman from Mississippi was a Democrat; poured

it all forth on me because I was a Republican. I rather think, if I be permitted to express an opinion, that he was not familiar with the remarks of the gentleman from Mississippi.

You can make all the charges you want. There are many Jews in my district and I never had trouble with any one of them. For years I was an attorney in the southwestern part of Michigan for the old Jewish Agricultural and Industrial Aid Society with headquarters in New York; and Mr. Simmon, of Chicago, who was head of the Chicago and western branch, never made any such charge as that; nor did any of the Jewish people I aided ever attempt to say I did not well and faithfully look after their interests.

I know the purpose in this attempted smear campaign. There has been an attempt—there was in the last campaign and in the one before it—to brand me as anti-Jewish. Jews contributed to the campaign fund used in the effort to defeat me in 1944. They had that right. They did not contribute to the campaign fund to defeat me because they were Jews; they contributed because they were New Dealers. And I knew it. And there were some Jews supporting me in the Fourth Congressional District in that campaign because I was anti-New Deal as the gentleman from Illinois [Mr. SABATH] well knows. So you cannot truthfully charge me with being anti-Jewish. You are not going to make that charge stick, never, not as long as I have breath to prove its falsity.

Now, another thing, in this talk which I made on the 22d, some reference was made to the Justice. Why? Not because he was a Jew, but because it was charged more than 2 years before, and so far as I knew then and so far as I have heard today from the speech of the gentleman from West Virginia, and he had 30 minutes to show its inaccuracy—it has never been denied—the statement was published in a Detroit paper to the effect that a lot of people seemed to think it queer that a Justice of the United States Supreme Court should be dipping his fingers in the diplomatic affairs of the British Empire.

My understanding of the conduct of a judicial officer is that he should keep his fingers out of politics. Especially is that true when a man goes on the United States Supreme Court Bench. And to think of a member of the Supreme Court bench dipping down into politics and trying to have a part in the destinies of a political party. I just cannot picture it in my mind.

If Justice Frankfurter wants to take the position—and we hear and see in the press almost every day where he has something to do with the policies of the administration—if he wishes to do that, that is a matter for his conscience.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. STEFAN. Mr. Chairman, I yield 3 additional minutes to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman also stated the fact that I complained because Communists were to be commissioned as Army officers. I did, I did; and I shall continue to complain when Communists are given commissions in the armed forces. This Congress has more than once ousted Communists from position in the Government. I know the Communist doctrine, I know that their party theory is that there is no God and that religion is a fraud.

I have a son in the service. I have neighbors and friends who have boys and girls in the service and if I can do anything under God's heaven to prevent a Communist having authority over them—a man who does not believe in the Deity—I am going to do it; and you can mark that down anywhere you want to, and you can make any charges on the floor that you want to in the effort to deter me, but that position will be maintained.

You will find when you get down to it that the people of America are Christians or recognize the existence of a Supreme Being. They believe in the existence of an Almighty, and they do not propose to submit to the placing over their sons and daughters, with the power of life or death, of any Communist or anyone who denies the existence of God.

I see nothing wrong in my opposition to the participation of a Justice of the Supreme Court in political intrigue on either the home or foreign front. I am making no apologies for my opposition, for my condemnation of a man who, sitting on the heretofore most respected Court in the land, joins with the Communists, becomes their political coworker, drags his judicial robe through the political arena, attempts to guide the destinies of a political party, and so lowers the dignity of that Court—aids in destroying the respect the people have always had for it.

A Supreme Court Justice should be just as much apart from politics as should a minister, a rabbi, or a priest. I make no apology for my criticism of Frankfurter because he has so far forgotten his judicial position nor for my insistence that the armed forces deny commission to all who subscribe to the doctrine of the overthrow of this Government by force and violence. When they say they have repented and they have reformed, we should give them ample opportunity to show that the reformation has been real.

The only possible purpose in referring to a man as being foreign-born and his connection with our domestic or foreign affairs is the thought that, when a man is dissatisfied with the country from which he comes or when the parents who bring him here are dissatisfied with the government of the home country or the conditions surrounding them, that man who aspires to a position of public power and influence in this country should at least live here in America long enough to become acclimated and oriented before he attempts to move to the top or assumes in a loud voice and with an aggressive manner to tell the old-timers what is wrong with the country in which they have lived so long, of which he actually knows so little.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. RABAUT. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. ELLIOTT].

MEXICAN TREATY

Mr. ELLIOTT. Mr. Chairman, I have asked for this time today to express myself regarding the proposed Mexican treaty, realizing that the House will not have an opportunity to vote on this treaty and owing to the fact that the treaty supporters have stated California is the only State affected when as a matter of fact the Mexican treaty would take billions of dollars out of the pockets of the farmers of the United States. So far as the cotton-raising areas of the United States are concerned, the Mexican treaty should be recognized as a cotton treaty rather than a water treaty. The treaty takes away from farmers and city dwellers in southwestern United States and guarantees in perpetuity to large landowners in Mexico a minimum of 1,500,00 acre-feet of Colorado River water each year. That is more water than all of the people of Greater New York and Philadelphia use for domestic and industrial purposes during a year. The treaty does not stop there. It also authorizes the building of dams and other works of the Colorado River in Mexico.

The Colorado River water guaranteed and made available to Mexican landowners by the treaty is a free gift to these landowners. The delta area in Lower California in Mexico that will be irrigated by the water is now being used almost exclusively for production of cotton. The treaty water will increase the cotton acreage from 500,000 to 800,000 acres. There are now about 200,000 acres in that Mexican area in cotton production.

The free United States water which the treaty hands over to Mexico to use in the production of cotton will not be primarily for the benefit of small Mexican farmers. It will mostly benefit a few wealthy landowners who control the larger part of the Mexican delta land. One of these barons is a citizen or a former citizen of the United States. The representatives of the State Department, in strongly advocating the Mexican treaty, have been insisting that it was being advanced in the interest of good will between the United States and Mexico. It appears to be the kind of good-will offering, insofar as the Colorado River water is concerned, that will richly benefit certain interests operating within Mexico; and is the kind of good-will offering that will cost the United States cotton growers millions of dollars annually.

Members of Congress from every part of the Union have a direct interest in this proposed Mexican cotton treaty. That is true because it will create and subsidize with American water an immense new competitive cotton-producing area next door to the United States. For a good many years Congress was called upon to appropriate millions of dollars annually to help out the cotton growers of our country. That was because these growers were facing cutthroat competition from cotton-growing areas in other

parts of the world. In fact during each of the 5 years prior to 1943, with its extraordinary war conditions in effect, our Treasury paid out more than $200,000,000 to assist our cotton growers.

Now the State Department proposes to bring that cutthroat competition a little closer home. It wants to build up greater and ever greater cotton competition right across the line from our own cotton growers in the United States. That will result, most certainly, in Congress being required to appropriate even greater sums of money each year to aid our own cotton growers.

It is not the business of Congress to dictate to Mexico or to any foreign country what crops they should, or should not, produce. But it is the business of Congress not to go out of its way to hand over to a foreign country a priceless natural resource of our people, namely, water, to be used by landowners in that foreign country to produce more and more crops that are directly competitive to crops produced in the United States.

I looked in vain over the record of the hearings on this treaty to find where the spokesman of Secretary Ickes' Interior Department had recommended that this treaty provide that no landowner benefitting from the water given to Mexico could irrigate more than 160 acres of land. The works on the Colorado River that control its waters and make it possible for Mexico to receive any benefits are all built with American money and on the understanding that the benefits were to be exclusively American.

Secretary Ickes and his henchmen have been very zealous in trying to see that any American in the United States receiving water from a Government project could only irrigate not more than 160 acres of land. When the amendment I introduced last year to the river and harbor bill was lost by the failure of that bill to pass the Senate, it was very largely the result of the efforts of Secretary Ickes and a few Senators who also failed to raise their voice and demand that the same conditions they are trying to apply on the American side be made a like rule on the Mexican side of the boundary.

My amendment would have removed the acreage restrictions of the reclamation law from applying to the Central Valley project in California, where due to the character of the water and the physical conditions it is impossible to enforce them.

Now in effect Mr. Ickes says to give to the landowners in Mexico an uncontrolled use of water, operated through American works, built by money of American taxpayers for the use of American citizens, while on the other hand take away from the American citizens their present rights, penalize them in some way when they do not comply with unworkable dictates and give away without control a natural resource that in 50 years will be vital to this country. This is consistent with the usual actions of the Interior Secretary.

A few days ago it was reported in the press that our State Department was advocating the removel of all tariff barriers between the countries of the Americas. At the present time, America's cotton growers are given some measure of protection in our domestic cotton market by reason of certain tariff measures. Under the State Department's plan even this protection would be removed. American cotton growers, already faced with cutthroat cotton competition in the world market, would be faced, under this no-tariff plan, with the same fate on the domestic market. And at the same time, the State Department is seeking to force through the Senate a treaty with Mexico that will give away, free and without restriction, for all time, American water to produce hundreds of thousands of bales of additional cotton in Mexico, right across the boundary line from our own struggling American cotton growers.

It can be readily seen how this treaty will benefit Mexican landowners and cotton operators in Mexico.

How can it be demonstrated that the treaty will benefit American citizens in the United States? The fact is, the treaty if ratified by the Senate will do a great injustice to millions of American citizens, and it will take away from a large part of this country for all time to come a large quantity of water vitally needed in the arid Southwest.

Now, Mr. Chairman, I have been talking about one crop, namely cotton. But this is not cotton alone. Sugar can be produced, corn, wheat, barley, oats, specialty crops, and dairy products. In other words we are making it possible to open up a large acreage for future farming operations with free water from the United States to compete with what our people are producing at the same time; and when the war is out of the way we in the United States will have no market for the crops our farmers are producing because of the many crops that will be grown with this free water.

We have heard much about providing farms for the returning veterans. We cannot under this program guarantee the returning veteran a market for his products. The veteran will have to pay for his water whereas under this treaty we furnish free water in competition against the veteran.

I am not opposed to a treaty that will give Mexico a square deal on what water she is rightfully entitled to. But I believe that our American people are entitled to water at least as free from cost and restrictions on the use of water as any treaty gives to Mexico. If favors or privileges are to be granted, they should be to our own people first.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

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

Mr. McDONOUGH. Can the gentleman give us some information as to how the administration of this treaty will be handled once it is adopted? Is it under a boundary commission, is it under any other function or department of Government, or how will it be handled?

Mr. ELLIOTT. Once a treaty with Mexico is entered into, we have no further control. They will have full authority to act from now on for all time. The water rights that are now owned by our own Government, paid for by our own Government, will be turned over and given free to the Mexican Government.

Mr. McDONOUGH. There is no benefit to the United States in approving this treaty?

Mr. ELLIOTT. Not that I can see, except just as a good-neighbor policy. If we are not careful, if we continue to give and give and give, we are going to waken in a few short years to find that we have given so much that the American people will become alarmed at the tremendous debt we will still have on our hands.

Mr. McDONOUGH. I understand a boundary commission is set up in the treaty, made up of two men—one a Mexican and the other an American—and that this boundary commission has the privilege of administering the functions on both sides of the border, without veto power by Congress or any other authority, subject only to their own decision, and they have the spending of millions of dollars, the hiring of many men, and the delivering of millions of acre-feet to Mexico out of two rivers originating in the United States—the Rio Grande and the Colorado Rivers.

Mr. ELLIOTT. The gentleman is correct.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE of Iowa. Mr. Chairman, I shall take a very short time to call to the attention of the committee something which is not primarily the responsibility of the Committee on Appropriations but is, I believe, a matter in which the whole House will be interested. What I have to say has to do with the amount of work that is being done in the Federal courts throughout the country.

I have here a reprint of an article which appeared some time ago in the University of Kansas City Law Review. It was written by the late Judge Merrill E. Otis. He sets out various tables showing the number of cases of various types filed in all the Federal courts between the years 1929 and 1938. He divides them into three classes.

The first is the criminal cases. In 1929 there were 86,000 such cases filed. The number rose until 1932, which was the high, with 92,000 cases. Then the number filed each year dropped until 1938, when there were 34,000 cases. The figures for 1944 indicate a slight increase, up to 39,000 criminal cases filed. This increase, of course, is due to the enforcement of certain laws having to do with the war.

The next is a table showing the civil cases in which the United States is a party. Beginning in 1929 the number was 24,000 cases filed, rising to a high in 1932 of 34,000, dropping in 1938 to 11,000, and then in 1944 rising to 20,000.

The number of purely civil cases filed in 1929 was 20,000, rising to a high in 1933 of 26,000, dropping in 1938 to 22,000, and dropping further in 1944 to 17,000.

In other words, the figures show the number of cases in the Federal Court have been steadily declining. Yet, all

during that period, we have been increasing the number of judges. For example, in 1928, we created one new circuit judgeship. In 1929, we created 9 new district judgeships and so on, until 1938, which was the time when the cases filed in Federal Courts reached an all-time low. We authorized that year 5 new circuit judgeships and 15 new district judgeships.

However, I am not objecting to that so much as I am objecting to the fact that the courts of the country, particularly the Federal courts, have virtually ceased to function. Some of you will remember in 1940 we had before us the Walter-Logan bill, which passed the House by a very substantial majority. The purpose of the bill, you will remember, was to provide regulations for the bureaus and tribunals which are now running this country. At that time, the Committee on the Judiciary had prepared a chart listing these various bureaus and tribunals in the executive departments which exercised legislative and judicial functions. I have it here. It is a sizable chart. It includes only the tribunals and bureaus which were functioning when the war started. If I could have a chart including those set up since the war, I doubt if I could even lift it.

I want to point out some of these tribunals. I doubt if very many people in the country have heard of some of them. First, there are the tribunals in the Department of Agriculture. For example, here is a Board of Tea Appeals. Have you ever heard of that? That is a board which has been set up which exercises judicial functions having to do with the sale of tea in this country. You have here a lot of other tribunals. Here is a committee in re nut grading. Here is a committee in re tea grading. Here is a committee in re dry beans grading, sirups, and so on.

There are literally hundreds of these tribunals which are exercising judicial functions in this country. When you get to the National Labor Relations Board and the Wage-Hour Division, you find there what amounts to courts operating on the rights of the people but with almost no regard to any constitutional limitation.

If I had time, I would like to call attention to more instances. I can only mention a few instances where these bureaus have absolutely defied the Congress. Consider the matter of subsidies. There is nothing in the law to justify the payment of certain subsidies, and yet they paid them. There was nothing in the law to justify the attitude taken by Mr. Byrnes or Mr. Hershey in regard to the farmer draft.

Here we have the wage-hour law which allows the Administrator to fix a certain minimum wage. The Administrator of the Wage-Hour Division, some time ago, made a rule that no one could engage in home work. There is no provision in the law for that. In fact, that very proposition was before this House, that bill was here, and it was turned down. Yet, he established that as a rule. He said there could be no home work and put thousands of people out of that type of work. That case went to the Supreme Court and it was affirmed. It held he had a right to make that ruling. But I would like to call your attention to the dissenting opinion of Mr. Justice Roberts, in which he comments on the majority opinion. This is what he said:

> The philosophy of the Court's opinion can be nothing less than that the Administrator may, if he finds it necessary, rewrite the statute.

That is, in substance, Mr. Chairman, what these boards and bureaus are doing. If we intend to keep up the substance of representative government, some action must be taken to point out to them that the laws are going to be made by this Congress, and not by those bureaus. If something is not done quickly to reaffirm and reestablish constitutional government, then I, for one, am in favor of being honest with the people in telling them that we no longer are a representative government; that we have socialism here. Let us have that and be done with it.

Along the line of the bill which we did pass, the Logan-Walter bill, I yesterday introduced H. R. 2602. I introduced a similar bill in the last session. A number of similar bills are pending before the Judiciary Committee of the House. The purpose of the bill is to regulate these bureaus and tribunals. For instance, we enact a law. It goes to some bureau to be enforced. Immediately they write voluminous regulations, but in writing those regulations they have no regard whatever for the intent the Congress may have had in writing the law. What can you do? You can do nothing. The citizen can do nothing. Then if the citizen violates one of those regulations, of which there are literally hundreds of thousands, all having the force and effect of law, he is not ordinarily tried in a court. He is tried before one of these tribunals. The same tribunal prosecutes him, writes the law that he violates, and administers the punishment. If anything can be any more totalitarian than that, I would like to know what it is.

I fail to see, Mr. Chairman, why we spend billions and why we allow our boys to be shot in fighting that sort of thing, and yet day by day approve that in this country and literally do nothing in protest.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GWYNNE] has expired.

Mr. STEFAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. LATHAM].

Mr. LATHAM. Mr. Chairman, the administration of the affairs of veterans of this and other wars in which we have been engaged will shortly become one of the three most important functions of the executive branch of our Government. This is true because of the need for competent, efficient and sympathetic administration, because of the stupendous sums which will necessarily be expended, and because of the vast number of people employed.

The Budget request for the 1945–46 fiscal year for the Veterans' Administration is $2,707,000,000. This is more than has been requested for any of the Departments in the executive branch of the Government, except for the Navy, War, and Treasury Departments. Seven of the ten heads of departments who have Cabinet rank will spend during the coming fiscal year only a small fraction of the sum necessary to handle the affairs of veterans, in fact about one twenty-sixth of that sum. I venture to say that at the conclusion of hostilities, the Veterans' Administration will, from the standpoint of expenditures, equal or even exceed either the Navy or War Departments.

It has been my thought that a division of government so enormous, and so vitally important to every one of us should no longer be set up as a mere agency of government, but rather as a full-fledged department within the executive branch, the head of which should have cabinet rank. I have today introduced a bill to accomplish this, H. R. 2611.

I believe this change would be helpful in the rehabilitation, education, hospitalization, reemployment and security of our returning fighting men. If this bill were to pass and this governmental structure were to be adopted, it would create a formal and automatic arrangement for close liaison and conference between the responsible head of the Veterans' Administration department who would then be a Cabinet member, and the President of the United States. It would bring together under one head the various agencies and commissions now handling veterans' affairs, which have often been working at cross purposes.

We have as a Cabinet officer the head of the Department of Commerce, the Department of Justice, the Department of Labor and the Department of State, all of whose functions are certainly no more vital than the well-being of our sons, brothers, and neighbors, who have become casualties of war.

The bill which I have introduced also provides for establishment of an advisory council which would assist and advise the Secretary of Veterans' Affairs. This council would be comprised of nine members, appointed by the President, three from among the Presidents of the five largest veterans' associations, three to represent the general public, two would be members of the medical profession, and one a leader in the field of education.

The other day the head of the Veterans' Administration, after some criticism had been leveled at his agency by a member of this body, ordered an investigation of the medical services given to hospitalized veterans. I personally know nothing about the merits of the charges, but this would perhaps indicate that a reorganization at this time might not be amiss.

It is my hope that this measure will receive the favorable consideration of this body.

Mr. Chairman, in accordance with permission obtained earlier today in the House, I extend a copy of this bill:

Be it enacted, etc., That (a) there is hereby established at the seat of government an executive department to be known as the Department of Veterans' Affairs, which shall be administered by a Secretary of Veterans'

Affairs, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive the same compensation as other heads of executive departments.

(b) There shall be in the Department of Veterans' Affairs an Under Secretary of Veterans' Affairs and three Assistant Secretaries, to be appointed by the President, by and with the advice and consent of the Senate, who shall perform such duties as may be required by law or prescribed by the Secretary of Veterans' Affairs. The Under Secretary shall receive compensation at the rate of $12,000 per annum, and the Assistant Secretaries shall each receive compensation at the rate of $10,000 per annum. There shall also be in the Department such other officers and employees as shall be transferred to the Department of Veterans' Affairs under this act, and such other officers and employees as may from time to time be provided by Congress.

SEC. 2. (a) The Department of Veterans' Affairs shall be, and is hereby, vested with the authority, duties, and powers heretofore vested in the Veterans' Administration.

(b) The functions, powers, and duties vested in and imposed upon the Administrator of Veterans' Affairs are hereby transferred to and vested in and imposed upon the Secretary of Veterans' Affairs, and any power which the Administrator of Veterans' Affairs has heretofore been authorized to exercise may be exercised by the Secretary of Veterans' Affairs.

(c) All orders, rules, and regulations, or other issues made or granted in respect to any functions consolidated or coordinated under the provisions of this act and in effect at the date of its enactment shall continue in effect to the same extent as now authorized until modified, superseded, or repealed by the Secretary.

(d) It shall be the duty of the Secretary of Veterans' Affairs, and he shall have authority to do all things necessary and proper to hospitalize, rehabilitate, and provide vocational and educational training, insurance, compensation, and pension benefits for honorably discharged veterans of all wars, and to administer all matters directly affecting their interests and welfare.

(e) The Secretary of Veterans' Affairs shall have authority to do all things necessary and proper to secure replacement of discharged personnel of the Army, Navy, Coast Guard, or Marine Corps, including the Women's Reserve components thereof, in their former positions and in securing employment in new positions to the end that every discharged person shall be reestablished in civil life as soon as possible after discharge; for the accomplishment of this purpose the Secretary shall have the power and the duty to cooperate with and employ the facilities of other governmental and State employment agencies.

SEC. 3. The President shall appoint an Advisory Council on Veterans' Affairs, composed of nine members, which shall meet from time to time at the call of the chairman of the council or the Secretary of Veterans' Affairs. The council shall elect its own chairman and secretary and shall advise the Secretary of Veterans' Affairs on all matters pertaining to the welfare of veterans and administration of the Department. Three of said members shall be chosen from among the presidents of the five largest veterans' membership organizations in the United States; three shall be persons representing the general public, who have no connection with veterans' affairs; two shall be members of the medical profession; and one shall be a person experienced in the field of education. The members of said Advisory Council shall serve without salary but shall receive a reasonable per diem compensation while meeting as a council, the amount to be determined by the Secretary of Veterans' Affairs, and shall be reimbursed for necessary travel expenses incurred while traveling to and from meetings.

SEC. 4. It is further provided that the administration of any law creating benefits for veterans, the administration of which has heretofore been vested in some department or agency other than the Veterans' Administration, is hereby transferred to the Department of Veterans' Affairs.

SEC. 5. Appropriations for the Veterans' Administration shall be available for the administration of this act; and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes of this act.

SEC. 6. The Secretary of Veterans' Affairs shall make annually at the close of each fiscal year a report in writing to Congress giving an account of all moneys received and disbursed by him and the Department, describing the work done by the Department, and making such recommendations as he shall deem necessary for the effective performance of the duties and purposes of the Department.

SEC. 7. This act shall take effect 30 days after the date of its enactment.

Mr. STEFAN. Mr. Chairman, may I inquire how the time now stands?

The CHAIRMAN. The gentleman from Michigan [Mr. RABAUT] has consumed 1 hour and 50 minutes; the gentleman from Nebraska [Mr. STEFAN] has consumed 1 hour and 38 minutes.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. MILLS, 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. 2603, making appropriations for the Departments of States, Justice, Commerce, the judiciary, and the Federal Loan Agency for the fiscal year ending June 30, 1946, and for other purposes, had come to no resolution thereon.

MEXICAN CLAIMS COMMISSION

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 115, relative to determination and payment of certain claims against the Government of Mexico.

The Clerk read the title of the resolution.

Mr. STEFAN. Mr. Speaker, reserving the right to object, will the gentleman explain the resolution?

Mr. BLOOM. Yes; very briefly, it extends the life of the Mexican Claims Commission 2 years. This Commission expires on April 5, which is the reason requiring prompt passage of this resolution.

I may say that this resolution comes with a unanimous report from the Committee on Foreign Affairs. I took it up with the gentleman from Massachusetts [Mr. MARTIN] this morning. The gentleman from Ohio [Mr. VORYS] knows about it, and there is no objection to it.

Mr. STEFAN. I notice that the appropriation bill under consideration today dealing with the State Department contained no appropriation for the Mexican Claims Commission.

Mr. BLOOM. That is correct. There is no appropriation needed. The operations of this Commission are paid out of the funds they receive from Mexico. They are collecting some $40,000,000 due United States claimants.

Mr. STEFAN. I think it is a pretty important bill.

Mr. BLOOM. I assure the gentleman this resolution calls for no appropriation.

Mr. STEFAN. This resolution extends the life of the Mexican Claims Commission for 2 years.

Mr. BLOOM. Yes; for 2 years. The life of the present Commission expires on April 5.

Again I emphasize the fact that this resolution calls for no appropriation. All the expenses of the Commission are paid out of moneys collected from Mexico. They gave us $40,000,000 to pay claims against Mexico.

Mr. STEFAN. We have had appropriations for the Mexican Claims Commission.

Mr. BLOOM. Not for this year.

Mr. STEFAN. Not this year but in past years. I feel that this is too important a bill to be called up at this hour of the day under unanimous consent. A bill extending the life of a very important Commission should be called up in the regular way.

Mr. BLOOM. As I say, this Commission has been operating for 2 years and we have not made 1 cent of appropriation for it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, reserving the right to object, the Committee on Foreign Affairs voted unanimously for this resolution. The Mexican Government is paying the expenses for this work. No money whatsoever has come out of the United States Treasury this past year for this Commission; and the the claimants are receiving very much more than they expected to.

Later they may receive from the Mexican Government in some instance 100 percent of their claims.

DETERMINATION AND PAYMENT OF CERTAIN CLAIMS AGAINST THE GOVERNMENT OF MEXICO

Mr. BLOOM, from the Committee on Foreign Affairs, submitted the following report:

The Committee on Foreign Affairs, to who was referred the joint resolution (H. J. Res. 115) relative to determination and payment of certain claims against the Government of Mexico having considered the same, report favorably thereon without amendment and recommend unanimously that the joint resolution do pass.

In compliance with clause 2a of rule XIII, existing law proposed to be omitted is enclosed in heavy brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman:

"SETTLEMENT OF MEXICAN CLAIMS ACT OF 1942

"Approved December 18, 1942 (56 Stat. 1058, 22 U. S. C., Supp. II, 661c)

* * * * *

"SEC. 2. * * *

"(c) The Commission is authorized to make such rules and regulations as may be necessary to carry out its functions under this Act.

"(d) The authority of the Commission under this Act, and the terms of office of its members, shall terminate at the expiration of [two] *four* years after the date on which a majority of its members first appointed take office, but the President may

by Executive order fix an earlier termination date. Upon the termination of the authority of the Commission, all books, records, documents, and other papers in the possession of the Commission shall be deposited with the Department of State.

"SEC. 4. (a) The Commission shall also have authority, within its discretion, as hereinafter provided, to examine and render final decisions (1) in those cases in which the two Commissioners designated by the United States and Mexico, respectively, pursuant to the General Claims Protocol between the United States and Mexico signed April 24, 1934 (48 Stat. 1844), failed to reach agreements and the Commissioner so designated by the United States made appraisals, and (2) in those cases in which appraisals were made by the Commissioner designated by the United States pursuant to the Agrarian Claims Agreement of 1938.

"(b) In connection with such cases, the Commission shall, as soon as practicable, notify each claimant, or his attorney, by registered mail to his last-known address, of the appraisals so made. Within a period of thirty days after the mailing of such notice, the claimant shall notify the Commission in writing whether the appraisal so made is accepted as final and binding, or whether a petition for review will be filed as provided in subsection (c). If the claimant fails to so notify the Commission in writing within such period, or if the Commission is notified within such period of the final acceptance of such appraisal, it shall, at the expiration of such period, enter an award on the basis of such appraisal. [and certify such award to the Secretary of the Treasury.]: *Provided, That if the Commission's efforts to notify the respective claimants, or their attorneys have failed to disclose their whereabouts, the Commission may, at the expiration of a period of thirty days from the date of the enactment of the Settlement of Mexican Claims Act Amendments of 1945, enter an award on the basis of such appraisal.*

"(c) In any case in which the Commission is so notified in writing that a petition for review will be filed, the Commission shall prescribe a reasonable period, which may be extended in the discretion of the Commission, within which such petition, together with written legal contentions in support thereof, shall be filed. If no petition for review is filed within the period of any extension thereof prescribed by the Commission, it shall enter an award on the basis of the appraisal in such case. [and certify such award to the Secretary of the Treasury.]

"SEC. 5. * * *

"(c) In connection with any claim decided by the Commission pursuant to this Act in which an award is made, the Commission may, upon the written request of the claimant or any attorney heretofore or hereafter employed by such claimant, determine and apportion the just and reasonable attorneys' fees for services rendered with respect to such claim, but the total amount of the fees so determined in any case shall not exceed 10 per centum of the amount of the award, unless in special circumstances the Commission shall find that a larger fee is just and reasonable. Any fees so determined shall be entered as a part of such award, and payment thereof shall be made by the Secretary of the Treasury. Any person who accepts any compensation for services rendered with respect to such claim, which, when added to any amount previously received on account of such services, will exceed the amount of fees so determined by the Commission, shall, upon conviction thereof, be fined not more than $1,000.

"*(d) In any case in which the Commission shall enter an award, it shall, as soon as practicable, certify such award to the Secretary of the Treasury.*

"[(d)] (e) The Commissions shall, upon the completion of its work, [certify] *transmit* in duplicate to the Secretary of State and to the Secretary of the Treasury the following:

"(1) A list of all claims disallowed;

"(2) A list of all claims allowed, in whole or in part (together with the amount of each claim and the amount awarded thereon) [which have not been previously certified under section 4 (b) or 4 (c)]; and

"(3) A copy of the decision rendered in each case.

"SEC. 8. * * *

"(b) The Secretary of the Treasury is authorized and directed to cover into the fund—

"(1) the sum of $3,000,000, representing the total amount of payments heretofore made by the Government of Mexico under the Agrarian Claims Agreement of 1938;

"(2) the sum of $3,000,000 which was paid by the Government of Mexico upon exchange of ratifications of the Convention signed November 19, 1941;

"(3) such other sums as are paid by the Government of Mexico pursuant to the provisions of the said Convention; and

"(4) the sum of $533,658.95, which is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, and which represents the total amount of awards and appraisals, plus interest, made with respect to the claims on behalf of Mexican nationals against the Government of the United States which were filed with the General Claims Commission.

"(c) The Secretary of the Treasury is authorized and directed, out of the sums covered into the fund pursuant to subsection (b) of this section, and after making the deduction provided for in section 10 (b), to make payments on account of awards and appraisals certified pursuant to sections 4 (b), 4 (c), and 6 (b) of this Act *prior to the date of the amendment of the Settlement of Mexican Claims Act Amendments of 1945,* of an amount not to exceed 30 per centum of the award or appraisal in each case, exclusive of interest; *and, on and after July 1, 1945, the Secretary of the Treasury is authorized and directed, out of the sums covered into the fund pursuant to subsection (b) of this section, and after making the deduction provided for in section 10 (b), to make an additional payment on account of awards and appraisals certified pursuant to sections 4 (b), 4 (c), and 6 (b) of this Act prior to the date of the enactment of the Settlement of Mexican Claims Act Amendments of 1945, of an amount not to exceed 10 per centum of the award or appraisals in each case, exclusive of interest.*

"(d) *On or after July 1, 1945,* the Secretary of the Treasury is authorized and directed, to the extent that it may be possible to do so out of the sums covered into the fund pursuant to subsection (b) of this section, and after making the deduction provided for in section 10 (b)—

"(1) to make similar payments of not to exceed [30] *40* per centum on account of the principal amount of the award certified pursuant to section 5 (d) of this Act."

I. GENERAL STATEMENT

This joint resolution supplements a convention between the United States and Mexico, signed on November 19, 1941 (56 Stat. 1347), and the act of 1942. The convention provides for the adjustment of certain outstanding claims of each country against the government of the other country which arose between 1868 and 1940.

Under this agreement, the United States is relieved of all liability toward Mexico with respect to certain claims of Mexican nationals against this Government, and Mexico agrees to pay a total of $40,000,000 in full settlement of the American claims comprehended by article I. The convention credits against this amount a sum of $3,000,000 which had been paid prior to the signing of the convention. It provides also for the payment of $3,000,000 on the date of the exchange of ratifications. The balance is to be paid in annual instalments of not less than $2,500,000, beginning I year after the signing of the convention. A sum of $13,500,000 has already been paid by Mexico.

After the convention became effective, it was necessary, in order to carry out its purpose, to enact legislation providing for the distribution of the funds paid and payable by Mexico among those American nationals whose claims may be proved meritorious. The act of 1942 was enacted for that purpose. It establishes the American Mexican Claims Commission, hereinafter referred to as the Commission, which is composed of three members, to examine and render final decisions in certain types of unadjudicated claims and to hear appeals in other types of cases.

II. PURPOSE OF THE PROPOSED AMENDMENTS

The primary purpose of the proposed joint resolution is fourfold:

1. To raise the limit of the initial amount payable to awardees after certification of the awards to the Secretary of the Treasury.

2. To dispose of certain cases in which the whereabouts of claimants or their attorneys is unknown.

3. To provide for the completion of the Commission's work.

4. To extend the above-mentioned initial payment to all categories of awards certified to the Secretary of the Treasury by the Commission.

III. EXPLANATION OF THE PROPOSED AMENDMENTS

The following detailed explanation of the proposed amendments deals with the abovementioned purposes seriatim. It also covers certain amendments of minor importance. Changes in the existing law and the reasons therefor are pointed out under the respective headings.

A. Increase of the limit of the initial payment to awardees

Section 8 (c) of the act of 1942 creates in the Treasury of the United States a special fund known as the Mexican claims fund, out of which all payments to awardees are made. Pursuant to section 10 (b) of the act there is deducted from each such payment an amount equal to 5 percent thereof as reimbursement for the expenses incurred by the United States. Under section 8 (b) of the act there are covered into this fund all sums paid or payable by Mexico as well as an amount of $533,658.25 from unappropriated moneys in the Treasury which represented the total amount of awards and appraisals, plus interest, made with respect to claims of Mexican nationals against this Government which were filed with the General Claims Commission.

According to section 8 (c) of the act, the Secretary of the Treasury is authorized, out of the Mexican claims fund, and after making the deduction provided for in section 10 (b), to pay an amount not to exceed 30 percent of the award or appraisal, exclusive of interest, in the cases comprehended by section 8 (c).

Section 3 of the proposed joint resolution amends section 8 (c) by raising the limit of this initial payment to an amount not to exceed 40 percent of the award or appraisal, exclusive of interest.

The amount already covered into the Mexican claims fund is sufficient to justify a higher percentage of payment than the maximum of 30 percent authorized in the act. It is, of course, desirable that claimants be paid additional sums as soon as they are available.

Up to date there have been certified to the Treasury awards amounting to $28,507,672.51. This amount consists of (1) a sum of $2,800,627.18, comprising all the awards certified by the Secretary of State pursuant to section 6 (b) of the act of 1942, and (2) a sum of $25,707,045.33, certified by the Commission pursuant to sections 4 (b) and 4 (c) of the act. The maximum additional amount certifiable by the Commission under sections

4 (b) and 4 (c) prior to the completion of its work is about $83,000.

According to section 5 (d) of the act, awards by the Commission not certifiable to the Treasury pursuant to sections 4 (b) and 4 (c) cannot be certified for payment until the Commission's work is completed. It follows that, under the act, the maximum amount that can be certified to the Treasury prior to that time is about $28,590,672.51.

Forty percent of the total just mentioned amounts to $11,436,269. The amount already covered into the Mexican claims fund from payments by Mexico plus the above-mentioned appropriations of $533,658.95 is $14,033,658.95. It follows that, if 40 percent is paid on all awards which, under existing law, can be certified to the Treasury prior to the completion of the Commission's work, there would be left in the said fund a balance of about $2,597,389.95.

As stated hereinafter, it is proposed that the authority of the Commission be extended to April 5, 1947, by which date Mexico will have been under obligation to pay an additional sum of not less than $5,000,000; that is, two annual installments, on the 19th of November of 1945 and 1946, respectively. This sum, plus the above-mentioned balance of $2,597,389.95, would amount to $7,597,389.95. The sum just mentioned is 40 percent of $18,993,474.87. On the basis of awards of prior commissions and those so far made by this Commission, it is estimated that the awards on claims decided and to be decided by this Commission will not exceed $14,029,126.

Under the proposed joint resolution all awards by the Commission would be certifiable to the Treasury prior to the completion of its work and would be payable as soon as possible after certification. The Commission would have to render awards totaling $19,000,000 in round figures, in addition to those already certified, before the amount covered and to be covered in the Mexican claims fund through November 1946, would be exhausted by the payment of 40 percent of the awards. Even if the Commission's awards, as certified under the proposed amendment, amount to more than $19,000,000, it should be borne in mind that under sections 8 (c) and 8 (d) of the act the Secretary of the Treasury is authorized to pay less than the maximum of 80 percent, and that under the proposed amendment he would have discretion to pay less than the maximum of 40 percent. However, if distribution of an additional 10 percent on awards now certified were authorized and paid under proposed section 8 (c), the obligation to distribute 40 percent on awards in claims decided by this Commission would follow under proposed section 8 (d).

With regard to balances to be available from time to time for payments on awards in claims which it will decide and certify, this Commission would, under authority of proposed section 5 (d), enter and certify such awards only at times when sufficient balances are available in the fund to make the 40-percent payments proposed by section 8 (d) (1).

After the initial payment of 40 percent of the amount of the awards, there would be no distribution of any additional sum until the work of the Commission is completed. According to section 8 (d) (2), payments with respect to the balance of the amounts due on the awards are to be made pro rata from the funds available for distribution at the time such payments are made. The amount ultimately to be paid to awardees in final settlement cannot be definitey determined until all claims comprehended by the convention of November 19, 1941, are adjudicated by the Commission. However, as stated, there would appear to be sufficient funds to justify raising the limit of the initial payment.

Since the balance of the awards after the initial payment would not be payable until the completion of the Commission's work, it is desirable to make available to claimants in the meantime and as soon as practicable as much money as may be available.

B. Disposition of cases in which the whereabouts of the claimants or their attorneys is unknown

Section 4 (b) of the act of 1942 requires the Commission to notify each claimant, or his attorney, by registered mail to his last-known address of the respective appraisals heretofore made by the Commissioner designated by the United States pursuant to the General Claims Protocol between the United States and Mexico signed April 24, 1934 (48 Stat. 1844), and by the Commissioner designated by the United States pursuant to the agreement between the two countries effected by exchange of notes signed on November 9 and 12, 1938, respectively, also known as the Agrarian Claims Agreement of 1938 (53 Stat. 2442). These Commissioners were Hon. Oscar W. Underwood, Jr., and Hon. Lawrence M. Lawson, respectively. The Commission has been given authority to review these appraisals in cases in which petitions for review are filed. The Commission has endeavored to communicate with the respective claimants or their attorneys. However, in a few cases, repeated efforts on its part have failed to disclose their whereabouts. While it may be argued that the Commission has authority under existing law to render final awards in those few cases in which the whereabouts is unknown, it would be preferable, in order to avoid any contentions regarding the jurisdiction of the Commission in this respect, to have a provision definitely authorizing it to render such decisions.

Section 4 of the proposed joint resolution amends section 4 (b) of the act of 1942 by providing that, if the Commission's efforts to notify the respective claimants or their attorneys, have failed to disclose their whereabouts, the Commission may, at the expiration of a period of 30 days from the approval of the joint resolution, enter an award on the basis of the appraisal heretofore made by either of the above-mentioned Commissioners and certify such award to the Secretary of the Treasury.

C. Completion of the work of the Commission

Section 2 (d) of the act provides that the functions of the Commission shall terminate at the expiration of 2 years after the date on which a majority of its members first appointed took office, April 5, 1943, the President being given authority to fix an earlier termination date by Executive order. Section 5 of the proposed joint resolution extends the authority of the Commission from 2 to 4 years, so that its functions would cease on April 5, 1947, unless previously terminated by Executive order.

The reason for the proposed amendment is that the additional time is necessary for the disposal of the business before the Commission.

The bill which subsequently became the act, as originally introduced, provided for the establishment of two commissions to determine the merits of claims while the act places this function solely on the Commission. Furthermore, the said bill, as originally introduced, made final and binding the previous determinations by Commissioners Underwood and Lawson, respectively, concerning the review claims mentioned above, while section 4 of the act authorizes the Commission, within its discretion, to examine and render final decisions in those cases in which the said Commissioners have rendered appraisals. The consideration of this class of claims by the Commission requires much more time and effort than the other categories of claims within its jurisdiction. In passing upon a petition for review of an appraisal, the Commission must examine the claim with a view to rendering a decision as to whether the petition should be granted, and, subsequently, should the petition be allowed, must consider the claim for the purpose of rendering final decision on the merits of the case. In the circumstances set forth, the work of the Commission as provided in the act is more than double the work contemplated by the bill which subsequently became the act, as originally introduced.

The magnitude of the work imposed on the Commission by authorizing it to review the appraisals of Commissioners Underwood and Lawson may be judged by the fact that, in order to comply with the provisions of section 4 (b) of the act, which requires notification of each claimant or his attorney of the previous appraisals with a view to affording him an opportunity to petition for review, the Commission was obliged to send over 5,000 letters to attorneys and claimants notifying them of their right to file petitions for review.

As a result of the inclusion of review claims within the jurisdiction of the Commission, it is also obliged to consider applications for extension of time within which to file petitions for review as well as petitions for leave to file additional evidence pursuant to section 4 (d) of the act. In the latter case, it must examine the proffered additional evidence and render a decision as to its admissibility under applicable provisions of law. All these matters require considerable correspondence between the Commission and the parties concerned.

Besides the work involved as a result of the inclusion of review claims within its jurisdiction, the Commission undertook to advise claimants as to the preparation of new claims filed pursuant to paragraphs (1), (2), (3), and (4) of section 3 (a) of the act. The act did not require the Commission to assume this additional work. However, since all the other categories of claimants had an opportunity to receive the benefit of advice regarding the preparation of their claims, it was believed fair and equitable to afford new claimants a similar opportunity. This undertaking, not required either by the original bill or by the act, added considerably to the amount of the work of the Commission. It involves much correspondence between the Commission and the claimants.

The Commission has examined 504 claims pursuant to sections 4 (b) and (c) of the act and as a result of such examination it has certified to the Secretary of the Treasury awards amounting to $24,422,429.29. In addition, the Commission has, up to date, rendered, in pending cases, 162 decisions as follows: Petitions for review granted, 51; petitions for review denied, 45; special claims, 22; new claims, 7; and claims on review, 37. Claims in which petitions for review are granted are considered de novo by the Commission. Also, pursuant to section 4 (c) of the act, pecuniary awards amounting to $1,284,616.24 were certified to the Secretary of the Treasury in 28 of the cases in which petitions for review have been denied and there are ready for certification 17 additional such claims in which there are no pecuniary awards. Thus the total amount of awards certified by the Commission to the Secretary of the Treasury to date is $25,707,045.33.

Under section 5 (d) of the act any award which may be made in claims wherein petitions have been granted may not be certified for payment prior to the completion of the Commission's work. The proposed resolution would grant authorization of certification of such awards as soon as practicable after their rendition. This proposal is discussed in detail hereinafter.

The following classes of claims are yet pending for decision before the Commission: 123 new claims, under paragraphs (1), (2), (3), and (4) of section 3 (a) of the act; 36 special claims, under section 3 (a) (5) of the act; 14 cases wherein petitions for review have been granted under section 4 (d) of the act; 245 claims (including Texas cattle claims) pending for review, under section 4 of the act.

D. Extension to all categories of claims of benefit of initial payment on certification of award

Under section 8 (c) of the act of 1942, the Secretary of the Treasury is authorized, after making the deductions provided for in section 10 (b) of the act, to make payments on account of awards and appraisals certified pursuant to sections 4 (b), 4 (c), and 6 (b) only. The categories of claims comprehended by the sections just mentioned are (1) claims in which the appraisals heretofore made are accepted by the claimants; (2) claims in which the claimants fail to notify the Commission whether the awards are accepted or whether petitions for review will be filed; (3) cases in which petitions for review are not filed within the time fixed by the Commission; (4) cases in which petitions for review are denied; (5) cases in which decisions have been rendered by the General Claims Commission, United States and Mexico, except in the cases in which the decision was not rendered by that Commission in conformity with its rules of procedure; and (6) cases in which appraisals have been agreed upon by the Commissioners designated by the Governments of the United States and Mexico, respectively, pursuant to the aforesaid General Claims Protocol between the United States and Mexico signed April 24, 1934.

Pursuant to sections 4 (b) and 4 (c), the Commission must certify awards in the first four categories of cases just enumerated while, under section 6 (b), the Secretary of State must certify to the Secretary of the Treasury lists of the awards and appraisals made in the last two classes of claims mentioned in the preceding paragraph. Section (d) of the act provides that the Commission shall certify awards to the Secretary of the Treasury in other classes of claims than the ones comprehended by section 8 (c) when the Commission's work is completed. Pursuant to section 8 (d) of the act, the initial payment of not more than 30 percent, which it is now proposed to raise to 40 percent, cannot be made in those other categories of claims, i. e., in cases not envisaged by section 8 (c), until the Commission's work is completed.

The proposed amendments are intended to authorize the Secretary of the Treasury, to the extent that it may be possible to do so out of the sums covered into the Mexican claims fund, and after making the deduction provided for in section 10 (b), to make the initial payment in cases other than those mentioned in section 8 (c), exclusive of interest, after the certification of the awards and appraisals by the Commission. For this purpose section 1 of the proposed joint resolution amends section 5 of the act by adding a new subsection numbered (d) which provides that in any case in which the Commission shall enter an award, it shall, as soon as practicable, certify such award to the Secretary of the Treasury. Section 6 of the proposed joint resolution amends section 8 (d) (1) by authorizing the Secretary of the Treasury to make payments of not to exceed 40 percent on account of the principal amount of the awards certified pursuant to the new subsection (d). The result of these two amendments is (1) to authorize the Commission to certify any award to the Secretary of the Treasury as soon as practicable after it is made, and (2) to authorize the Secretary of the Treasury to make the payments of not to exceed 40 percent after completing similar payments with respect to the cases envisaged by section 8 (c) of the act.

To summarize the order of payments under section 8 (c) of the act as amended: The Secretary of the Treasury may pay to claimants whose awards have been certified an amount not to exceed 40 percent of the award, exclusive of interest. Under section 8 (d) (2), which is not to be amended, after completing the payments just mentioned, he may make pro rata payments with respect to the balance due on the awards, exclusive of interest. And finally, under section 8 (d) (3), which also remains unchanged, after payment of the principal amounts of all awards and appraisals he may make pro rata payments on account of accrued interest on such awards and appraisals as bear interest.

As stated above, there are already in the Treasury sufficient funds to pay an amount not to exceed 40 percent of the principal amount of the awards or appraisals that may be certified under existing law. The payments which are to be made by Mexico, and the authority given to the Secretary of the Treasury to pay an amount less than 40 percent, justify a provision extending payment of the initial amount to all classes of cases certified by the Commission. The proposed amendment will enable claimants whose cases cannot be certified by the Commission under existing law to receive an amount not to exceed 40 percent without being obliged to wait until the Commission's work is completed. It is believed that such an equalization with respect to the treatment of the various categories of claims is desirable and fair.

E. Short title of joint resolution

Section 8 provides that the joint resolution may be cited as the "Settlement of Mexican Claims Act Amendments of 1945."

IV. RECOMMENDATIONS

The joint resolution has received the approval of both of the Departments concerned, the Department of State and the Treasury Department. Their reports are hereafter set forth. The Bureau of the Budget has advised both Departments that it has no objection to the submission of such reports to this committee.

TREASURY DEPARTMENT,
Washington, March 10, 1945.

Hon. SOL BLOOM,
Chairman, Committee on Foreign Affairs,
House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your informal request for a report on House Joint Resolution 115, Settlement of Mexican Claims Act Amendments of 1945.

It is noted that this resolution incorporates the suggestions made in my letter of March 6, 1945, to you on the subject of House Joint Resolution 108. The proposed legislation with the suggested revisions was informally cleared by this Department with the Bureau of the Budget.

The Treasury Department has no objections to the enactment of House Joint Resolution 115.

Very truly yours,

D. W. BELL,
Acting Secretary of the Treasury.

TREASURY DEPARTMENT,
Washington, March 6, 1945.

Hon. SOL BLOOM,
Chairman, Committee on Foreign Affairs,
House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: Futher reference is made to your letter of February 20, 1945, on the subject of House Joint Resolution 108, Settlement of Mexican Claims Act Amendments of 1945.

Before the introduction of this joint resolution, representatives of this Department had several conferences with members of the American Mexican Claims Commission in regard to legislation of this nature. With the exceptions hereinafter noted, the Treasury Department has no objection to the enactment of House Joint Resolution 108.

It is probable that some awards considered and entered by the American Mexican Claims Commission under the provision of section 4 (b) and 4 (c) may be certified for payment after the enactment of the joint resolution. If such awards are certified for payment under section 4 (b) and 4 (c), it would appear that the Secretary of the Treasury is directed immediately to make a 30-percent payment upon them. The language beginning at line 25 on page 2 and continuing on line 1 of page 3 of the joint resolution seems to prevent a payment after July 1, 1945, of an additional amount not in excess of 10 percent upon these awards. However, conversations with the American Mexican Claims Commission and the staff of the Legislative Counsel's office of the House of Representatives lead me to believe that such result is not intended. In an effort to avoid the possibility of ambiguity, it is suggested that the proposed joint resolution be revised in the following particulars:

(a) By inserting in line 16 on page 2 following the word "Act": "Prior to the date of the enactment of the Settlement of Mexican Claims Act Amendments of 1945";

(b) By eliminating the following language found in the eighteenth line on page 3: "and certify such award to the Secretary of the Treasury";

(c) By eliminating the following language to be found beginning on line 24 and continuing on line 25 on page 3: "and certify such award to the Secretary of the Treasury";

(d) By eliminating the following language to be found in the act beginning on the eighth line and continuing on the ninth line of section 4 (c): "and certify such award to the Secretary of the Treasury."

If the joint resolution is revised in accordance with the above suggestions, it is believed that all certifications made by the American Mexican Claims Commission after the enactment of the joint resolution will be made under the provisions of the new section 5 (d). By virtue of the proposed amendment of section 8 (d) of the act, which may be found on page 4 of the joint resolution, all awards certified pursuant to the new section 5 (d), including those considered and entered by the Commission under sections 4 (b) and 4 (c) after enactment of the legislation, would receive an initial payment not to exceed 40 percent after July 1, 1945.

Since receipt of your letter of February 20, 1945, we have conferred with Commissioner Gold, of the American Mexican Claims Commission, with regard to the above-suggested revisions and he has advised us that the Commission is in accord with the suggestions.

As hereinbefore stated, this Department has no objections to the enactment of House Joint Resolution 108 other than those set forth in this letter.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

D. W. BELL,
Acting Secretary of the Treasury.

DEPARTMENT OF STATE,
Washington, March 8, 1945.

The Honorable SOL BLOOM,
Chairman, Committee on Foreign Affairs,
House of Representatives.

MY DEAR MR. BLOOM: Further reference is made to House Joint Resolution 115, a joint resolution relative to determination and payment of certain claims against the Government of Mexico.

The proposed legislation contemplates certain amendments to the Settlement of Mexican Claims Act of 1942, approved December 18, 1942 (56 Stat. 1058), which amendments are discussed and explained in a memorandum prepared by the American Mexican Claims Commission, a copy of which is understood to have been furnished to the committee.

As you know, section 2 (d) of the above-mentioned act provides, in effect, that the

Commission shall complete its functions within a period of 2 years after the date on which a majority of its members took office. The Commissioners took office on April 5, 1943, and consequently the 2-year period specified in the act expires April 5, 1945. Since it seems to be clear that, as a matter of fact, the work of the Commission has not progressed to such an extent as to enable it to complete its functions before the expiration of the prescribed 2-year period, it would seem desirable that the period be extended.

While the Department perceives no objection to the proposed amendments relating to the matter of making payments on awards or appraisals certified to the Secretary of the Treasury, it is suggested that that aspect of the matter is primarily of interest to the Treasury Department.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

JOSEPH C. GREW,
Acting Secretary.

Mr. BLOOM. It all comes to the citizens of this country.

Mr. STEFAN. I am not making any point about the appropriation, but I am objecting to an important bill coming up by unanimous consent which extends a very important commission. I think it should come up in the regular way.

Mr. BLOOM. We have got to get this out of the way in order to have it passed by the Senate, if we are going to adjourn over Easter. May I say to the gentleman that the Mexican Government is paying us two and a half million dollars a year and this money is being distributed to American claimants.

Mr. STEFAN. I am in favor of that, but I think the bill is too important to come up here with a half dozen Members on the floor of the House. I suggest, Mr. Speaker, that this go over until tomorrow.

Mr. BLOOM. There is no objection to it. Not a witness appeared before the committee against it, and I wish the gentleman would not object.

Mr. RABAUT. Mr. Speaker, reserving the right to object, the gentleman from Nebraska is familiar with the Mexican Claims Commission.

Mr. STEFAN. Yes; I am familiar with the Mexican Claims Commission, and I am in sympathy with the work they are doing. There is no money in this bill to continue it, but I am wondering about the practice of bringing up a very important piece of legislation in the last minutes of the session. I think the Members of the House should have some knowledge of the bill. I suggest it go over until tomorrow.

Mr. RABAUT. I may say to the gentleman that the gentleman from New York has been on the floor two or three times today.

Mr. BLOOM. I have been here since 12 o'clock.

Mr. STEFAN. I think the principle of passing important legislation such as this is in this way is bad.

Mr. BLOOM. There is nothing to it.

Mr. STEFAN. There is something to it. A bill continuing an important Commission like that is important and I do not believe in the principle of passing it by unanimous consent at this late hour.

Mr. BLOOM. The importance is to the claimants, and these are American claimants.

Mr. STEFAN. What difference will it make if we wait and pass it tomorrow? It does not expire until April 5. I ask that it go over until tmorrow.

The SPEAKER. The Chair may say to the gentleman from Nebraska that the Chair would have recognized the gentleman from New York earlier in the day but members of the Committee on Appropriations asked that nothing intervene between the vote on the rule to send the May bill to conference and the consideration of their bill. That is the reason why it is coming up at this time of the day instead of earlier.

Mr. STEFAN. Mr. Speaker, I respectfully request that it go over until tomorrow and then we can agree.

The SPEAKER. Will the gentleman from New York withdraw his request?

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

EXTENSION OF REMARKS

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an address delivered by the gentleman from Minnesota [Mr. KNUTSON].

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

There was no objection.

Mr. TABER. Mr. Speaker, on behalf of the gentleman from South Dakota [Mr. MUNDT] I ask unanimous consent that he may extend his remarks in the RECORD and include an editorial from the Washington Post.

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

There was no objection.

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances, to include in one an article which appeared in the Leatherneck, a Marine magazine, in reference to a young boy in his district who was killed in action; in the second, to include an editorial that appeared in the Evening Star, and in the third to include a communication.

Mr. EARTHMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a clipping from a newspaper.

Mr. HAYS asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. PATMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include certain statements.

Mr. BLOOM asked and was given permission to extend his remarks in the RECORD and include an article by Mr. Kent Cooper of the New York Times.

Mr. GIBSON (at the request of Mr. RABAUT) was given permission to extend his remarks in the RECORD.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to insert as part of my remarks on the Mexican claims bill the committee report.

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

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LUTHER A. JOHNSON (at the request of Mr. THOMASON), for today, on account of illness.

To Mr. GORDON, for 10 days, on account of illness in family.

ADJOURNMENT

Mr. EARTHMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 36 minutes p. m.) the House adjourned until tomorrow, Thursday, March 15, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Thursday, March 15, 1945, to resume hearings on H. R. 1362, railroad retirement bill.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold open hearings on Thursday, March 15, 1945, at 10 a. m., on H. R. 1425.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads on Thursday, March 15, 1945, at 10 a. m., to continue hearings on parcel-post rates.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet in executive session at 10:30 a. m., on Thursday, March 15, 1945, in the committee room, 356 House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads on Friday, March 16, 1945, at 10 a. m., at which time hearings will be had on H. R. 1121 and H. R. 2543, bills to require weekly newspapers enjoying mailing privileges to make sworn statements with respect to their circulation.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will hold hearings on Tuesday, March 20, at 10:30 o'clock a. m., in room 247, House Office Building, on H. R. 128, a bill to extend the period of the Philippine Insurrection so as to include active service with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, between July 5, 1902, and December 31, 1913.

The Committee on Invalid Pensions will continue hearings on Wednesday, March 21, at 10:30 o'clock a. m., in the committee room, 247 House Office Building, on H. R. 128, a bill to extend the period of the Philippine Insurrection for pensionable purposes for service rendered between July 5, 1902, and December 31, 1913.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

303. A letter from the assistant secretary-treasurer of the American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas, transmitting a copy of the report on the amended quarterly estimate of personnel requirements for the quarter ending March 31, 1945; to the Committee on the Civil Service.

304. A letter from the Director of the Division of Administrative Management of the National War Labor Board, transmitting a quarterly estimate of the personnel requirements of the National War Labor Board for the fourth quarter of the fiscal year 1945; to the Committee on the Civil Service.

305. A letter from the Administrative Assistant to the Secretary, Department of Commerce, transmitting quarterly estimates of personnel requirements for the various ceiling units of the Department of Commerce for the period April–June 1945; to the Committee on the Civil Service.

306. A letter from the Administrator, National Gallery of Art, Smithsonian Institution, transmitting a copy of the report on the quarterly estimate of personnel requirements for the quarter ending June 30, 1945; to the Committee on the Civil Service.

307. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944; to the Committee on Claims.

308. A letter from the Attorney General, transmitting a draft of a proposed bill to provide for the detention, care, and treatment of persons of unsound mind in certain Federal reservations in Virginia and Maryland; to the Committee on the Judiciary.

309. A letter from the Acting Deputy Director of the Office of Civilian Defense, transmitting copies of quarterly estimate of personnel requirements for the quarter ending June 30, 1945, covering regular operations of the Office of Defense and its protective property program; to the Committee on the Civil Service.

310. A letter from the Director of the Office of Defense Transportation, transmitting a copy of the Budget Bureau form on the quarterly estimate of personnel requirements during the quarter ending June 30, 1945; to the Committee on the Civil Service.

311. A letter from the Director of the Office of Censorship, transmitting a copy of the quarterly estimate of personnel requirements for the Office of Censorship for the quarter ending June 30, 1945; to the Committee on the Civil Service.

312. A letter from the Archivist of the United States, transmitting a copy of the quarterly estimate of personnel requirements for The National Archives for the quarter ending June 30, 1945; to the Committee on the Civil Service.

313. A letter from the Director, Office of War Mobilization and Reconversion, transmitting a copy of the quarterly estimate of personnel requirements for the Office of War Mobilization and Reconversion for the quarter ending June 30, 1945; to the Committee on the Civil Service.

314. A letter from the Chairman, United States Maritime Commission, transmitting a copy of his letter, with attachments, to the Director of the Bureau of the Budget, transmitting quarterly estimate of personnel requirements for the United States Maritime Commission for the period ending June 30, 1945; to the Committee on the Civil Service.

315. A letter from the Chairman, Federal Power Commission, transmitting the quarterly estimate of personnel requirements for the Federal Power Commission covering the period ending June 30, 1945; to the Committee on the Civil Service.

316. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill for the relief of Ensign Elmer H. Beckmann, United States Naval Reserve; to the Committee on Claims.

317. A letter from the Administrator, War Shipping Administration, transmitting a copy of his letter to the Director of the Bureau of the Budget, submitting the civilian personnel ceiling limitation request for the fourth quarter of the fiscal year 1945 for the activities of the War Shipping Administration; to the Committee on the Civil Service.

318. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to approve the cancelation of the sum of $23,090.62 expended for drainage works to serve non-Indian-owned land under the Uintah Indian irrigation project, Utah; to the Committee on Indian Affairs.

319. A letter from the Archivist of the United States, transmitting lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380); to the Committee on the Disposition of Executive Papers.

320. A letter from the Archivist of the United States, transmitting lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380); to the Committee on the Disposition of Executive Papers.

321. A letter from the Acting Secretary of the Navy, transmitting a draft of a bill to further insure the military security of the United States by preventing disclosures of information secured through official sources which the War and Navy Departments recommend be enacted into law; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PRIVATE 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. CASE of New Jersey: Committee on Claims. H. R. 1617. A bill for the relief of Hugh M. Gregory; with amendment (Rept. No. 334). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. BAILEY:

H. R. 2608. A bill to establish a Model Aircraft Division in the Civil Aeronautics Administration to encourage American youth in the science of aeronautics; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 2609. A bill to authorize the admission into the United States of Eastern Hemisphere Indians of India and descendants of Eastern Hemisphere Indians of India, under the quota for India, to make them racially eligible for naturalization, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. GIBSON:

H. R. 2610. A bill to authorize correspondence schools to participate in the program for the education of veterans; to the Committee on World War Veterans' Legislation.

By Mr. LATHAM:

H. R. 2611. A bill to establish a Department of Veterans' Affairs, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. BAILEY:

H. R. 2612. A bill to promote domestic invention and industry; to amend the patent laws so as to prevent and eliminate the abuse of the patent system by international cartels, and otherwise to make illegal international cartel practices impairing domestic industry and foreign trade; to the Committee on Patents.

By Mr. FERNANDEZ:

H. R. 2613. A bill to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico; to the Committee on Agriculture.

By Mr. HARE:

H. R. 2614. A bill to require substitute rural letter carriers to serve their routes on national holidays at the expense of the United States; to the Committee on the Post Office and Post Roads.

By Mr. McGEHEE:

H. R. 2615. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942; to the Committee on Claims.

By Mr. JENKINS:

H. R. 2616. A bill to establish a Food Administration in the Department of Agriculture, and for other purposes; to the Committee on Banking and Currency.

By Mr. PATMAN:

H. R. 2617. A bill to provide for the distribution of motor-vehicle tires, and for other purposes; to the Committee on Banking and Currency.

By Mr. BOYKIN:

H. J. Res. 123. Joint resolution to quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; to the Committee on the Judiciary.

By Mr. CELLER:

H. J. Res. 124. Joint resolution to quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; to the Committee on the Judiciary.

By Mr. TOLAN:

H. J. Res. 125. Joint resolution to quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; to the Committee on the Judiciary.

By Mr. CORBETT:

H. J. Res. 126. Joint resolution proposing an amendment to the Constitution of the United States relating to the method of confirmation of Presidential appointments; to the Committee on the Judiciary.

By Mr. MURDOCK:

H. Res. 185. Resolution authorizing the Committee on Irrigation and Reclamation to continue an investigation of plans for the improvement of western rivers, as well as the Columbia River, as authorized by House Resolution 262 of the Seventy-eighth Congress; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HARLESS of Arizona:

H. R. 2618. A bill for the relief of settlers on the International Strip at Nogales, Ariz.; to the Committee on Claims.

By Mr. HARTLEY:

H. R. 2619. A bill expediting the naturalization of Dr. Alexander Sebo; to the Committee on Immigration and Naturalization.

By Mr. McGEHEE:

H. R. 2620. A bill for the relief of Leslie O. Allen; to the Committee on Claims.

By Mr. McMILLAN of South Carolina:

H. R. 2621. A bill for the relief of Haselden & Huggins Co.; to the Committee on Claims.

By Mr. SASSCER:

H. R. 2622. A bill for the relief of George N. Cox, Jr.; to the Committee on Military Affairs.

By Mr. SIKES:

H. R. 2623. A bill for the relief of William Andrew Evans; 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:

194. By Mr. ANDREWS of New York: Resolution of the Association of Ex-Members of Squadron A on universal military training; to the Committee on Military Affairs.

195. By Mr. BRYSON: Petition of Bertha Holmes and 48 other citizens of Cleveland, Ohio, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

196. Also, petition of Lillian Smith and 46 other citizens of Cleveland, Ohio, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

197. By the SPEAKER: Petition of the Congress of Retailers of Puerto Rico, petitioning consideration of their resolution with reference to the establishment in that island of a democratic system of government based upon the will of the Puerto Rican people itself; to the Committee on Insular Affairs.

198. Also, petition of the Pan-European Conference, New York City, N. Y., petitioning consideration of their resolution with reference to the establishment of a European union and the plans for a world security organization; to the Committee on Foreign Affairs.

SENATE

THURSDAY, MARCH 15, 1945

(Legislative day of Monday, March 12, 1945)

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, bowing for a hallowed moment at this shrine of Thy grace, we acknowledge before Thee that our lives are restless pools; we are disturbed by the social turmoil of our times, burdened by many anxieties, tempted to cynicism by human cruelty and perversity, often disheartened by human folly which seems to profit so little by bitter reaping. We would lay our problems and tasks before Thee, not to escape them but praying for Thy empowering so that with strength and courage we may carry them with a new gallantry.

May our attitudes and hopes widen every area of good will within the reach of our influence. In a divided and violent world may we be among those whom the generations to come shall call blessed, because our records shall write our names among today's peacemakers. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, March 14, 1945, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Austin	Gurney	O'Mahoney
Bailey	Hart	Overton
Ball	Hatch	Pepper
Bankhead	Hawkes	Radcliffe
Barkley	Hayden	Reed
Bilbo	Hickenlooper	Robertson
Brewster	Hill	Russell
Bridges	Hoey	Saltonstall
Briggs	Johnson, Calif.	Shipstead
Buck	Johnson, Colo.	Smith
Burton	Johnston, S. C.	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Taylor
Byrd	Lucas	Thomas, Okla.
Capehart	McCarran	Thomas, Utah
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Connally	McMahon	Vandenberg
Cordon	Magnuson	Wagner
Donnell	Maybank	Walsh
Downey	Millikin	Wheeler
Eastland	Mitchell	Wherry
Ellender	Moore	White
Ferguson	Morse	Wiley
Fulbright	Murdock	Willis
George	Murray	Wilson
Gerry	Myers	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

The Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from West Virginia [Mr. KILGORE] and the Senator from New York [Mr. MEAD] are absent on public business.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from Idaho [Mr. THOMAS] are necessarily absent.

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

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Senate of the State of Ohio; to the Committee on Foreign Relations:

"Senate Resolution 33

"Resolution requesting that the United States take appropriate measures to the end that Palestine should be opened for free immigration and unrestricted colonization so that the Jewish people may rebuild their ancestral homeland as a free and democratic Jewish commonwealth

"Whereas the Nazi persecution and wholesale slaughter of Jews in Europe have outraged the conscience of the civilized world and have vastly aggravated the tragedy of the Jewish problem there; and

"Whereas at the end of the present war large numbers of European Jews will find themselves in desperate need for a new home where they can rebuild their lives in dignity and security; and

"Whereas, after World War No. 1, Great Britain had accepted at the instance of the Allied and Associated Powers the mandate for Palestine and had undertaken 'to facilitate the establishment of a Jewish national home in Palestine,' an undertaking subsequently approved by 52 nations, including the United States; and

"Whereas this policy was concurred in by a joint resolution unanimously adopted by both Houses of the Congress of the United States on June 30, 1922; and

"Whereas the Democratic and the Republican Party in their national conventions of 1944, adopted platforms in favor of the reestablishment of Palestine as a free and democratic Jewish commonwealth; and

"Whereas the President of the United States on October 15, 1944, expressed his approval of this aim which he stated to be 'in accord with the traditional American policy and in keeping with the spirit of the "four freedoms" ': Be it

"Resolved by the Senate of the State of Ohio, That we of the State of Ohio express our profound sympathy with the millions of innocent victims of the enemy's ruthless extermination policy, and that we demand just punishment of all those who perpetrated these horrible crimes against humanity; and be it further

"Resolved, That the United States should take appropriate measures to the end that Palestine should be opened for free immigration and unrestricted colonization so that the Jewish people may rebuild their ancestral homeland as a free and democratic Jewish commonwealth; and be it further

"Resolved, That copies of this resolution should be forwarded to the President, the Secretary of State, the Senate and the House of Representatives of the United States of America."

By Mr. JOHNSTON of South Carolina:

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Agriculture and Forestry:

"Concurrent resolution urging Congress to provide the necessary funds for the research program of the United States Forest Service, Department of Agriculture

"Whereas approximately 55 percent of the total land area of South Carolina is forest land; and

"Whereas the total volume of standing saw timber in the State, including softwoods 9 inches and larger and hardwoods 13 inches and larger, is in excess of 30,000,000,000 board-feet; and

"Whereas the average gross rate of growth of this timber is 1,700,000,000 board-feet per year; and

"Whereas the value of the forest products manufactured in the State is second only to textiles and is approximately 14 percent of the total value of all industrial production; and

"Whereas the demands for forest products for the war effort have been greater than at any previous time in our history, and the potentialities for the use and development of